



WORLD BANK GROUP

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EDITORIAL

Happy 2021, and may you have health, success, and everything we missed out on in 2020!

We look back at a challenging year for Mauritius, and sadly the global pandemic is still with us. While the country has been able to avoid the acute health crisis that Covid-19 has caused around the globe, the disruptions to the economy and the wellbeing of the population are severe and will not disappear overnight. With a double-digit recession in 2020, and tourism remaining at a standstill, the challenge ahead is to reinvigorate growth and job creation and come back stronger and more resilient than before.

One thing that encourages me about Mauritius is that this country is always looking forward. In this spirit, our newest edition of 'World Bank in Mauritius' looks past the crisis at hand, and into some of the critical areas underpinning a strong and inclusive recovery.

Supporting women's success in the labor market is one of these areas. As Isis Gaddis (Senior Economist) and Marco Ranzani (Poverty Economist) show using labor force data over the last decade, Mauritius has made progress in closing the "gender gap" for labor force participation and equal pay. However, Covid-19 has reversed some of the progress by pushing women back out of the labor force, and a lot remains to be done especially for women with low educational achievement for which the disparities are the largest. Isis and Marco led a project with the aim to listen to these women to better understand the obstacles they continue to face. Key among their recommendations, in addition to investment in childcare and more equitable parental leave, are new ways to think about cultural norms and a more equitable distribution of unpaid house and care work within the family.

My colleague Kathrin Plangemann (Lead Governance Expert), reflects about the importance of strategic planning, and the lessons learned from the successes and failures in this discipline around the world. One of her central points is that having an agile planning system in place is important not only in the medium term but can also help governments respond effectively to unforeseen challenges like Covid-19, and to ensure a strong recovery.

Looking even further ahead, perhaps the most critical factor for Mauritius' continued development success are the very foundations for learning and personal success instilled today in young children. The World Bank has been a partner for education reform in Mauritius for many years, and Lianqin Wang (Lead Education Specialist), Alisa Curimjee (Consultant) and Jee-Peng Tan reflect on what it would take to get everyone off to the right start. Putting more emphasis on the critical early years from 0-5 by providing well-funded early childcare services with the right stimulation could be a win-win that enables more women to work while making sure that all children enter primary school with the right foundations for success.

It is a historical irony that, in the midst of the 2020 recession, Mauritius reached the long-aspired status of High-Income Country as per the World Bank's classification system. While this is based on 2019 pre-Covid data, and the 2020 recession may well bring a drop back to Upper Middle-Income status, it should nevertheless be a moment for reflection on what Mauritians have accomplished through hard work, dedication, and spirit of collaboration!

To close on a personal note, it is historical times like these that we will remember throughout our lives. For my family, this will always be a memory of gratefulness to have spent the storm of 2020 in the relative safety of Mauritius, and of the many acts of kindness we have experienced here.

I hope you will enjoy the read- please keep in touch!



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Labor Market

WOMEN IN THE LABOR MARKET - PROGRESS AND REMAINING OBSTACLES

By Isis Gaddis and Marco Ranzani

After decades of birth rates declining and life expectancy increasing, Mauritius is facing the challenge of an ageing society and shrinking workforce. The UN estimates that the working age population will decline from 899,000 in 2020, to 858,000 in 2030 and 741,000 in 2050. These trends will exacerbate the shortage of skilled workers already felt by many firms today and are structural barriers for Mauritius to achieve sustainable growth and shared prosperity. But at the same time, many women currently do not participate in the labor market. So, what could be done to tap into the talent of the female population and bring more women into the labor force?



Education is key to entry in the labor market

To answer this question, let's first recap what we know about women's labor force engagement.

While there has been a modest increase in female labor force participation over the past decade ...



44.5%
in 2008



48.3%
in 2018

... it is still much lower than male labor force participation (78.9 percent in 2018) and below the OECD average of 52.5 percent.¹

¹ Labor force participation rates are calculated on the population age 16 and above not in education.

If we look at these numbers by education level, we see that women's probability to participate in the labor force is closely related to the level of education they achieve. About 1 in 3 women with no more than primary education participates in the labor market. This compares with more than 2 in 3 women with upper secondary education. For women with post-secondary and tertiary education, labor force participation is above 80 percent, as high as that of men. Large part of the reduction in the gender participation gap can be ascribed to younger cohorts of women entering the labor market in larger numbers than older cohorts of women thanks to, among other factors, higher education, more favorable conditions of employment, norms and attitudes. In recent years, progress in participation has also been followed by improvements in the gender wage gap, but the gap still has not closed. Today, a Mauritian woman working in the private sector makes on average about \$0.85 cents to a dollar made by men, compared with about \$0.72 cents 10 years ago.

GAP IN LABOR FORCE PARTICIPATION OF WOMEN WITH PRIMARY AND TERTIARY EDUCATION IN 2018

Primary Education



Post-Secondary & Tertiary Education



Activating less educated women could counter the macroeconomic effects of a shrinking labor force, thereby fostering economic growth and making it more widely shared. Besides the economic rationale, gender equality and women’s empowerment are fundamental rights and important development objectives in and of themselves, highlighting the need for policy to address social norms and assigned gender roles at the heart of these gaps.

Mauritius leads as top reformer but...

Over the past decade Mauritius enacted several reforms to enhance women’s economic opportunities. Mauritius has been highlighted as a top reformer in the 2019 edition of Women, Business and the Law and improved its overall score. These reforms included, among others, an increase in the length of maternity leave from 12 to 14 weeks in 2015, which brought the country in line with standards of the International Labour Organization on the duration of maternity leave. However, Mauritius still only scores 60 [out of 100] in the sub-indicator “Parenthood”. This reflects that there is currently no system of parental leave and that maternity leave benefits are the liability of the employer as opposed to being funded out of mandatory social security or other public funds. Public funding of maternity leave benefits would shift the financial burden away from individual employers to ensure that there is no bias against recruiting women of childbearing age. In this respect, the country lags behind other middle- and high-income countries, which often have instituted more progressive parental leave legislation funded by social security.

Better parental support, affordable childcare and a change in social norms can help...

So, what could be done to increase female labor force participation? To better understand the constraints that women, particularly those with low levels of education, face in entering the labor force, a World Bank team conducted focus group discussions with low income women in October 2019. These discussions, from which the quotes in this article are drawn, provide us with a more nuanced understanding of what policy options are likely to bring more women into the labor force.

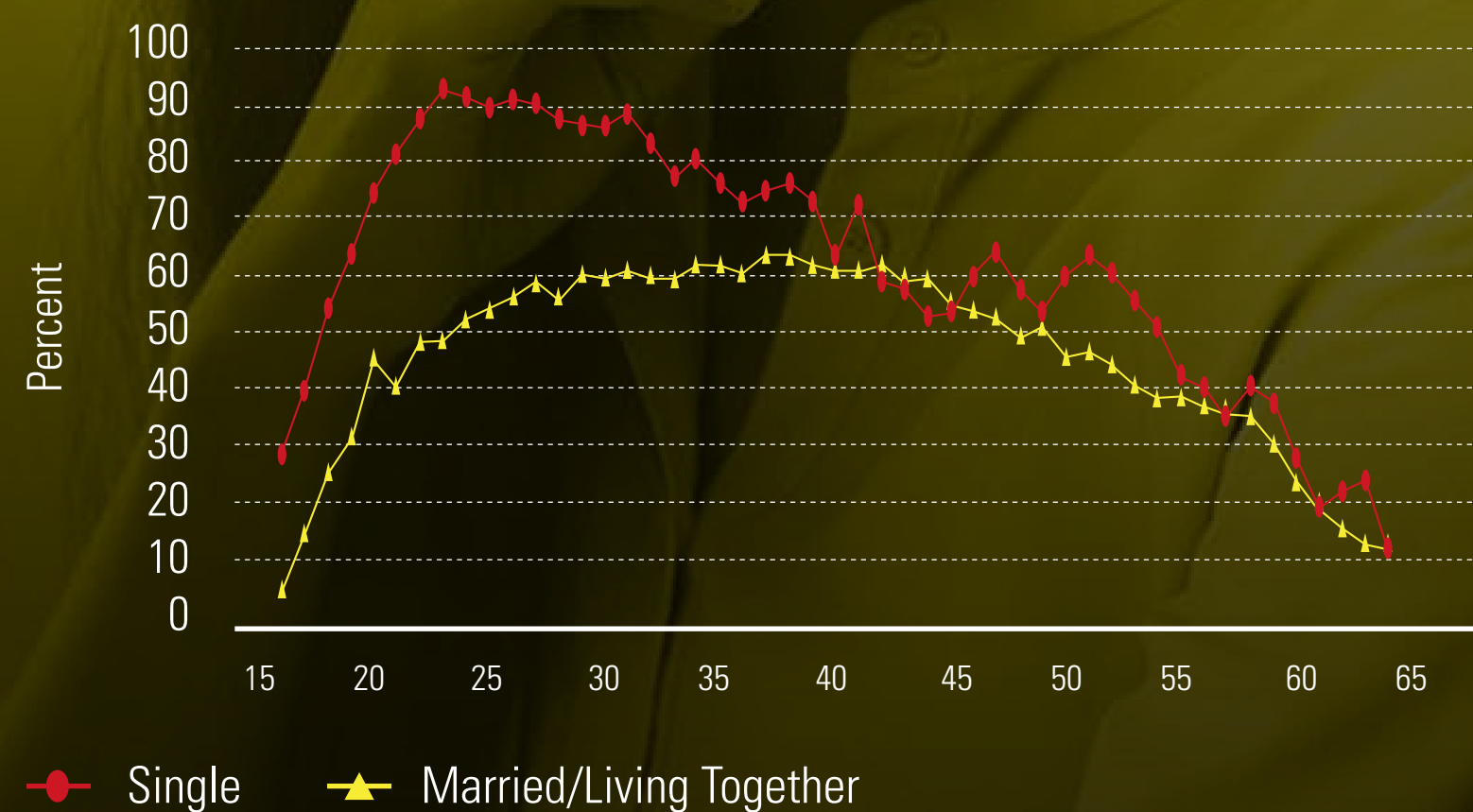
“ I used to work in a beauty and hair salon on a daily basis [...] When I had my first child, I had to go only on Saturdays till she joined school. In the end, it was tiring, and I had to look after my daughter in the morning. I reached work late because I had to send her to school first as I had no one to look after her. I had to stop my job in the beauty and hair salon, because it was difficult to handle my work and family responsibilities. ”

-Transcript from WB focus group discussions with Mauritian women held in Curepipe on October, 12 2019

First, Mauritius could follow the path of an increasing number of high- and middle-income countries offering paid parental leave, which is often supplementary to specific maternity and paternity leave periods. Parental leave can either be a sharable family entitlement or an individual entitlement that each parent can take regardless of the other and may include elements that incentivize uptake by fathers (through bonus months or “daddy quotas”). For example, the province of Quebec in Canada has designed parental leave regulations with “daddy quotas” that earmark some parental leave for use by fathers that have increased uptake by fathers and have led to a more equitable sharing of home and market work between parents. In addition, employers should not be individually liable for the cost of maternity leave benefits and countries should transition from an employer liability to an insurance system, where maternity and other parental benefits are funded by social security. This is because employer liability schemes may work against the



Figure 1: Female labor force participation by marital status, 2008-18



Source: Based on data of the Continuous MultiPurpose Household Survey (CMPHS), Statistics Mauritius.

interests of female workers by disincentivizing employers to hire, retain or promote pregnant workers.

“ I had difficulties in balancing both work and children, especially during school holidays. I found a kindergarten, but it was too expensive and opened only during weekdays, which was inconvenient for me as I also work on Saturdays. ”

-Transcript from WB focus group discussions with Mauritian women held in Curepipe on October, 12 2019

Second, there is the issue of child care. While pre-primary education for children aged three to five years is compulsory and free of charge, there is a lack of affordable day care centers for younger children. In Mauritius, children aged three months to just under three years can attend Day Care Centers. Most of these are privately owned and charge fees in the range of Rs 2,500-3,500 per month, which can be a heavy financial burden on low income families. Moreover, many of these centers have restrictive opening hours and hence do not meet the needs of parents working full time and/or late hours. Lack of affordable childcare affects women disproportionately because social norms assign to Mauritian women the traditional role of providing such care. Labor force participation is much lower among married than among single women, especially during prime reproductive years (see Figure 2). According to data from 2017 Afrobarometer, 7 in 10 Mauritians report that it is better for a family if a woman has the main responsibility of home and children care and almost half of Mauritians agree with the statement that men should be given preference when it comes to jobs. When asked about the main reason why they are not engaged in the labor market, most inactive women with up to completed primary education mention household and family responsibilities.



“ Men think a woman’s behavior will change when she starts to work. If she still works although her husband does not want her to, it is seen as disobedience, which has implications on their marriage. Many separate or get divorced because of these issues. ”

“ We are tired after work and there are chores awaiting to be done. If we did not have time to do them in the morning, then we will have to catch up once home. Also, we have to cook and look after the children [...]. ”

-Transcript from WB focus group discussions with Mauritian women held in Curepipe on October, 12 2019

Third, there may be ways to address the underlying social norms and assigned gender roles that constrain women’s economic opportunities more directly. Such norms can manifest in various ways. For example, one participant in the focus group discussions noted that “In terms of gender, we live in a traditional society. Girls and boys have different paths. Girls are pressured to opt for jobs like doctors, teachers, and nurses.” Other participants asserted that women had more economic opportunities nowadays than in the past but shrugged off the idea that men could stay home to take care of young children. And some women argued that married men feel threatened if their wife decides to work. An increasing body of literature shows that social norms can be changes through policy interventions. For example, educational entertainment (“edutainment”) programs, i.e. media-based interventions that convey socially-desired



Mauritian women working in the private sector are paid, on average, about 20 percent less than men per hour worked.

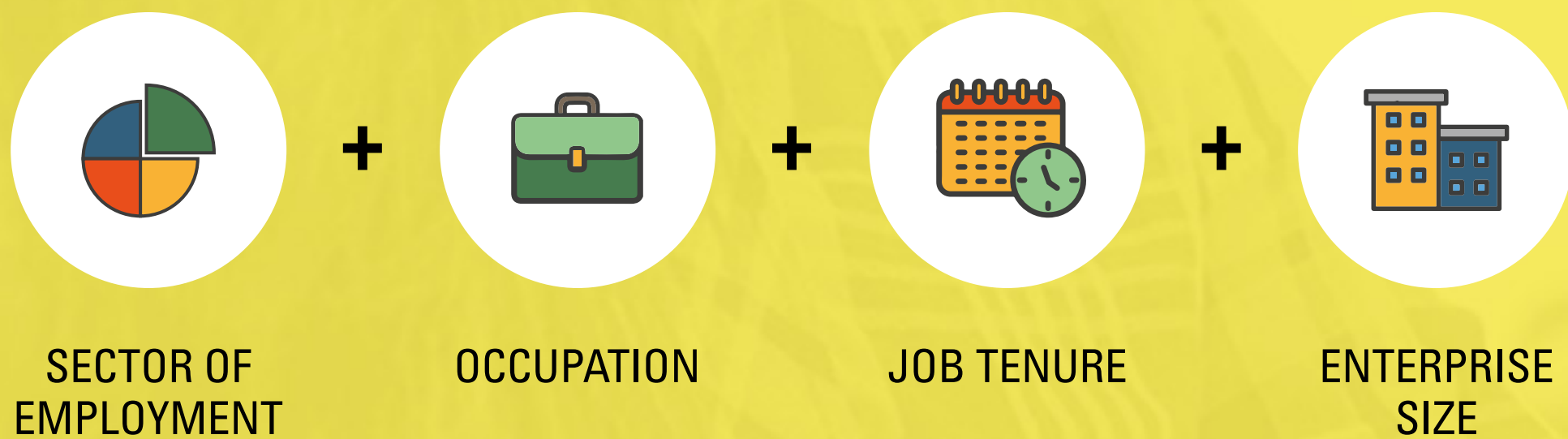
messages in an entertaining format, can be an effective tool to shift attitudes, change perceived social norms and generate behavioral changes. Likewise, school-based programs that combine edutainment with classroom discussions about gender equality targeted at adolescents can lead to more gender-equitable behavior, including the sharing of household work. This evidence suggests scope to change the social norms that constrain female labor force participation through public interventions, though such programs would have to be carefully evaluated for their effectiveness and ethical implications.

... as well as closing the gender pay gap

“The salary we get is not enough and is spent mostly on childcare so it is better to stay at home.”

-Transcript from WB focus group discussions with Mauritian women held in Curepipe on October, 12 2019

Last, there is the gender wage gap. Mauritian women working in the private sector are paid, on average, about 20 percent less than men per hour worked. Sector of employment, occupation, job tenure, and enterprise size are important factors that can help explain differences in wages between men and women. However, other factors – such as gender discrimination in the workplace or differences between men and women in non-cognitive skills (for example, confidence or assertiveness) likely also play a role. Mandating pay transparency is a policy that

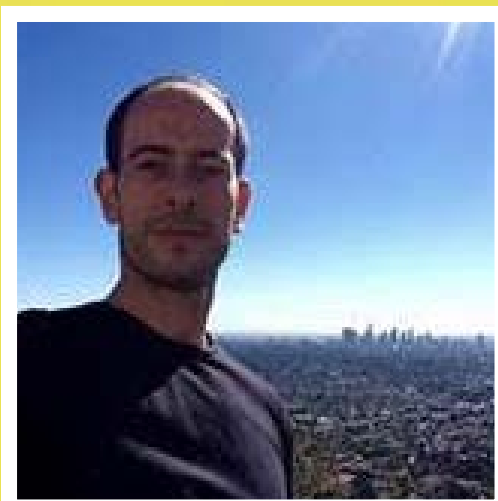


These important factors can help explain differences in wages between men and women.

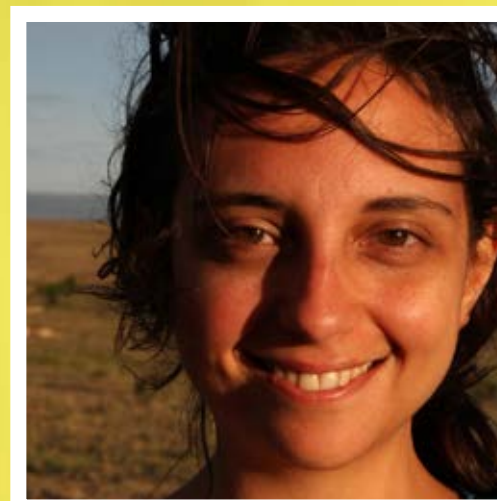
an increasing number of countries have adopted to reduce gender pay gaps. These laws typically stipulate that companies must publicly report their gender pay gaps, though special provisions and exemptions may apply to small companies. While this is a relatively new type of intervention, some early assessments are promising. In addition, social norms, which assign to Mauritian women a traditional role as care providers and with responsibilities for many nonmarket or domestic activities, might translate into women choosing less remunerative careers, often in exchange for greater employment flexibility. To break these patterns, it would be important to promote more flexible working conditions and to work with teachers and career services to ensure that they encourage girls and young women to enter into traditionally male-dominated fields of study.

Women and the effects of the ongoing pandemic

Finally, a word on the implications of the unprecedented economic downturn caused by Covid-19 in Mauritius, and Mauritius is no exception. Recent evidence based on household phone surveys indicates that women have suffered severe negative labor market effects because of the pandemic. A similar percentage of men and women have lost their job between the first quarter and July 2020, mostly in informal and self-employment. However, while most men immediately started to look for a new one, many women who exited the labor market have remained outside the labor force. This different gender pattern is likely ascribable to gender roles. For example, women and girls are likely to shoulder much of the increased demand for care within households. It is therefore critical to monitor the effects of the pandemic on key labor markets with a breakdown between men and women, and to support women who lost their jobs during the pandemic to return to the labor force and find new jobs.



Marco Rangani is an economist in the Africa region of the Poverty and Equity Global Practice since 2014. His research focuses on labor market, poverty and inequality issues. Previously, he was consultant for the Poverty Reduction Anchor of the PREM network, researcher at Understanding Children Work, an inter-agency research cooperation initiative involving the International Labour Organization, UNICEF and the World Bank. He received his Ph.D. in Public Economics from the Catholic University of Milan, Italy, was visiting student at University College London, UK, and completed a post-doctoral fellowship at the University of Bergamo, Italy.



Isis Gaddis is a Senior Economist in the World Bank's Gender Group. She was previously based in Dar es Salaam, Tanzania. Isis was a member of the core team for the World Bank's 2018 Poverty and Shared Prosperity report and coauthored the 2016 regional study, Poverty in a Rising Africa. Her main research interest is empirical microeconomics, with a focus on the measurement and analysis of poverty and inequality, gender, labor, and public service delivery. She holds a doctorate in economics from the University of Göttingen, where she was a member of the development economics research group from 2006 to 2012.

Economic Development:

IF YOU FAIL TO PLAN, YOU PLAN TO FAIL: LESSONS FROM THE RE-EMERGENCE OF STRATEGIC PLANNING

By Kathrin A. Plangemann

In a world of growing competitiveness between nations, greater fiscal pressures, growing demands on government by both the private sector and civil society, and an unprecedented pandemic which has turned the world upside-down, smart prioritization and resource allocation becomes essential. Countries around the world have recently seen a re-emergence of strategic planning as an innovative driver for improved public sector performance. Strategic planning is increasingly seen as a powerful reform agenda to translate long- and medium-term vision and objectives into policies, programs and projects to maximize impact.

At the same time -- as the COVID-19 pandemic has shown -- it has helped enhance resilience to shocks. Mauritius has a great opportunity to capitalize on global experiences and avoid the pitfalls that other countries have fallen into, using some of the innovations and lessons learned and embracing strategic planning to enhance recovery and resilience in the short term and spur economic development in the long-term.

Think of the private sector – isn't a solid strategy at the heart of a company's management? Couldn't the public sector also be more concerned with better prioritization to achieve core outcomes? Would the development of a sector -- whether the education sector or a core industry such as ICT -- not benefit from strategic decision-making to allow it to better achieve its core objectives? And what about institutions facing resource constraints...should each of them not have a strategic plan, forcing some tough decision-making on strategic priorities to ensure scarce taxpayer resources are used optimally?

Having a systematic and strategic approach to decision-making, strategic planning systems can be strong navigating systems that help countries sail through internal and external shocks, as the COVID-19 global pandemic has shown. Several Asian and European countries have demonstrated how well-built, smart strategic planning and management systems are crucial to take fast action in the short-term, strengthen recovery in the medium-term, and build resilience in the long-term.

Successful strategic planning, management and monitoring systems, such as the one in Chile, are built on an integrated approach, and are linked to the budgeting, including public investment management and performance management. A strong combination of strategic planning and performance monitoring, and evaluation instruments and agile adjustments also play a crucial role in the identification of the most important outcomes, outputs, inputs and activities to achieve the desired impact. This combination enables tracking the delivery of the outcomes, ensuring that corrective actions can be taken if performance is not on par. Linked

to the planning and budget systems, they are timed in such a way as to influence decision-making during budget preparation and execution. Malaysia showcases how a country can focus on implementation and can deliver on the objectives of its Economic Transformation Strategies. Singapore’s Economic Development Board is an example of how to use innovative strategic planning and prioritization methodologies. Singapore uses an integrated, cross-sectoral approach -- engaging the public and private sectors -- and adjusts strategic approaches in times of crisis to allow for agile crisis-management while continuing to manage for results.

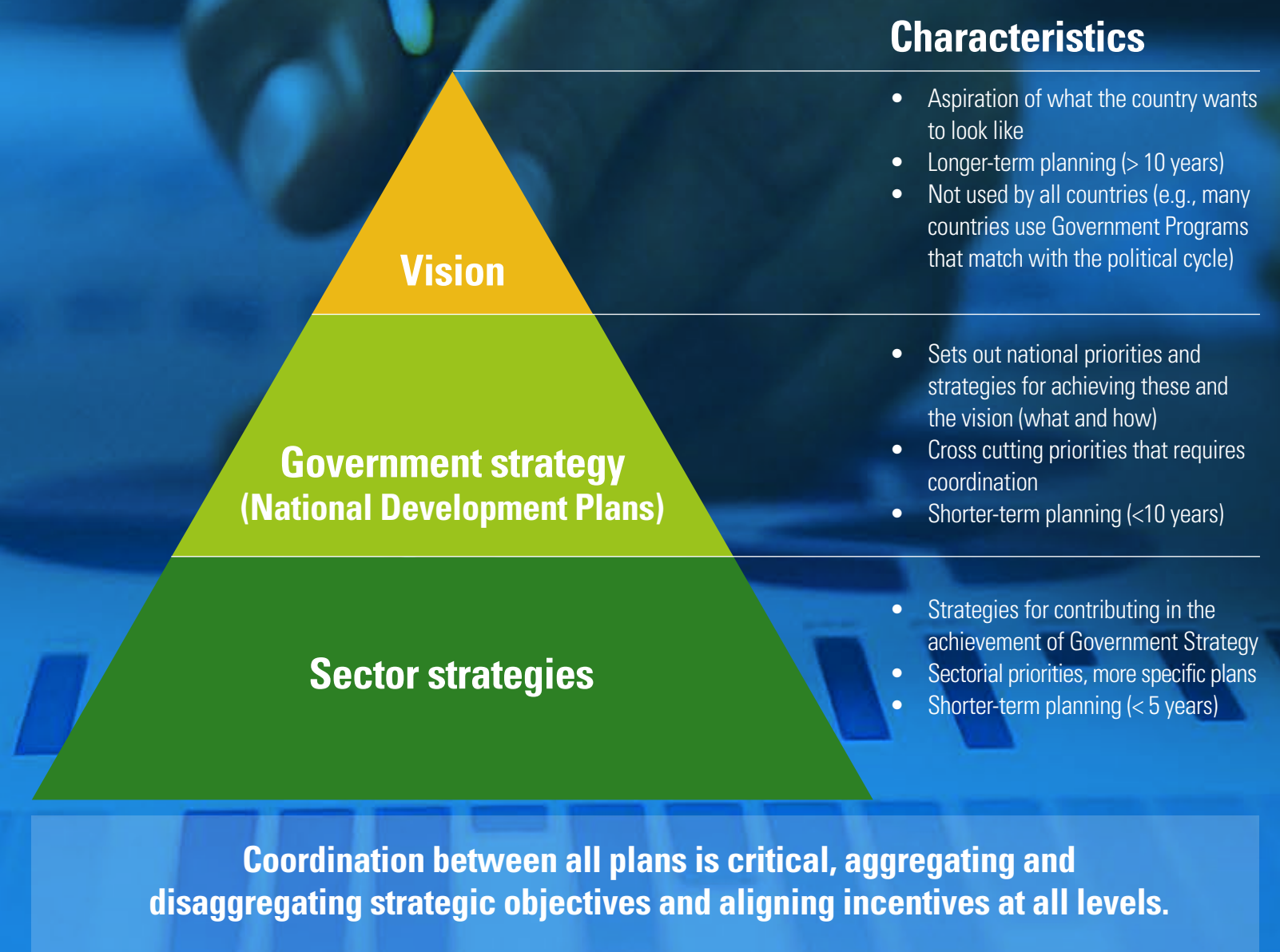
Achieving results is the *raison d’être* for both the public and private sector that each will be measured against. Having a prioritized, budgeted, integrated, sequenced strategy with a clear vision, focus, and the right implementation mechanisms to ensure delivery is likely to substantially increase impact. A government’s credibility with citizens generally increases if it is perceived to have kept its promises. A well-managed, integrated strategic planning system offers governments an effective vehicle to plan and deliver on its commitments.

Strategic planning can become a powerful tool to boost economic development. A sound strategic planning system can foster a favourable investment climate, improving policy and budget reliability and boosting investor confidence on existing rules and commitments. A strategic and focused approach to sector and industry development allows markets to unleash their force,

“No wind is favorable if one does not know to which port one is sailing”

- Seneca, Roman philosopher

Figure 2: Structure: Vision, Government and Sector Strategies





addressing public sector binding constraints and creating the right foundation for private sector development.

In Mauritius, the Ministry of Finance, Economic Planning and Development has recently taken up the planning function again and is in the process of establishing an Economic Research and Planning Bureau. A credible short-, medium- and long-term strategy can provide a clear sense of direction and prioritization of strategic reforms and budget allocation needs to achieve main goals. Integrated with the core budgeting, public investment and performance management systems, it can help achieve core national outcomes while preserving fiscal sustainability.

Fortunately, Mauritius can now benefit from global lessons learned and apply them to its benefit when building its planning system. Key challenges and the resulting attributes of an effective, integrated, sustainable strategic planning system include:

- **Avoiding the one-size-fits-all trap.** In the 1990s, attempts to replicate New Zealand's sophisticated planning and budgeting model in developing countries overwhelmed their less flexible systems. Throughout the 2000s, the practice of transferring elaborated best-practice models from developed to developing countries, without customization and ignoring local context, produced severe implementation failures. Increasingly today, "best fit" informed by local context is preferred to "best practice" copied from international models. This approach calls for a solid understanding of the key local binding constraints, and

only when that understanding is attained, the use of global best practices to inform customized solutions to address local problems.

- **Selecting realistic, feasible outcomes vs. wishful thinking.**

Policies, plans and programs are often more political aspirations, nice-to-have goals and “wishful thinking” rather than concrete, feasible implementation pathways and choices. Sector or institutional strategic plans can be silo-driven, rather than taking advantage of aligning sector to national objectives. Strategic plans thus need to be properly costed and reflected in fiscally sustainable multi-year budgets. A plan can only be credible if it will be fully funded, just as budgets lose their relevance if not shaped by development goals and strategic policy priorities.

- **Making strategic, prioritized choices:** Strategic planning does not mean the sum of the parts but rather strategic priority-setting. Governments which lack a clear sense of direction, are fragmented, and operate on a “fire-fighting approach” will find it difficult to make strategic choices as they need to respond to different audiences and have no approach for addressing different demands across the public sector and society. Clear objectives and outcomes, and prioritization criteria can then help government to focus on the most urgent and strategic priorities. When such a prioritization exercise is politically valued, endorsed by Cabinet, Parliament and beyond, and implemented, strategic planning helps governments keep its promises and boost public credibility.

- **Making coordination meaningful:** Strategic planning is a means to strengthen policy coordination, both horizontally across sectors and vertically across levels of government. Top-down planning

with focus on setting policy priorities within a realistic macro-fiscal framework, works best when accompanied by a robust bottom-up demand-driven process characterized by delegation, operational relevance and on-the-ground feedback. Strategies fail if stakeholders are not consulted and don't feel committed to their implementation. For any strategy to be implementable, a focus on co-creation, a participatory approach with active contributions from the public and private sectors is crucial. The private sector, civil society and other stakeholders need to be engaged meaningfully throughout the planning process, to promote synergies, innovation and broad-based buy-in and support. Successful planning strategies incorporate built-in formal and informal coordination mechanisms to create active ownership by all stakeholders for priority-setting and problem-solving.

- **Addressing the data challenge to track performance:** Evidence-based decision making for policy design and implementation needs to be informed by the best possible data, information and analysis – including comparative global data, leveraging the new possibilities facilitated by digitally enabled systems and technologies. Hence concerted attention needs to be directed at establishing a robust, data-based, integrated and delivery-focused performance M&E system to track and improve performance, testing, piloting and adapting implementation to circumstances over an extended period of time. Such evidence-based tracking systems can serve as an early warning system to take corrective action and ensure the strategies are implemented as planned.
- **Focusing on implementation:** Impressive plans often falter at the implementation stage. Poor results can be attributed to an emphasis on design over implementation, underestimating the duration and complexity of results chains, implementation pathways, and misalignment with the political agenda. Important policy outcomes are delivered over the medium to longer term. Strategic planning is not about adding a new bureaucratic routine to government operation. On the contrary, it needs to be a way to bring new dynamism to a results-oriented management public sector management, leveraging flexible and agile planning tools and instruments towards the achievement of government goals. As problems arise along the way, implementing institutions find ways not only to assess, evaluate and respond, but to learn from experiences and continuously improve performance. Through an iterative, adjusted, learning and actionable problem-solving approach, this enhances performance and results.

The COVID-19 pandemic: Why is strategic planning more important now than ever before?

Originally a health crisis, the COVID-19 global pandemic quickly also became the worst global economic crisis in recent memory. Governments around the world are struggling to cope not only with virus outbreaks but also with recession, unemployment, bankruptcies, and increasing poverty and inequality, to name just a few of the challenges. Pressure on government finances is as acute as it ever has been, with strong demands from across the public and private sector and citizens. The impact of the global crisis has underlined the importance of sound governance arrangements to be able to address any internal or external shock. In this pandemonium, strategic planning is the compass government needs to make better choices, prioritize, recalibrate goals and design new policies and plans to cope with the new challenges.

Early lessons show that countries which effectively address COVID-19 challenges have been able to capitalize on and leverage some fundamental strategic planning institutions, tools, capacities, and incentives, including the relevant strategic management and monitoring systems, for example:

- ***Institutional mandates for planning:*** Having clear roles and responsibilities set up, including emergency planning and management and long-term priorities defined, governments were better armed to take urgent decisions- from deciding on fast-response mechanisms, such as confinement measures to deploying fast-response mechanisms for firms, workers and citizens. This allowed prioritization and coordination for agile, rapid decision-making to address the crisis aligned with long-term objectives.

- **Development of tools to assess and predict the impact of the crisis, financially, socially, institutionally:** The existing of a strategic planning systems and capacities facilitated the assessment, management and mitigation of the impact of the pandemic. Building on existing strategies, plans, policies and programs, governments took informed decisions in a wide range of areas such as targeted interventions to vulnerable populations, business continuity plans for continued public service delivery, digital education contingency plans and rapid mobilization of existing and additional support to meet emerging needs.
- **Coordinated measures across government, across levels of government and between the public and private sector:** The planning function became an instrument for collaborative leadership, ensuring that no abrupt, non-consultative and fragmented decisions were taken, but ensuring a joint, coordinated response with relatively broad-based consensus and greater ownership and support, e.g., regarding initial measures for confinement and gradual lifting of restrictions.
- **Evidence-based, flexible decision-making to ensure that planned mechanisms achieve their objectives.** This approach focuses on collecting the necessary data and analyzing it, to track and monitor public decisions and service-delivery and adjust measures as needed. This has allowed careful targeting of measures for vulnerable and other groups, the recalibration of specific programs and measures, particularly regarding private sector support and gradual reopening measures as well as time-bound measures that are constantly tracked and adjusted to respond to crisis needs, and if needed, applied only in particular geographic zones.
- **Planning linkages with budgeting and fiscal sustainability, building on existing financial buffers generated in times of fiscal discipline.** Emergency planning and responses were inserted in a multi-term level planning and budgeting, taking in account not only short-term, but also medium and long-term challenges, as some of the crisis packages have shown. This strengthened sustainability by linking short-term emergency needs to medium- and long-term country. National and sector priorities that had already been identified through planning initiatives could then be quickly adjusted and recalibrated during the crisis to allow to address crisis needs. Examples include a greater focus on digitalization and greening of key industries benefitting from fast-crisis response measures as well as refraining from taking populist measures with little medium- or long-term effort, such as industry-specific purchasing incentives.



Kathrin A. Plangemann is a Lead Governance Specialist at the World Bank. With over 25 years of experience in international financial institutions, global management consulting and governments, she has been advising government and the private sector at the highest levels on governance reforms. Educated in economics, law and political science, she holds a PhD and several master, including from Harvard's Kennedy School of Government and has published, taught, managed programs and developed partnerships on a variety of governance issues. She currently leads a global team advising the Government of Mauritius on strategic planning.

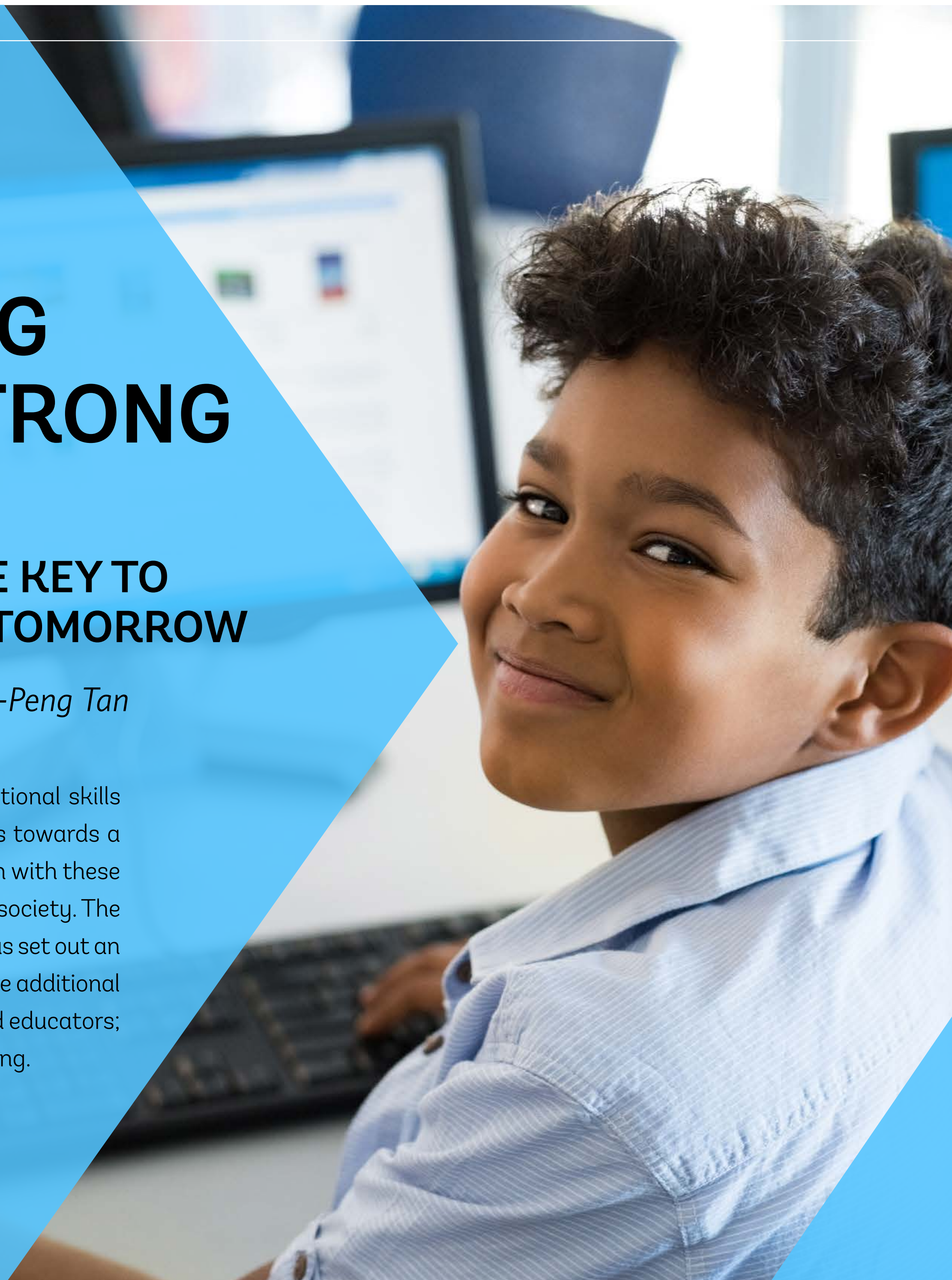
Education

THERE IS NO GOOD BUILDING WITHOUT A STRONG FOUNDATION

**FOUNDATIONAL SKILLS ARE KEY TO
FORGE THE MAURITIUS OF TOMORROW**

By Lianqin Wang, Alisa Currimjee, and Jee-Peng Tan

A strong foundation in reading, numeracy and socio-emotional skills is critical for a person's success in life. As Mauritius moves towards a knowledge economy, greater equity in equipping all children with these learning outcomes will be essential to maintain an inclusive society. The Nine Years of Continuous Basic Education (NYCBE) reform has set out an ambitious agenda to achieve this goal, but three areas require additional attention: Early childhood development; lagging schools and educators; and educational technology to improve teaching and learning.



In Mauritius, disparities in learning outcomes are exceptionally wide, marring the country's impressive achievements in universalizing coverage and topping regional assessments of student learning.

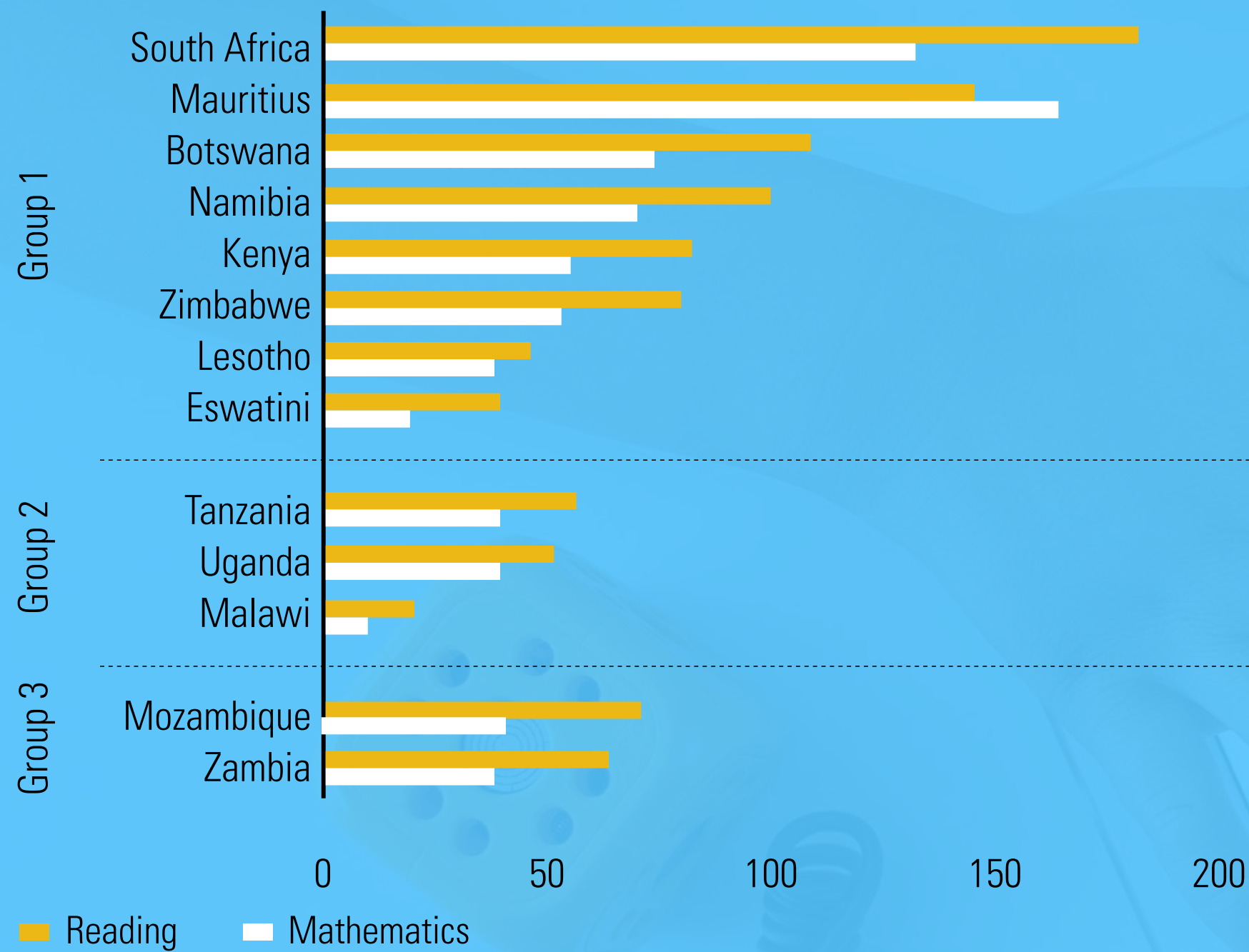
Decades of sustained policy effort have led to universal primary education since 1990, and preschool since 2003. The Gross Enrollment Ratio for secondary education has risen steadily and is now above 90 percent. Mauritius has consistently led the group of 14-15 African countries that participate in the Southern and Eastern Consortium for Monitoring Education Quality's (SACMEQ) assessments of learning among 6th graders. Some 80 percent of the Mauritian students tested in 2013 achieved minimum levels of competency in reading and mathematics, meaning they were able, to “read for meaning” and to perform “beginning numeracy.”

Yet, Mauritius' SACMEQ test results also reveal exceptionally wide gaps in learning—some of the widest among participating countries. Students in the top socioeconomic quartile outperformed those in the lowest quartile by around 1.5 standard deviations in both reading and mathematics, a disparity matched only in South Africa (Figure 1, panel a). Students who always or sometimes spoke English at home outperformed those who never did by around 1.0 standard deviation, again by far the biggest gap among the participating countries (Figure 1 panel b). The test results also show exceptionally wide gaps in learning by locality within Mauritius: 6th graders in Beau Bassin and the East lag by at least 1.0 standard deviation in average reading and mathematics scores behind their peers in Curepipe and the South. National examinations confirm the significant learning gaps of lagging students: among the 25 percent of exam-takers who failed the Primary School Achievement Certificate in 2017, three-quarters were unable to solve Grade 6 mathematics problems.

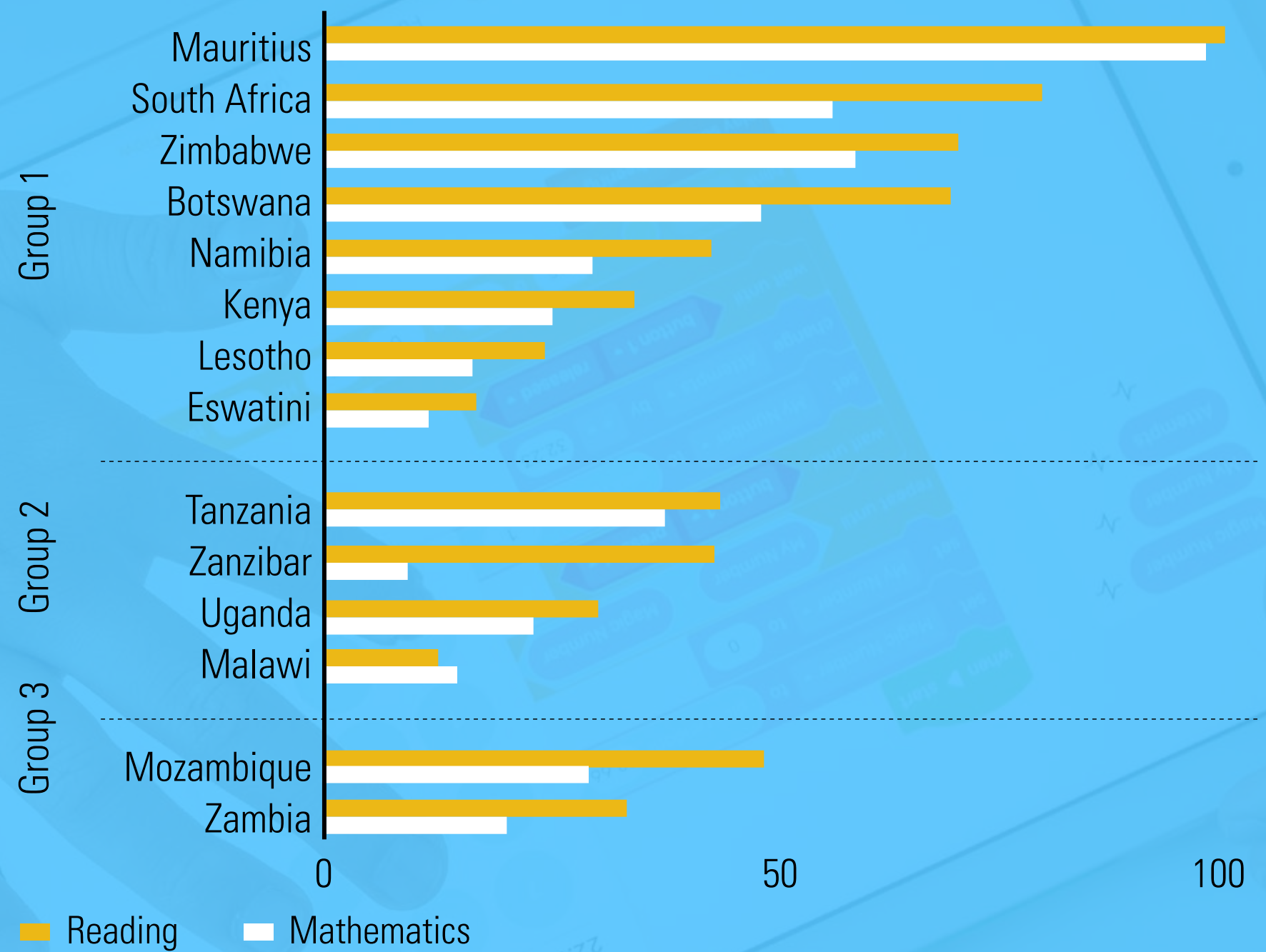


Figure 3: Average Gap in Grade Six Reading and Mathematics Scores by Students' Socioeconomic Status and Home Language, Mauritius and Other Countries in Southern and East Africa, 2007

(a) Highest Versus Lowest Socioeconomic Quartile



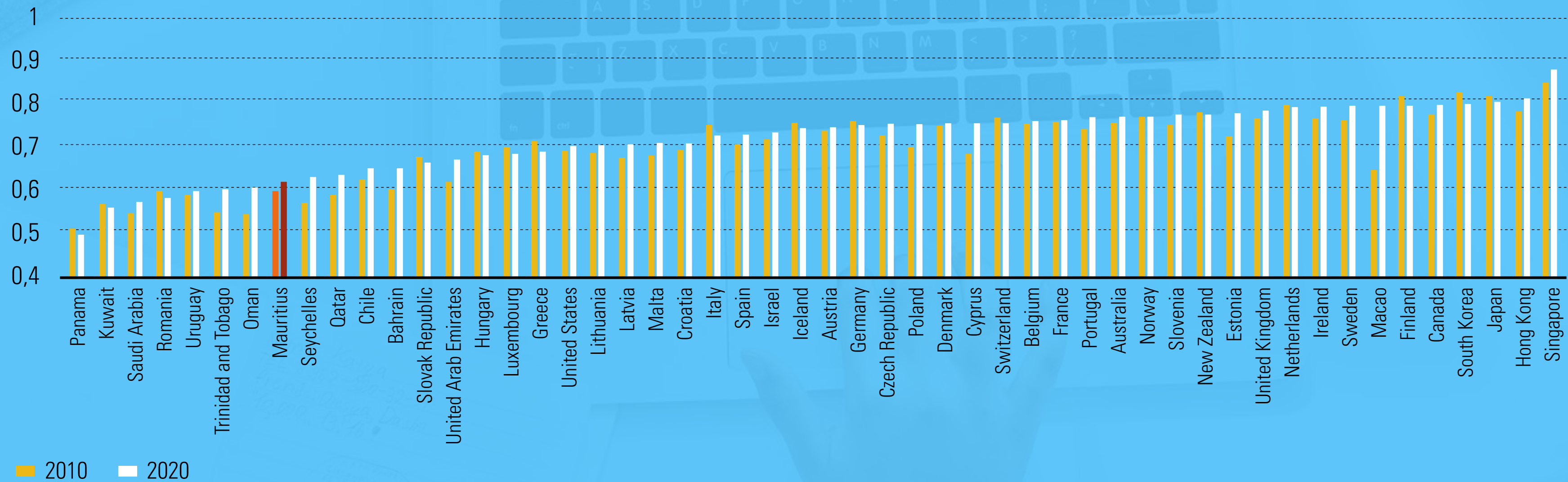
(b) Always and Sometimes Spoke Language of Instruction at Home Versus Never



Source: Bashir, Sajitha; Lockheed, Marlaine; Ninan, Elizabeth; Tan, Jee-Peng. 2018. Facing Forward: Schooling for Learning in Africa. Washington, DC: World Bank. <https://openknowledge.worldbank.org/handle/10986/29377> License: CC BY 3.0 IGO.

Mauritius passed the threshold to qualify as a high-income country in July 2020, making it appropriate to use countries in this group as aspirational benchmarks. Mainly because of shortfalls in learning outcomes, the World Bank's human capital index (HCI) locates the country at the lower end among high-income countries (Figure 2). The HCI, which ranges in value from 0 to 1, is a composite of three components: (1) the expected years of learning-adjusted schooling; (2) the under 5 mortality rate; and (3) the rate of stunting of children under age 5 and the share of 15-year olds who will survive to age 60. A HCI of 1 signifies that children born today in the country would all reach their maximum economic and professional potential because they receive 14 years of high-quality school by age 18, and enjoy full health. Mauritius' score of 0.62 signals that its children would attain only 62 percent of their maximum potential. Deficiencies in education are the main reason for the shortfall: The HCI analysis suggests that while Mauritian children can expect, on average, to complete 12.4 years of schooling, they learn only slightly more than 9th graders in the world's top-scoring education system.

Figure 4: Human Capital Index (HCI) in High-Income Countries, 2010 and 2020

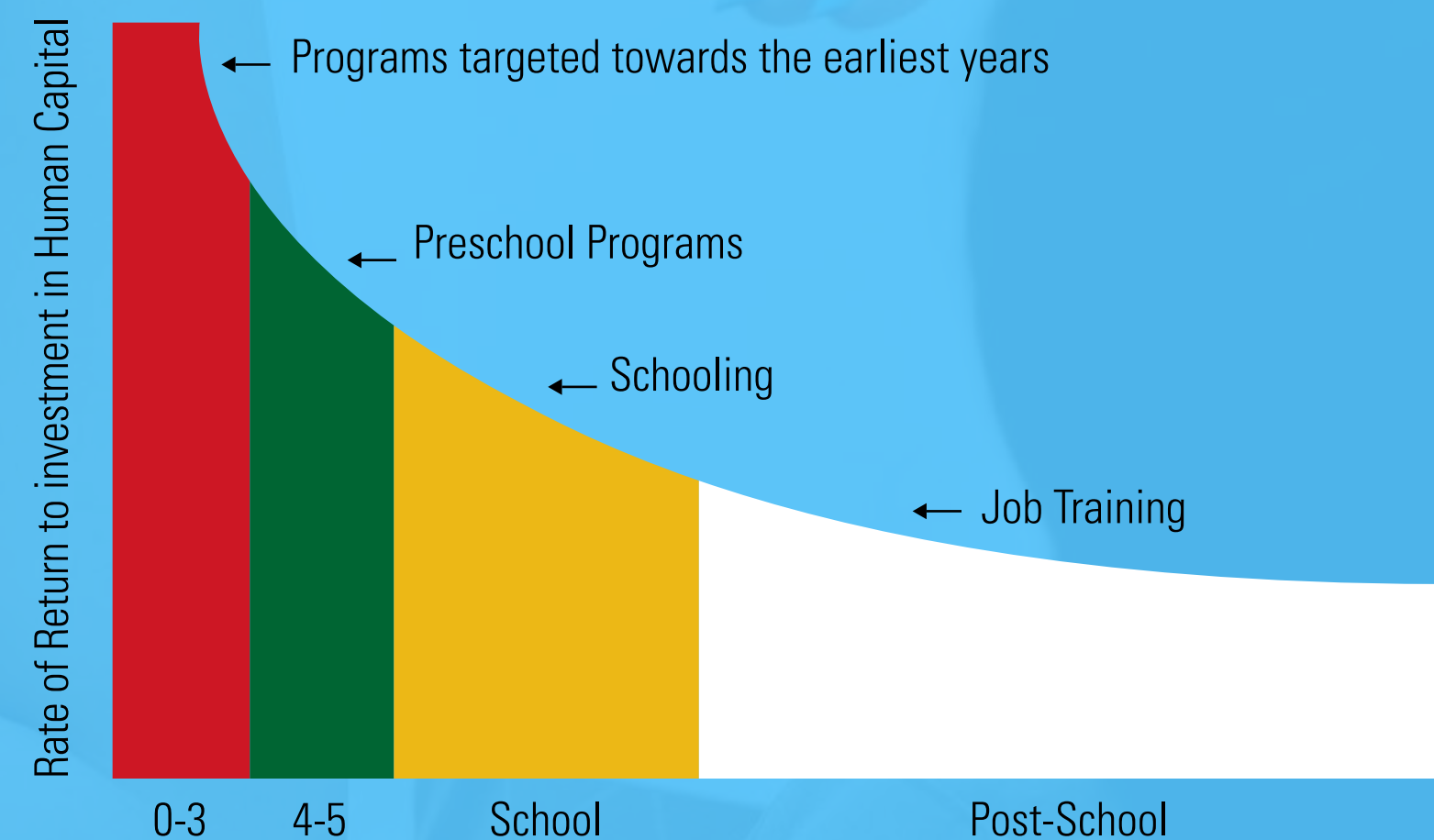


Source: World Bank. 2020. The Human Capital Index 2020 Update: Human Capital in the Time of COVID-19. World Bank, Washington, DC.
 Note: the figure shows high-income countries for which data are available for both 2010 and 2020.

Intensify investments in well-designed interventions in early childhood development as a top priority.

Because children accumulate learning as they grow, building strong foundations for learning from the earliest ages is critical. Doing so requires services that target the period from conception to primary school entry, a unique window of opportunity when children’s brains and bodies grow faster than at any other time. Particularly impactful are interventions that include health, nutrition, protection, care, stimulation, and learning. Appropriately designed and integrated, such interventions can put all children on high trajectories for cognitive and socio-emotional development, enabling them to reach their fullest potential. Investments in the first six years of a child’s life are especially crucial and the long-term benefits, for both the individual and society, are particularly high, making spending on early childhood development services a wise use of government resources (Figure 3).

Figure 5: Investments in high-quality programs for the youngest children pay off




Source: Heckman, James J.; and Dimitriv V. Masterov. 2007. “The Productivity Argument for Investing in Young Children,” Review of Agricultural Economics, American Agricultural Economics Association, vol. 29(3), pages 446-493, 09.



In Mauritius, more than 90 percent of children are enrolled in pre-primary education, but many begin Grade 1 with limited school readiness. Learning deficits, such as poor mastery of language or socio-emotional skills, accumulate from the earliest ages and are best addressed early on, not only through preprimary education (which the NYCBE reform covers) but also through proper childcare for children below the age of three. While over 850 pre-schools (for children aged 3 to 5 years) exist, child day care centers (CDCCs or crèches, for children under 3) number no more than 400. A majority of pre-schools and CDCCs are privately owned and typically charge fees. Families with children who are not enrolled in CDCCs rely mostly on childcare provided at home by a parent, grandparent, or nanny. Because of the limited coverage of well-structured services, many Mauritian children at a critical developmental stage miss out on important stimulation and learning opportunities. In particular, their weak foundations in English, the language of instruction as of Grade 1, impede their accumulation of foundational skills throughout basic education and beyond. An effective early childhood development agenda is therefore a critical priority, one that provides adequate funding and assures the quality of services for the youngest children.

Narrowing the gap between high- and low-performing schools and educators is key to reduce wide disparities in student learning outcomes.

Strong school leadership and effective pedagogical practices are two of the most powerful school variables that affect learning outcomes. Accordingly, many countries have focused attention on helping under-performing school leaders and teachers. Shanghai's collaborative approach stands out as an example of this effort. Its distinctive features include: (i) flexible arrangements for temporary rotation of high-performing school leaders and teachers to low-performing schools, especially those located in less desirable districts; (ii) incentives for participation in the rotation scheme to support low performing schools by linking it to a principal's or teacher's career advancement and promotions; and (iii) opportunities for weak principals to shadow a high-performing peer for a few months to receive practical on-the-job coaching.



Collaborative approaches for teacher development can be found in such countries as Australia, Canada, China, Finland, and Singapore. Common practices include lesson study groups, teacher-research groups, and communities of practice. For new or under-performing teachers, structured on-the-job learning is seen as a particularly helpful approach. Teachers are organized to work in groups on lesson planning and execution, action research, and student evaluation; and they are guided to observe and assess each other's lessons. More experienced teachers offer class demonstrations and coach new or low-performing teachers on all aspects of teaching. These practices can be implemented within a school, or across schools. The emphasis on collaboration helps teachers grow and mature as members of a professional body, one in which everyone has the incentive to contribute expertise and improve as an educator, whether in the role of learner or coach.

Mauritius' effort to narrow the gap between high- and low-performing schools and educators can benefit from the international examples. To succeed, it might also grant schools greater autonomy to customize bottom-up initiatives to improve performance while strengthening their accountability to meet performance standards such as those specified in the newly launched Quality Assurance Framework. School rectors will need significant assistance, not only to design fit-for-purpose innovations for their schools but also to help with funding and implementation of the innovations. Many steps are involved, including conducting the initial self-evaluation; mapping out the steps for improvement; monitoring and evaluating implementation; and modifying the plan in light of experience and progress. Integrating and aligning the support to schools is essential to provide accompaniment that does not overwhelm but instead builds up each school's capacity for purposeful change.

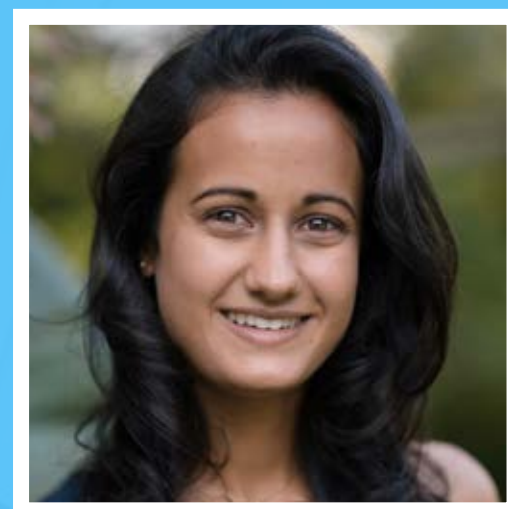
Leveraging digital technology to improve teaching and learning.

As a longer-term strategy, Mauritius might build on existing efforts to leverage the power of digital learning (e.g., the Early Digital Learning Programme which currently targets primary school children in the early grades), and consider additional

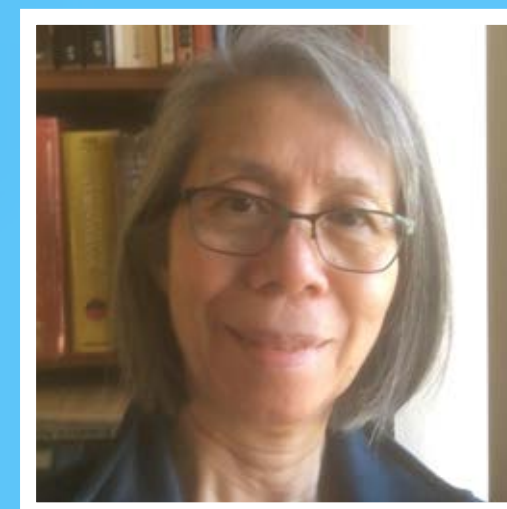
e-learning options to enhance teaching and learning in the classroom throughout basic education. Many such initiatives are being employed around the world to enrich the pedagogical resources available to teachers; to embed dynamic formative assessment into each lesson as a matter of routine; and to facilitate personalized learning according to student interest and learning style in order to strengthen student motivation and engagement. By experimenting with these possibilities in technology-enabled teaching and learning, and evaluating their impacts on educational outcomes, Mauritius can discover the conditions for success and invest accordingly, particularly in areas of promise based on international experience, including: Training teachers in technology-enabled pedagogy; Deepening technical expertise to assess and implement options suited to the Mauritian context; Retrofitting schools with the relevant equipment or facilities; Ensuring that children from low-income families have access to computers and the internet in order to participate effectively; And developing effective on-line programs to enhance teaching and learning as well as to strengthen systems resilience in service delivery during shocks. In this way, Mauritius can move methodically to position itself for a successful and impactful transition to a fit-for-purpose model of blended learning, one that benefits all children regardless of family circumstances.



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Economic Development

WORLD BANK CLASSIFIES MAURITIUS AS HIGH-INCOME COUNTRY

The World Bank classifies the world's economies into four income groups — high, upper-middle, lower-middle, and low. The classification is updated each year on July 1st based on the previous year's national account information. Using data provided by Statistics Mauritius for 2019, the World Bank has re-classified Mauritius from upper-middle to high-income country for the first time on July 1st 2020. Mauritius joins Seychelles as the second high-income economy in Africa.



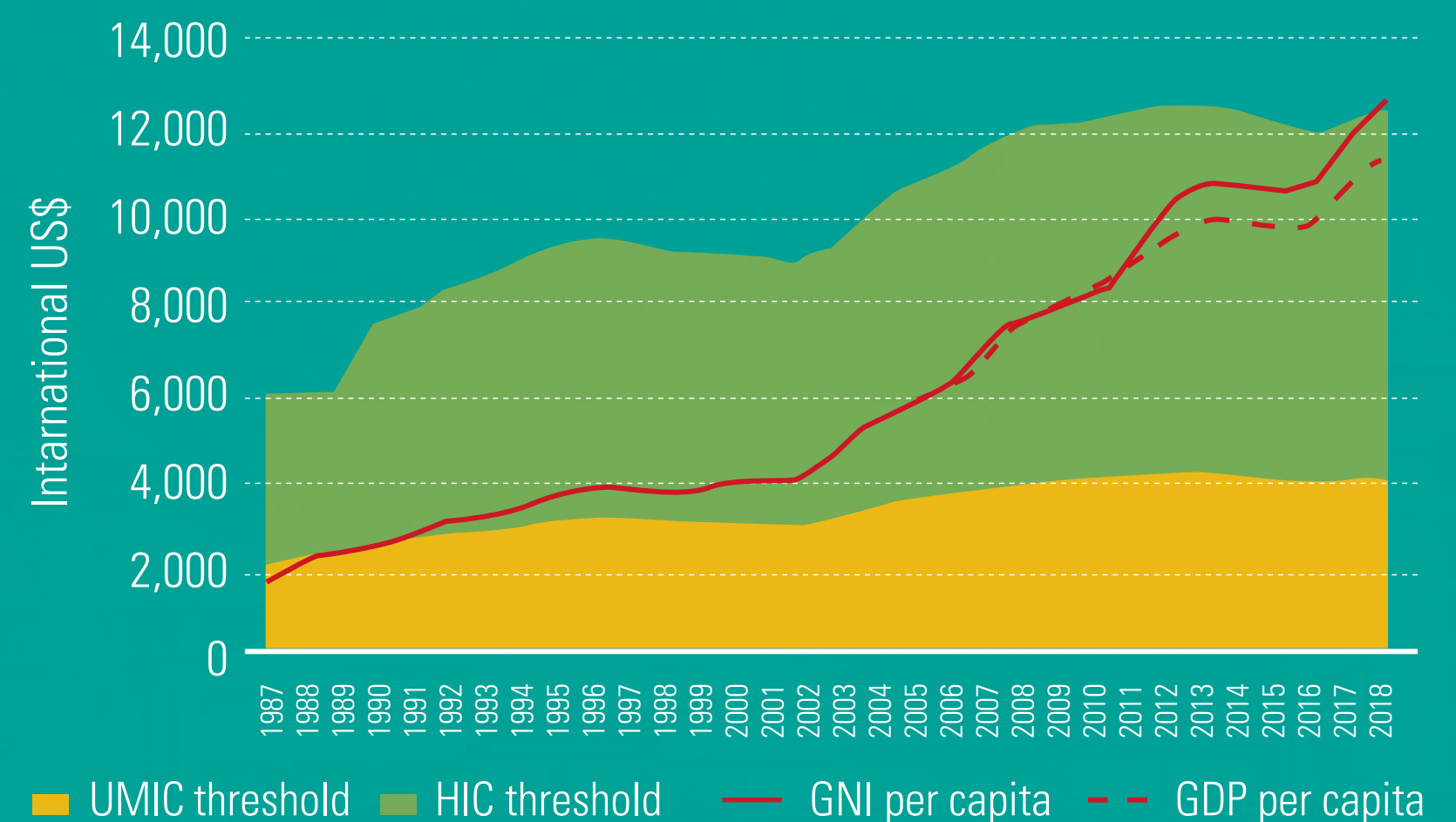
According to the figures released by the World Bank, Mauritius' GNI per capita for 2019 is US\$ 12,740, a 3.5 percent increase over the 2018 figure. The annually adjusted high-income threshold is at US\$ 12,535. It is important to note that this classification is done over 2019 data and thus does not yet reflect the economic impact of COVID-19. It is possible that the strong recession this year due to COVID-19 will lead Mauritius to temporarily return to upper-middle income level when the 2020 data is considered during next year's update. But in a longer-term perspective, reaching high income level is a great achievement that reflects the efforts and dedication of generations of Mauritians to build a better future for their children.

The World Bank's income classification system uses Gross National Income (GNI) per capita instead of the more commonly used Gross Domestic Product. The difference between the two metrics is that GNI includes income earned by residents from abroad, but excludes income earned by non-residents in Mauritius. The difference between the two concepts is captured in national accounts statistics as net income from abroad. While for most countries the two values are closely aligned, Mauritius, due to the overseas activities of the international business sector, today has a GNI that is roughly 10 percent higher than GDP.

To make numbers comparable across countries, a conversion method based on average exchange rates called the Atlas method is used. Rather than using a single year's exchange rate, which could lead to abrupt changes in the USD equivalent of GNI per capita when currencies fluctuate, the Atlas conversion factor for any year is the average of a country's exchange rate for that year and inflation-adjusted exchange rates for the two preceding years. The thresholds for each income group are also updated every year to account for inflation. Since global growth generally outpaces inflation, over time, more and more countries will rise through the thresholds.

From an operational perspective, the reclassification does not affect the World Bank's work in Mauritius as support remains available to member countries at high-income level. Most development partners refer to the OECD list of countries eligible for Official Development Assistance to determine their support. The list is reviewed every three years (with the next review due in 2020, and then in 2023, etc.), and only if a country has, at the time of review, been classified as high-income for three consecutive years it graduates from the list. Thus, even if Mauritius were to maintain high-income status in 2020 despite the impact of COVID-19, it would not graduate before 2023. Trade preferences granted to Mauritian exports in the United States under the African Growth and Opportunity Act (AGOA) are also linked to income status. Graduation from AGOA follows a process in which the US administration, upon a country reaching high-income status, reassesses and eventually revokes eligibility following a grace period of up to two years. In past practice, countries falling back to middle-income status in similar situations have maintained their preferential market access.

Figure 6: Mauritius: Per Capita GDP and GNI (1987-2019)



Source: World Bank, based on information received from Statistics Mauritius. The historical series has been updated to account for a methodological change implemented in the 2018 classification and thus show minor discrepancies from previously published data.

Economic Development

INTERVIEW WITH IDAH RIDDIHOUGH, NEW WORLD BANK COUNTRY DIRECTOR FOR MAURITIUS

Ms. Idah Pswarayi-Riddihough became the World Bank's new Country Director for Mauritius, Mozambique, Madagascar, Comoros and Seychelles on July 1st, succeeding Mr. Mark Lundell. A Zimbabwean national, Idah joined the Bank in 1995 as a Young Professional. She has since held various operational and corporate management positions, her most recent being Country Director of Nepal, Sri Lanka and the Maldives. She has worked in South Asia, East Asia, Middle East and North and Africa and the Africa Region, and holds a PhD from Oxford University.



1 | Please tell us a little bit about yourself

I have been with the World Bank for the past 25 years, during which I have worked in a wide range of capacities from managing operations, corporate, as well as Country Director for Nepal, Sri Lanka and the Maldives. Having worked on the Maldives, I understand the unique issues of small island nations and I have seen first-hand the impact of climate change and the current shutdown of global tourism. But I also know the vast potential of small island states to be leading emerging economies. I am originally from Zimbabwe, so this region is my home. Mauritius' success is exemplary, and I look forward to continuing to support Mauritius in its growth to the benefit of the entire population. And I am particularly eager to see how we can work together to support women and young people to ensure that they succeed in education, the labor market, and life.

2 | In your new role, you will be overseeing the World Bank's portfolio in Mauritius, Mozambique, Madagascar, Comoros and Seychelles. What are the key challenges you see for the region, and how can the World Bank help?

The most impactful challenge on the horizon for our countries will be how quickly they can bounce back to the pre-COVID-19 era, regaining the growth trajectory, ensuring human development gains are not lost while promoting the private sector to be the engine for growth. But we also cannot ignore the vulnerability in this region to climate change and disaster risk. Cyclone Idai was a recent reminder to the damage to human lives and assets when these natural hazards happen. Accessing the short-term financing needs to address the socio-economic and health impacts is a challenge for many economies worldwide; and certainly, the five countries I cover are no exceptions. And as the virus recedes, the questions of debt sustainably and adequacy of the macro-frameworks to borrow from international markets where domestic financing is not adequate and how to skill people for the new normal will necessarily become more important. Many in the health community expect COVID-19 to be with us for a while longer. As the disease has spread, its impacts have been very different depending on the strength of the health systems and speed with which government acted. Mauritius has done an excellent job in this regard and it can serve as an example for the other countries.

“ The most impactful challenge on the horizon for our countries will be how quickly they can bounce back to the pre-COVID-19 era... ”

3 | How do you see the role of the World Bank in a country like Mauritius that has reached High Income Status?

Regardless of a country's income level, the World Bank's mandate – ending poverty and promoting shared prosperity – does not change. We are always at our member countries' side to promote reforms that contribute to that goal, whether it is directly through social protection, education, health, or other benefits, or indirectly, by developing key infrastructure, promoting private sector growth, or strengthening public institutions.

There is no direct link between income status and the type of support the World Bank offers, but usually what we see is as countries develop, their needs for support shift away from our financing instruments to technical assistance and knowledge support on very specific technical issues. For instance, in Mauritius, we are supporting such diverse undertakings as evaluating the early learning program under the 9-year education reform, helping the Bank of Mauritius implement risk based supervision models, and conducting a survey to assess what drives firm productivity together with the National Productivity and Competitiveness Council. While our support is targeted and often highly technical, it is also important that we do not lose sight of what the big strategic issues are that will determine a country's future development. Therefore, we are currently finishing a Country Economic Memorandum in Mauritius, a report which will focus on the determinants of past and future inclusive and sustainable growth and hopefully provide a new platform for our dialogue with Mauritius' government and society.

Our strength as a global institution is that we cannot just leverage our in house experts, but connect countries across the world to learn directly from one another. And by the way, this is a two-way street as we frequently organize knowledge exchanges for other countries to learn from Mauritius' successes.





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