

## CHAPTER 1- INTRODUCTION

### 1.1 Project Background

Yihai Investment Ltd, hereinafter referred to as the project promoter or Smart City Company/Smart City Developer, is proposing the construction of a mixed-use development under the Smart City Scheme at Pailles, located within the boundaries of the Municipal City Council of Port Louis, known as “Yihai Garden Smart City”.

The planning of the proposed project rests on a mixed-use development which offers a range of residential, commercial, office and business hotel components harmoniously integrated so that it adheres to the live, work and play concept.

The site aggregates a total of 41 Ha 1,761 m<sup>2</sup> or 411, 761 m<sup>2</sup>. The “Domaine Les Pailles” forms part of the site earmarked for the proposed project. The site is readily accessible to all parts of Mauritius, given that access to and from the site would be principally via the new ring road highway.

A location plan, site plan and contour plans are enclosed in **ANNEX 1**.

The main components of the proposed undertaking are as follows: -

**Table 1.1: Components of proposed project**

Component	Land allocation	
	(m <sup>2</sup> )	(%)
Residential Apartment units	131,040.21	32
Duplex	67,734.18	16
Residential Villas	30,435.17	7
School	6,697.91	2
Syndic & waste management building and Commercial	19,129.83	5
Clos St Louis	4,236.26	1
Office buildings	4,577.73	1
Business hotel	5,561.05	1
Wellness centre	9,512.61	2
Restaurant	6,025.57	1
Leisure amenities, recreational area, landscape, infrastructure & reserves (rivulet buffer zones)	131,049.74	32
<i>Total</i>	411, 761	100

A master plan showing the overall features is enclosed in **ANNEX 2**.

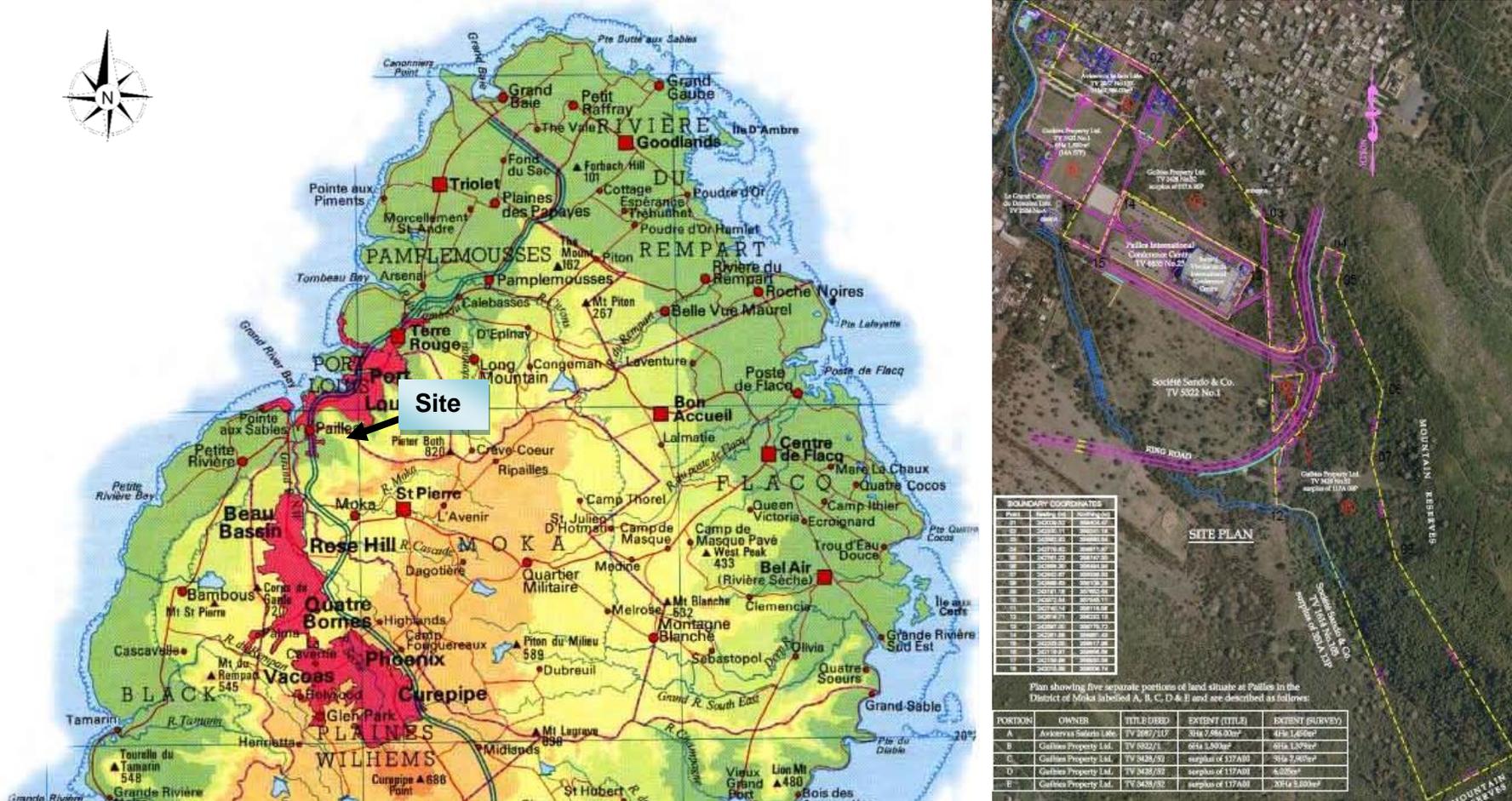


Figure 1.1: Site location

Yihai Investment Ltd will act as the strategic master developer of Yihai Garden Smart City and undertakes to carry out the conceptualisation, planning, marketing and development of the land. The promoter has constituted a team of professionals, both local and foreign, that have been assigned the duty to design and supervise the project.

The project promoter will target buyers mainly from Mauritius, China, Europe and other countries such as South Africa and India. Moreover, people buying the residences would have the option of renting it to third parties when they are not occupying it. This would be facilitated by Yihai Investment Management Ltd, a Smart City Management Company, who will act as the administrative body.

This project would have significant positive impact in terms of direct investment. The construction of the project would be divided into three phases. The capital investment is estimated at MUR 20 billion.

It is estimated that this project would provide up to 3,000, direct and indirect job opportunities during the operation phase. Direct job opportunities would accrue from the commercial activities; the offices, operation of the business hotel, among others. There would also be the creation of indirect jobs at all stages of the implementation of this project. Apart from low-skills jobs and trades, the indirect services such as suppliers, cleaning and pest control agencies, security service providers, landscape maintenance agencies, waste collection and disposal agencies, events production companies, among others would be created.

## 1.2 Aims and Objectives

This project aims at “creating” a smart city where the live, work and play concept will prevail. The design of the project will be performed in line with the following objectives: -

- (a) Selection of material and infrastructures appropriate for the tropical island setting.
- (b) The design philosophy is to use the best available technologies.
- (c) Day-to-day management services such as security, maintenance, gardening and household services.
- (d) Good environment practices such as smart wastewater, energy and solid waste management including maintenance of landscaped environment and the use of green technologies.
- (e) Digital platform and technologies, e.g., mobile and wireless cloud for city-wide connectivity and e-services.
- (f) Good sanitary practices, healthy food, restaurants that meet the HACCP criteria and services that exceed the satisfaction of clients.

## 1.3 Brief on project proponent

The project promoter is Yihai Investment Ltd, a smart city company that has been incorporated on 15 September 2015. A Certificate of Incorporation and company certificate are provided in **ANNEX 3**.

Mr Li Hai, who is a citizen of China, is a professional civil engineer. He is also a successful businessman based in Shanghai, one of China's largest cities. Mr Li Hai has wide experience in companies operating in the fields of construction, international trade, and warehousing and logistics services, namely: -

- Shanghai Pudong Branch Source Engineering Development Co. Ltd

- Shanghai Hanguang Trading Co. Ltd
- Shanghai Changhai International Logistics Co. Ltd
- Rongzhen Group
- Fuxin Huatong Pipeline Co. Ltd

The State Investment Corporation Ltd (SIC) was founded in 1984, with the objective of providing funds and assisting businesses for the realisation of high-growth entrepreneurial endeavours. The SIC is now a solid conglomerate with a well-diversified portfolio and an asset worth of over MUR 7.5 billion presently.

The SIC, through its subsidiary Prime Real Estate Ltd and its other subsidiaries Guibies Holdings Ltd, Avicervus Safaris Ltee and Guibies Property Ltd, owned the land in question at Les Pailles. The SIC also owned the “Domaine Les Pailles Ltd”, a leisure company that owned and managed a range of restaurants at Domaine Les Pailles, in Mauritius including “Clos St Louis”. On the other hand, the SIC provides Training and Conference facilities as well as a variety of leisure activities through the Swami Vivekananda International Conference Center (SVICC) at Les Pailles. The SIC also owns and operates Le Grand Casino Du Domaine, a casino located within the premises of Domaine Les Pailles.

The proposed project site for the construction of the Smart City is a freehold land that now belongs to Yihai Investment Ltd and which was purchased from the SIC to realise the proposed Yihai Garden Smart City project. The promoter now intends to implement a Smart City as explicitly defined in the Smart City Scheme Guidelines and the Regulations made under the Investment Promotion Act (Sections 12 and 28). Yihai will make the best use of resources to develop a new East-West themed smart city and create a unique area of facilities comprising shopping, dining, entertainment, exhibitions and family oriented outdoor activities.

A copy of the proof of ownership of land is enclosed in **ANNEX 4**.

### 1.3.1 Particulars of the Promoter and Consultants

The promoter has entrusted the services of the following professionals to carry out the proposed project: -

**Table 1.2: Project Team**

<i>Promoter</i>	Yihai Investment Ltd
<i>Architect</i>	Visham Purbhoo Architect
<i>Civil Engineer</i>	VYYAASS Consulting Engineer Ltd
<i>Mechanical &amp; Electrical Engineer</i>	Pro-Five Ltd
<i>Geotechnical engineer</i>	Geotechnical Services Ltd
<i>Land surveyor</i>	Mr Gangess Puran Naidoo & Mr Girish Beechoo
<i>EIA consultant</i>	VYYAASS Consulting Engineer Ltd

### 1.4 Project justification

Mauritius which is already a well-established and popular tourism destination is now faced with an increasing demand from non-citizens to purchase residential properties on the island. The Government has also set up new incentives and strategies that would change

Mauritius to an International Financial Centre where business would occur in all transparency. The opening of an air corridor is yet another initiative that positions Mauritius as the hydraulic arm between Asia and Africa. All these initiatives would generate and promote commutation of people along with their businesses in a regional context.

The Smart City Scheme was presented under the Investment Promotion Act and Investment Promotion (Smart City Scheme) Regulations 2015- GN Notice 128 of 2015. Under this scheme, landowners or developers owning at least 50A (21.105 ha) are permitted to develop and sell any mixed-use project with components adhering to the live, work and play concept to citizens of Mauritius, non-citizens and members of the Mauritian Diaspora. The Smart City type of development is gaining momentum and similar types of projects are already being implemented over the Island of Mauritius.

The Board of Investment (BOI) has prepared a set of guidelines that assist future developers and land owners in dealing with such type of projects. The BOI is also a member of the Investment Project Fast Track Committee – IPFTC and guarantees fast processing of applications in relation to permits, licences or authorisation for projects complying with the Smart City scheme. The BOI has approved the proposed undertaking. A copy of the letter of intent issued by the BOI is attached in **ANNEX 5**.

Traffic congestion in Mauritius has remained a major problem to be solved despite the implementation of the projects earmarked in the National Decongestion Programme. Therefore, new alternative means of reducing travel time of workers need to be encouraged. The present project responds to that need by offering place of work next door to residences or through short walking distance. Moreover, the site, by virtue of its location, has the ease of connectivity to the existing road network via the ring road. In the near future, the site will also be directly accessible from the capital city of Port Louis, upon completion of the ring road, through the tunnel link and likely the M2 at Military Road.

The site selected for the proposed development offers opportunities for its residents to benefit from hiking and biking trails. Moreover, the natural set-up provides magnificent mountain sceneries and ocean views, although it has no direct waterfront exposure.

The proposed Smart City project meets with the requirement for the development of a Smart City. It will provide a quality living and modern environment that would promote liveability, safety, security and sustainability. A number of facilities will be offered; a mobile and wireless cloud for a city-wide connectivity, smart energy management as well as e-services. The proponent has already presented the project to the BOI and the latter has issued a Letter of Approval for the Smart City project.

The proposed project has been designed in line with the government policy that aims at attracting more foreign direct investments to the country. The development promises many direct and tangible social and economic gains for the country. The project is estimated to generate a gross development value of MUR 20 billion. FDI would come through businesses, namely, financial services companies, multinational companies, local corporates, technology companies and support businesses and residential units. It is projected that 3,000 jobs will be directly and indirectly created during its implementation.

### 1.5 Structure of EIA report

A Smart City development is not a scheduled undertaking in accordance with sub-section 18 of the First Schedule Part B Regulation 3 section 15(2) of the Environment Protection (Amendment of Schedule) Regulations 2006. However, with regard to its scale and by virtue of the inherent requirement of the Smart City Guidelines an Environment Impact Assessment (EIA) licence is mandatory. Moreover, the BOI has informed the proponent that a copy of the EIA licence is to be submitted to them.

The project promoter has appointed Messrs. VYYAASS Consulting Engineer Ltd to prepare and submit an EIA to the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development. The report has been prepared according to the guidelines set by Department of Environment on EIA and gives an assessment that encompasses the evaluation of the potential environmental impacts and the proposed mitigating measures to be implemented.

The report is prefaced by an executive summary, which outlines the key aspects of this report. The report is then structured as follows: -

- Chapter 1: provides a general introduction to the project.
- Chapter 2: describe in detail the environmental policy, legal and administrative framework under which the project will be developed.
- Chapter 3: provides the site description.
- Chapter 4: details the project.
- Chapter 5: describes the baseline environment in the project area and gives a summary of the outcomes of consultation
- Chapter 6: identifies potential impacts on the environment and proposes appropriate mitigation measures to avoid or minimise the predicted impacts.
- Chapter 7: provides the socio-economic and socio-cultural impacts.
- Chapter 8: describes the Environmental Management Plan which is proposed for the construction and operation phases of the project.
- Chapter 9: assesses the alternatives to the project.
- Chapter 10: provides the enhancement opportunities of the project.
- Chapter 11: concluding remarks.

Besides the EIA component the Consultant carried out a Social Impact Assessment (SIA) as required by the Board of Investment.