

# MAURITIUS: The perfect gateway to Africa

The island nation is a dynamic trade and investment hub for the continent

Mauritius' continuous, decades-long economic growth shows no sign of slowing down, with its gross domestic product (GDP) expected to rise by 3.9 percent in 2019 as it cements its place as a diverse trade and investment hub for Africa.

Ivan Collendavelloo, Deputy Prime Minister and Minister of Energy and Public Utilities, gives some reasons why the country has this role: "It is the eastern-most part of Africa, has a privileged position in the Indian Ocean, and is a member of the African Union and other economic blocs. We have a buoyant financial system and a safe and secure system of law." Former Minister of Tourism Anil Kumarsingh Gayan highlights further reasons that the idyllic archipelago is not just a perfect, year-round vacation destination: "We have a vibrant global business sector and stability. In the World Bank's ease of doing business rankings, we are 20th in the world." "Which makes us an ideal base for companies investing in Africa," adds Collendavelloo.

With a blueprint in place to grow its financial services sector from today's \$1 billion to \$1.9 billion by 2030, Mauritius is poised to become Africa's leading international financial center (IFC). "It's the gateway for routing funds into Africa, offering the advantages of an offshore financial center with a substantial network of treaties and double-taxation agreements, and an internationally compliant and enabling regulatory framework," says Dharmendar Sesungkur, former Minister of Financial Services and Good Governance.

"Mauritius ticks all the boxes," adds Harvesh Seegolam, CEO of the Financial Services Commission (FSC), the renowned non-banking financial services regulator that is implementing the IFC development plan, which focuses on cross-border investments, corporate finance and banking, and private wealth. A priority for Seegolam is advancing the FSC's numerous

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Anil Kumarsingh Gayan, Former Minister of Tourism

international collaborations: "Last year alone, we signed agreements with our U.K., French, Russian and Maltese counterparts. Also a priority is positioning Mauritius as the region's center for fintech."

As its oldest and largest retail and corporate bank, Mauritius Commercial Bank (MCB) illustrates the strength of the country's financial sector. Its op-



erating income grew 18.4 percent year-on-year to reach over \$352 million in Q3 2019. In addition, "MCB was recently upgraded by Moody's to Baa2 and is now the highest investment-grade rated commercial bank on the African continent," says CEO J. Alain Law Min. With subsidiaries in the Maldives and Seychelles, and offices in South Africa, France, Dubai and Kenya, MCB has an impressive international footprint, but its growth strategy will see it become even more "international, digital and sustainable," he states.

Mauritius' second-largest bank, SBM Bank, which also has a presence in the Seychelles, India and Kenya, is another example. With 25 percent of its domestic market, it is a regular recipient of high-profile international awards and caters for a wide range of clients, although "Our main pillars are retail, micro and small- and medium-sized enterprise, and private wealth customers. We are also strong in corporate banking," says CEO P. V. Rao. Future growth will focus on "Consolidation, diversification, internationalization, modernization, digitalization and capacity building," he states. Parent group SBM Holdings also provides non-banking services like insurance and investment solutions, asset and wealth management, factoring and advisory services. "We are a fully integrated institution that supports investors operating along the Africa-Asia corridor, using Mauritius as a financial gateway," says chairman Kee Chong Li Kwong Wing.

To enhance its position as a modern business hub, improve the lives of residents and mitigate against climate change, the country is investing and modernizing its energy and utility sectors. The government-owned Central Electricity Board (CEB) is an example of how utilities are advancing. It gen-



**Ivan Collendavelloo**  
Deputy Prime Minister and Minister of Energy and Public Utilities



**Dharmendar Sesungkur**  
Former Minister of Financial Services and Good Governance



**Harvesh Seegolam**  
CEO, Financial Services Commission



**Kee Chong Li Kwong Wing**  
Chairman SBM Holdings



**M. Shamshir Mukoon**  
Acting General Manager, Central Electricity Board



**Somas Appavou**  
CEO Air Mauritius

erates 40 percent of Mauritius' electricity via thermal and renewable plants, and buys the other 60 percent from independent producers as the entity responsible for electricity's transmission, distribution and sale.

80 percent of Mauritius' power comes from imported fossil fuels, with the rest from local biomass, hydropower, solar and wind. "The target is for 35 percent renewables by 2025. Mauritius has a lot of sun and space for solar panels on top of homes, buildings, everywhere. So, instead of utility-based generating stations, we are giving customers the opportunity to generate their own electricity," CEB's acting general manager M. Shamshir Mukoon notes. An important part of this is the Home Solar Project, where photovoltaic kits are installed for low-income households that benefit from free electricity and selling excesses back to CEB. "We are targeting 2,000 installations a year," he says.

As well as solar, CEB has invested in onshore wind farms, is considering offshore generation technologies and has established a subsidiary company, CEB Green Energy, to promote green energy. However, to fulfill energy demands in the shorter term, "CEB is working on a 120 MW liquefied natural gas plant that will cut our carbon dioxide emissions by 50 percent," states Mukoon. CEB is also modernizing its transmission network by introducing state-of-the-art substations and meters to create a smart grid that passes data through its extensive fiber-optic network. To unlock the opportunities of this network, another subsidiary, CEB Fibernet Company, has been set up to exploit it as Mauritius' second broadband backbone. This company is further increasing connectivity by being part of a consortium that is building a submarine cable to connect Mauritius with South Africa.

Equally important for the economy is air connectivity and the national airline Air Mauritius, which is responsible for about 50 percent of the country's air traffic, states CEO Somas Appavou; "We are the islands' bridge with the rest of the world for passenger traffic and trade." The airline's quality and safety standards have made it the World Travel Awards' leading Indian Ocean airline 14 times in the last 17 years, he says, "As soon as customers board our aircraft, they should feel like they are on vacation in Mauritius." The airline currently flies to 24 destinations on four continents but its new sustainable business model will see it "simplify our network, consolidate operations and then expand," he states, noting that the expansion will focus on Asia and Africa, and be enabled by a fleet renewal program that has seen it become the first in the southern hemisphere to operate the next-generation, fuel-efficient A330neo. Investment in people is also important to the airline, which opened a flying academy in August. "Going forward, we will continue to look at opportunities that are in the best interest of our company and our nation," says Appavou.

# A robust and diverse economy that welcomes investors

Having found success in many traditional sectors, Mauritius is now positioning itself as an international hub for innovative services



From a mono-crop economy resting on the cultivation of sugar cane, Mauritius has successfully transformed itself into a robust, broad-based, diversified, innovative and knowledge-driven economy.

To achieve this, the country has consistently implemented a strong, growth-oriented developmental strategy, with a primary focus on diversification. These policies have enhanced the local economy's resilience, which now rests on a number of pillars: agribusiness, export-oriented manufacturing, tourism, financial services, property development and real estate, information technology and business process outsourcing, the Mauritius Freeport and logistics, and seafood. Over the past five years, the country has enjoyed a sustained average annual growth in gross domestic product (GDP) of 3.9 percent. With a per capita income of \$11,200, Mauritius is presently categorized as an upper-middle income country but its developmental policies are geared to transforming the island into a high-income economy. In this context, the Economic Development Board (EDB) is working to broaden the economic base by consolidating traditional sectors and attracting investment in new ones.

Mauritius is moving up the value chain in established sectors while tapping into new opportunities in services, which represent 75 percent of the economy

**The country will capitalize on disruptive technologies to bolster its competitiveness and unlock innovative solutions, which will play an instrumental role in positioning it as a modern and sophisticated investment and trade hub.**

and are expected to grow further in the next few years. Niche opportunities exist in areas such as healthcare, life sciences, knowledge and renewable energies. The EDB is also committed to exploring investment avenues in activities such as marinas and film making. Other sectors that are being developed include the sports economy, the silver economy, industry 4.0, an innovation hub, small- and medium-sized enterprises and startups.

### An ecosystem conducive to sustaining economic buoyancy

In its efforts to position the country in the league of high-income economies, Mauritius' business environment is constantly being enhanced with a view to strengthening the island's position as an attractive investment location. It is, therefore, no surprise that Mauritius is ranked first in Africa in several international accolades. It topped the World Bank Doing Business Report

2019 as Africa's leader for doing business while being ranked 20th globally, for instance. This performance bears testimony to the numerous business-friendly initiatives and reforms undertaken by the government to improve the business ecosystem. Business facilitation remains a key priority for the government: to ensure that processes for obtaining governmental licenses are seamless and less time consuming, efforts are being made to deploy a national electronic licensing system. Today, any foreign investor can incorporate a company in less than two hours and start operations immediately. Furthermore, a harmonized low-tax regime of 15 percent is applicable to both individuals and corporations, while dividends are tax free. There is no exchange control and export-oriented activities benefit from duty-free input and duty-exempted equipment.

Mauritius has excellent infrastructure. It has a well-developed road network, state-of-the-art light railway system, efficient deep-water seaport and enjoys direct air connections to 35 worldwide destinations. It is also well equipped with a high-bandwidth fiber-optic grid, and a reliable land and mobile telephone network. Mauritius has an internet population penetration rate of 112 percent, while its mobile usage rate is 151 percent.

### A premier manufacturing base

Mauritius has consolidated its reputation as a high-quality and reliable supplier while expanding its customer base through successful trade, investment and industrialization strategies. It exports goods from sugar to textiles and apparel, seafood products, electronics, jewelry and medical devices around the world. The country is also a trading platform for the export and re-export of commodities. Mauritius is a center of excellence for garment manufacturing and has the trust of major fashion houses in Europe, the U.S. and South Africa. To revitalize the manufacturing industry, the government is developing an ecosystem that will foster automation and robotics within the manufacturing cluster.

### A secure and transparent country with a wide network of economic ties

Mauritius has nurtured close trade and investment ties with various countries and, as a keen promoter of regional integration, is extending its ties across the African continent. It is an important regional player through its membership of trading and cooperation organizations like the Southern African Development Community, the Common Market for Eastern and Southern Africa (COMESA), the Indian Ocean Commission, the Indian Ocean Rim Association, African Growth and Opportunity Act, and an interim economic partnership agreement (EPA) with the European Union. Furthermore, a free trade agreement (FTA) with Turkey and a preferential trade agreement (PTA)



with Pakistan are in place, Mauritius has concluded an FTA with China, is negotiating a PTA with Indonesia and is in the final stage of concluding a comprehensive economic cooperation partnership agreement with India. These new agreements will guarantee preferential market access to 68 percent of the world's population.

To date, double-taxation avoidance agreements have been signed with 49 countries, and investment promotion and protection agreements (IPPAs) with 44. Mauritius is internationally trusted for its versatile mix of common and civil law. The highest appellate court is the U.K.'s Privy Council. It also has a long history of political, social and cultural stability, which are essentials for global investors and provide certainty and predictability. The country is committed to combating money laundering and all illicit transactions by enacting one of the world's most stringent anti-money-laundering laws. It also complies with new international requirements for impeding the financing of terrorism.

### An international financial center of choice

Since the 1990s, Mauritius has adopted a substance-based model to consolidate and develop its financial services sector. Its sophisticated, transparent and well-regulated international financial center offers a conducive ecosystem to investors and generates up to 11.7 percent of the country's GDP. Mauritius is compliant with the Organization for Economic Co-operation and Development's standards and has no harmful tax regimes, putting it on a par with jurisdictions like Norway and Ireland. It offers a complete range of financial products such as treasury management centers, global funds, protected cell companies, captives, family offices and trusts. To incentivize new activities, the government has introduced tax holidays for regional headquarters, investment banking and fund management, and other operations.

### New growth poles and prospects for the Mauritian economy

Mauritius is positioning itself as a high-end services platform. Its aim is to become a world-class digital economy that fully harnesses the opportunities arising from innovative technologies, such as artificial intelligence and fintech. The country will capitalize on disruptive technologies to bolster its competitiveness and unlock innovative solutions, which will play an instrumental role in positioning it as a modern and sophisticated investment and trade hub. The country is adamant that the emergence of fintech, high-end manufacturing and smart cities will help shape an efficient and forward-looking economic architecture. Mauritius' next developmental phase will be driven by talent, skills, know-how, technopreneurs and innovators.



## A Center of Excellence for Business & Innovation



# Investing in the modernization of Mauritian utilities

**Deputy Prime Minister and Minister of Energy and Public Utilities, Ivan Collendavelloo**, describes the plan to pave the way for the country's future.



What has been achieved since you took over as Minister of Energy and Public Utilities and how has it contributed to the Mauritian economy as a whole?

When I assumed responsibility for the energy and utilities sectors, I found that we had to initiate proper management techniques for our utility companies. The most difficult situation was in the water sector. The supply and distribution infrastructure was old and had suffered from lack of maintenance for many years. It was in a decrepit state and supply of water to the population was very irregular. The new government immediately gave priority to the rehabilitation of water infrastructure. By October this year we expect to provide the main towns, which are the most populated areas of the country, with potable water round the clock thanks to the replacement of water pipes.

On the electricity side, in 2014 we were facing the risk of a supply short fall and capacity gaps. We avoided power outages because we appointed experienced management at the Central Electricity Board (CEB) and we invested in increasing power generation capacity for both conventional and renewable energy. Waste-water management is high on the agenda. There were issues with waste and contract overruns, and delayed implementation of projects. We have made excellent overall progress and we will continue to make the necessary improvements and to modernize the energy and utilities sector.

**“We are a member of the African Union. We are the eastern-most part of Africa and have a privileged position in the Indian Ocean.”**  
Deputy Prime Minister and Minister of Energy and Public Utilities, Ivan Collendavelloo

The use of solar energy has experienced a tremendous boom in recent years—increasing by 800 percent to move from representing 1 percent of electricity generation to representing 8 percent. Your ministry's objective is for renewable energies to account for 35 percent of the energy mix by 2025. How do you plan to achieve this goal and what role could foreign investors play?

When we came in, the environment was one of our main concerns. Mauritius was among the first to join the International Solar Alliance, which was founded by France and India. Mauritius is also a member of the South African Centre for Renewable Energy and Energy Efficiency, an offshoot of the South African Development Community (SADC). When we started, there was only one solar farm. Today, we have eight solar farms that are fully operational and

three more will be operational by next year. We are also concentrating on battery storage. 4 MW has been installed and this will be increased to 18 MW within a year.

How can Mauritius become the Indian Ocean's leader in the trading and transmission of liquefied natural gas (LNG)?

Small islands like Mauritius are the primary victims of climate change and we must take all the mitigation measures possible to avoid the impact of it. We are privileged to be in an area that, in a few years, will be a prime producer of natural gas. Although we might not have these resources ourselves, we have been working with the Trade and Development Bank to develop a regional strategy for LNG for electricity production and bunkering ships.

How does the energy sector fit into the Government's strategy for Mauritius to become a trade and investment hub?

We are a member of the African Union. We are the eastern-most part of Africa and have a privileged position in the Indian Ocean. We have a buoyant financial system, and banking and insurance are strong.

We also have a safe and secure system of law, with the rule of law manned by skilled professionals versed in both civil and common law, which makes this an ideal place for investment and trade. The reality is that we have a number of memorandums of understanding, bilateral and multilateral treaties—we are not a tax haven, as some have suggested. We are an ideal place to base a company when considering investing in Africa.

Where do you see potential areas of interest for foreign investors?

In Mauritius, we will invest a lot in renewable energy. Until now, the private sector has been the prime mover and the CEB has invested in a solar farm, which is now operational, and we intend to invest further in solar and wind energy. Additionally, we have three desalination plants operating with varying degrees of success.

-  The government has invested more than **\$111 million on water infrastructure**
-  The government plans on investing additional **\$41.6 million on water grid**
-  There are **600 trillion cubic feet of natural gas** in the area

# A promising future for Mauritius' unique financial platform

**Former Minister of Financial Services and Good Governance, Dharmendar Sesungkur**, is optimistic about the sustainability of the financial center



Do you agree that Mauritius is the leading international financial center (IFC) for investments, financial services and trade in Africa?

The Mauritius International Financial Centre is one of the most stable and attractive environments for doing business in Africa. This is due to its stable political and economic regime, internationally compliant and enabling regulatory framework, robust legal and judicial framework, and foreign currency availability with free capital flows.

Over the years, we have developed a solid reputation by making use of best practices and adopting a strong code of ethics. Today, Mauritius offers investors the advantages of an offshore financial center in the Indian Ocean, with a substantial network of treaties and double-taxation agreements, making it the gateway for routing funds into Africa. Mauritius is aiming at becoming the gateway for Africa as there is a thriving business ecosystem, coupled with a stable regulatory framework, allowing Mauritius to strengthen its position for future growth and development.

**“In Mauritius, we do not believe in plain statements made out of nowhere but rather we believe in actual factual evidence.”**  
Dharmendar Sesungkur  
Former Minister of Financial Services and Good Governance

How would you evaluate the current status of the financial service industry in Mauritius? Why is it a natural choice for investment in Africa?

Mauritius is extremely competitive in a number of ways. Along the years, we have developed an interesting platform and the right ecosystem for foreign cross border investments, supporting pool of competent and trusted professionals, inspiring confidence among foreign investors. The legal system coupled with the modern physical infrastructure are highly valued by foreign investors coming to Mauritius. All these conditions influence the decision of international investors. Presently, Mauritius positions itself at the first place in the Mo Ibrahim Index for Good Governance. Moody's has given Mauritius the Baa1 rating, which is an important element of the financial strength of the country.

Mauritius is a founding member of the African Union and a member of the COMESA and the SADC, regional trading blocks in Africa. These markets are easily accessible for Mauritian businesses. We offer a platform where business is done in a safe environment and best practice in good governance, in line with international standards. In Mauritius, we do not believe in plain statements made out of nowhere but rather we believe in actual factual evidence.

What are the plans to further extend an impressive network of double taxation agreements (DTAAs) and investment partnership and protection agreements (IPPAs)? Also, is fintech involved in your future plans?

Foreign investments are important for the construction and development of a country as it helps in building important infrastructures. Mauritius would like to extend its network to other countries, because we firmly believe that bilateral treaties, double taxation avoidance agreements and investment promotion and protection agreements are extremely important to any investor, providing certainty and security. It is our intention to engage with other governments and continue developing our relationship with the countries where we do not have IPPAs and DTAAAs. Mauritius is well positioned today to contribute significantly to providing that capital.

On another note, fintech today is drastically changing the face of businesses around the world, representing one of the core elements of our strategy. Through fintech we will further diversify the base of opportunities by going full throttle on an innovation-led growth model that will position Mauritius on the global and regional scene as an intelligent and forward-looking economy.

In line with the Mauritian Government's Vision 2030 target to double the size of the financial sector, the IFC aspires to grow its contribution to. What steps need to be taken to achieve this vision?

In accordance with the Mauritius IFC Blueprint 2030 we are paving the way forward to doubling the contribution of the financial sector. The potential for growth in the next decade is enormous, especially within the 3 core pillars highlighted in the Blueprint 2030, notably cross-border investment and corporate banking, private banking and wealth management. The IFC Blueprint was devised to further the goals of Mauritius as a jurisdiction of substance and platform for channeling investments. In line with the government's vision for the financial services sector to double its size, grow its contribution to GDP to \$1.9 billion, increase employment by 1.5 times and boost tax revenue, the IFC Blueprint 2030 addresses challenges and barriers to growth in the sector.

-  The financial services industry contributes **12 percent** of Mauritius' GDP
-  Mauritius has brought **\$36 billion** of investments to African countries
-  In 2019, Mauritius had **51 DTAAAs** and **44 IPPAs** globally

# Mauritius: An exotic destination that feels just like home

**Former Minister of Tourism, Anil Kumarsingh Gayan, shares his thoughts on the significance of touristic success for the country**



**What are some of the key milestones that you reached since the inception of the strategic plan of 2018-2021 towards the adaptation to the evolving tourism environment and what factors have contributed to these achievements?**

When we launched the strategic plan, we had an environment in the world that was conducive to the further growth of the tourism sector. We have noticed that the core principles of the strategic plan remain the same. We need to keep having a growth of 3 to 4 percent per year in terms of interest arrivals. We need to keep renovating and upgrading our results. We must continue to attract the high-end tourists, taking into account that air accessibility goes hand in hand with the tourism development. We have a couple of hotels coming on stream this year, as well as renovations in some existing hotels. The idea is to keep upgrading and establish that tourists who come to Mauritius find a very appealing destination.

**“We are cooperating with the rest of the world and this is why I believe that Mauritius is one of the friendliest countries to do business.”**

Former Minister of Tourism, Anil Kumarsingh Gayan

We have a lot of visibility campaigns, mainly in the markets which generate most of the tourists coming to Mauritius. We want to avoid charter flights, as we believe that with the schedule airlines, we are more likely to get the upmarket tourists. We are helping Mauritius to have a new generation of modern aircraft. It all goes hand in hand with the aviation and the accommodation sectors. To do this, we had to overcome technical challenges as we are an island and, as such, we are not interconnected with anybody.

**One pillar of the strategic plan is to promote Mauritius as the all year round destination with lots of different activities. What brand do you seek to create for the nation?**

I think the beach will continue to be a main feature of the attractiveness of Mauritius. However, we need also to develop ecotourism. We have lots of sea activities, like fishing and kite surfing. We are also promoting Mauritius as a place in the Indian Ocean where you can watch horse races. We hope to have state of the art casinos. We want to develop religious and cultural tourism.

In general, we want to maintain the visibility of the high end. Competition will be there and cannot be avoided. We want to improve our product so that people will be happier coming to Mauritius than going somewhere else. Once

they come here, they feel a great deal of affection for the country. The warmth of the people is not something that we find in many parts of the world. Mauritius is a secure place people where speak English and French among others, facilitating clear communication with the incoming tourists.

**How is Mauritius tapping into the global trend of ecotourism?**

Ecotourism is something which we want to develop. The problem that we are facing with countries like China is air connectivity. We are far removed from all the major source markets for tourism and we need to have air connectivity. Personally, I believe that there is a misconception going on with regard to the carbon footprint of air travel. I wish to sound the alarm that tourism is so important for many of the poor countries, that whatever happens with carbon footprint must take into account all the consequences. We are all very concerned about climate change and we all want to mitigate its impact on the life of every individual.

However, we are also conscious of the situation that can arise, where people become too alarmed by the risk of carbon footprint and stop traveling by air. If people stop traveling by air countries like New Zealand, Mauritius and Fiji will be destroyed with regard to tourism.

**What would you advise international investors that are keen to invest in the country?**

Mauritius wants to project itself not only as a tourism-friendly destination, but also as a country where you can come and find a very conducive environment for doing business. As a result, we have a very vibrant global business sector. Financial services are very important for the economy. Mauritius is demonstrating political stability, democratic spirit as well as a solid law system. We are cooperating with the rest of the world and this is why I believe that Mauritius is one of the friendliest countries to do business. Here it is like coming to a unique place, finding people of all shapes and colors, living in harmony on every small profitable end in the world.

During the first half of 2019, Mauritius welcomed **more than 650.000** tourists

In 2019, tourist arrivals by sea increased by **87.7 percent**

According to Mauritius' forecast, tourists arrivals for 2019 will reach **1.44 million**

# Forming anew the Mauritian foreign investment ecosystem

**Chairman, Economic Development Board of Mauritius, Joseph Cartier, explains the vision of positioning Mauritius at the forefront of Africa**



**What are Mauritius' advantages as an investment destination?**

In Mauritius you have, at the same time, political and economic stability. Economic stability does not come with ease, because economy is the most unstable thing that exists. When we became independent in 1968 we were a mono-crop economy. Gradually we built up two additional pillars, the textile and industrial pillar. In the beginning of the 1990s we started to build up our financial sector. In our days, we have about 25,000 people in the ICT sector. Today we are investing in a number of sectors. The first one is innovation-led economy, as there has been a strong focus on Fintech, AI and on all kinds of innovation means. One thing where we will see a lot of growth in the future years is the silver economy. Silver economy focuses on pensioners deciding to live the rest of their life in Mauritius. It is about creating a very strong health center that will be able to give the required services to very demanding and foreign retirees establishing in Mauritius. Alongside the silver economy, which is trying to get these people to come, comes the health sector to support this industry. Today in that space of innovation, we plan to bring in innovators from all over the world. They come to find an environment where there is an incubator and try to connect with business angels to develop their ideas. Last but not least, we want Mauritius to be an education hub, and we want to fulfill our role to help the African continent to develop the full potential of our continent. The education hub in Mauritius is something that is growing very quickly.

**“Our role in EDB is not a role of a regulator. We are here to create the best environment and welcome our new providers.”**

Chairman, Economic Development Board of Mauritius, Joseph Cartier

**What markets are you currently targeting and what strategies are you putting in place to diversify these sources?**

We already have some counselors in France, U.K. and we are now establishing some in Russia, Japan, Singapore and China. We have moved our connection from Delhi to Mumbai now in India closer to the economic heart and economic activity of India.

It is through our economic counselors, now, that what we want to drive our economic relationship with these countries. It is very important that we maintain good relationships with all these countries to create a healthy balance. Even though Mauritius is small, people would not bother going in there and see what kind of impact it has on the export of these countries. In any case, all of these countries understand that the key to Africa is in Mauritius.

**With FDI increasing, the EDB has put in place lots of incentive schemes to attract investors. Which one would you like to highlight?**

The first one is the scheme that we have put in place for the silver economy. After the budget speech, whereby a lot of facilities were put in place in terms of duty free for construction material, resident permits were given to those people who buy within these retirement places. The second thing is within our incubators now, as we encourage people from all over the world to establish themselves in our incubators.

**What steps is EDB taking to support innovation and sustainability as part of the economic diversification of Mauritius?**

E-licensing is very important and this is about facilitating further their business. Nowadays, when you make the request for a specific permit, the system goes and makes the application to the respective authorities. This initiative is about creating a real commitment and service agreement on the authorities. With this, we are years ahead of a lot of countries.

In 2018, more than **USD 36.4 billion** was invested in Africa through Mauritius

**50 percent** of FDI influx in Mauritius comes from France and Luxembourg

In 2018, the Mauritian economy grew by **4.1 percent**

Furthermore, we focus a lot on the creation of different development zones in Mauritius. There is a huge industrial sector where we want to bring a lot of high-tech investment. In terms of the paperwork, we are facilitating and in terms of giving location for companies to come and settle in Mauritius.

**Recently, EDB became a member of the World Alliance of International Financial Centers. What is the importance of this achievement and how do you plan to capitalize it moving forward?**

The first thing is about establishing a network and knowing the best practices in terms of corporate governance and regulation. Then, it is all about knowing how other jurisdictions market themselves and what are the best practices to be efficient on the market. Our role in EDB is not a role of a regulator. We are here to create the best environment and welcome our new providers. We are here to market and talk about our jurisdiction and this is why it was important for us to be part of the association.

# Mauritius' attractiveness as a premier manufacturing base

The manufacturing landscape constitutes an integral part of the Mauritian economy and remains a priority sector for the government toward becoming a high-income economy. This sector has graduated from traditional to high-value-added manufacturing through the adoption of technology and automated processes.

The diversification of its industrial base and adoption of a value-added strategy have enabled the sector to attract some renowned companies covering a wide array of value-added manufacturing activities. Major investment projects that have recently been facilitated include ones for the manufacture of application-based fiber-optic cables and the production of automotive air filters for export to the region.

## Investment opportunities in specific high-value-added and technology-intensive sectors:

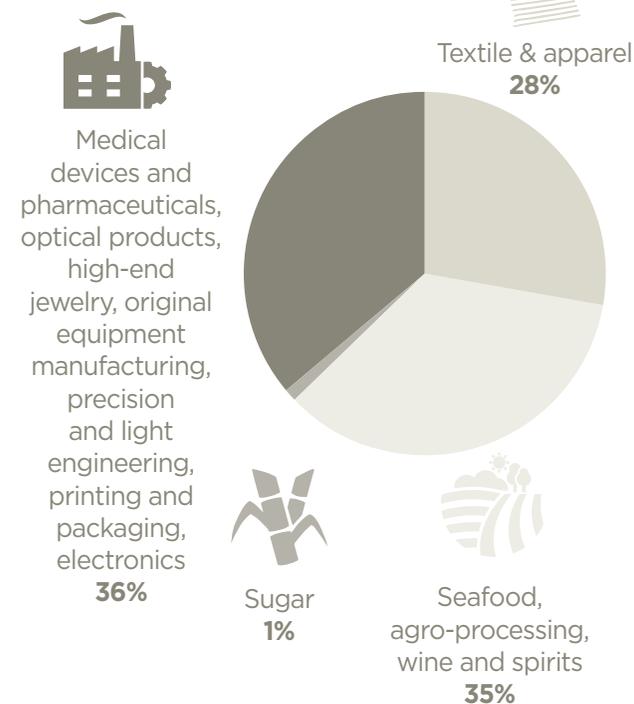
- Medical devices
- Pharmaceuticals
- Technical textiles (non-garment and apparel)
- Electronic components and devices
- Optical products
- High-end jewelry
- Original equipment manufacturing (automotive components, aircraft components etc.)
- Precision engineering
- Light engineering
- Food processing
- Printing and packaging

## Key facts and figures: Manufacturing industry as at 2019

### Manufacturing: Total



### Manufacturing: Traditional & new industries



### Incentives for companies and export-oriented businesses:

- 3% tax on profits** derived from exports of goods
- No import duties** on equipment and raw materials
- VAT on raw materials** is payable at customs clearance but **reimbursable on exports**
- Industrial electricity tariffs** for manufacturing activities (MUR 2.97kWh)
- Sea freight rebate scheme:** Exporters are eligible for a refund for 25% of the basic sea freight cost to a maximum of \$300 for 20-foot containers and \$600 for 40- to 45-foot containers exported to eligible regional ports in Africa
- 8-year corporate tax exemption** for companies engaged in the manufacturing of pharmaceutical products, medical devices and high-tech products
- Speed to market scheme allowing 40% refund** in air freight cost for exports of textiles and apparel, jewelry, medical devices, fruits, flowers, vegetables and chilled fish

# Your ideal destination for property investment

Over the last couple of years, the real estate sector in Mauritius has been at the forefront of the country's evolution from mono-agricultural to a diversified, innovation-driven and knowledge-based economy. Through its Smart City Scheme, the government of Mauritius is, therefore, offering a plethora of opportunities to global investors to share in the vision of creating Mauritius' intelligent, innovative and sustainable cities of tomorrow.

Smart City blends the concept of "work, live and play" with significant investment opportunities in mixed-use development projects. An attractive package of fiscal and non-fiscal incentives is offered to prospective investors in the tremendous opportunities available in a wide array of components in pioneering urban developments.

Moreover, as it benefits from a mild tropical climate all year round, Mauritius is classified as one of the most go-to destinations for foreigners. To allow non-residents to take advantage of its idyllic landscape and lifestyle, the Property Development Scheme has been developed with the unique aim of providing an opportunity for non-citizens to acquire and develop luxury residential properties in Mauritius. These residential properties include luxury condominiums, villas and apartments.

## A non-citizen is eligible to invest in residential properties under schemes approved by the Economic Development Board of Mauritius:

Luxury property	Apartment	Senior residence
Residency by investment of at least \$500,000 through acquisition in the following schemes: Integrated Resort Scheme Real Estate Scheme Property Development Scheme Smart City Scheme	Long stay visa through acquisition of an apartment of at least \$500,000 in a building with at least two floors above the ground floor	Residence permit/life rights upon acquisition of a unit (minimum age of 50)




## The economic contribution of property development schemes

- 14.2%** Contribution in building and construction investment
- 0.8%** Value-added contribution to GDP
- 0.1% point** Contribution to GDP growth
- +\$210 million** Total tax revenues (registration and land transfer tax)
- 46%** Share of real estate in FDI inflows

# A paradise open to the world

Mauritius offers a quality lifestyle that combines comfort with luxury, modernity with cultural traditions and work with leisure. A wide range of modern facilities and amenities are available at reasonable costs, including quality accommodation, educational facilities, healthcare and medical facilities, shopping centers, and recreational and sporting facilities.

Foreign nationals wishing to work, live or retire in Mauritius may explore various avenues either through the Occupation Permit, Residence Permit or Permanent Residence Permit.



## A non-citizen can apply for an Occupation Permit in any of the following categories:



### Investor

- Minimum investment of \$100,000
- Turnover should exceed \$112,000 annually
- Eligible to acquire an apartment (in a building with at least two floors above the ground floor)



### Self-employed

- Minimum investment of \$35,000
- Annual turnover exceeds \$20,000



### Retired

- The non-citizen must undertake to transfer \$1,500 on a monthly basis to their local bank account in Mauritius



### Professional

- Basic monthly salary should exceed \$1,650
- Basic monthly salary for a professional in the ICT sector should exceed \$835
- Eligible to acquire an apartment if basic monthly salary exceeds \$3,000



### Innovators' Occupation Permit

- This permit provides for investors wishing to invest in innovative projects to be eligible for an Occupation Permit with an investment of \$40,000
- Or
- No capital outlay requirement for start-ups mentored by an incubator under the Innovator Occupation Permit



### Permanent Residence Permit

- As a holder of an Occupation or Residence Permit, a foreign national is eligible to apply for a 10-year Residence Permit, provided specific conditions are met
- A foreign national who has invested a minimum of \$500,000 into a qualifying activity is also eligible for the 10-year residence permit.

# Your innovative and sophisticated investment platform

Building on its strong financial services sector and its role in cross-border investments in emerging economies, Mauritius has forged a substantial reputation as an international financial center (IFC) of choice. The robust and fast-expanding presence of international law firms, corporate services providers, fund managers, global investment and wholesale banks, as well as state-of-the-art exchanges, is testimony to this fact. Currently the sector contributes to 11.7 percent of the Mauritian economy and directly employs more

than 13,500 professionals.

The Mauritius IFC offers the breadth and depth of structuring investments into regional headquarters and holding companies, and is complemented by offerings such as treasury management centers, global funds, protected cell companies, captives, family offices, trusts, investment banking and global legal advisory services. The Mauritius IFC is particularly poised to play a strategic role in attracting investments and promoting prosperity for and across Africa.

## Salient features of the Mauritius international financial center



Tried and proven jurisdiction



Excellent ease of doing business regime



Arbitration center of reference



Risk-mitigating platform



No exchange control



Modern banking and technological infrastructure



Set of sophisticated products



Pool of bilingual professionals (English and French)



Innovative listing and capital-raising platform for Africa-focused investments



Extensive network of bilateral agreements



Hybrid legal system (English common and French civil laws)



Free movement of capital

# International collaboration putting Mauritius on the map

**Chief Executive, Financial Services Commission, Harvesh Seegolam, explains why Mauritius has become a formidable destination for investments**

Mauritius is positioning itself as the International Financial Centre for India and Africa. What do you consider the main strengths and competitive advantages of Mauritius IFC to channel investment to Africa?

First and foremost, investors look for the business and regulatory environment that the country has established. Second, they look at the entire logistical support around it, the ecosystem that can accompany their investments. Third, they look at how compliant the country is with respect to international norms, best practices, security and stability.

Our regulatory framework is compliant with the best international norms. Mauritius has been constantly innovating and adapting itself in order to meet the objectives of the global investors over the years. Mauritius offers all the products, fund structures and possibilities to use the jurisdiction to invest into those markets. In addition, these also club with the regulatory environment and the jurisdiction's excellent doing business environment.

**“Mauritius has been constantly innovating and adapting itself in order to meet the objectives of the global investors over the years.”**

Chief Executive, Financial Services Commission, Harvesh Seegolam

The Government's Vision 2030 targets doubling the size of the financial sector. What are some of the challenges the country is facing in this regard?

We had to devise the way forward in terms of what we are now aiming for Mauritius as a Regional and International Financial Centre. In this respect, the government and the relevant institutions embarked last year on an exercise to draft a 10-year plan. The first leg to the plan is to consolidate the position of Mauritius as a cross-border investment facilitation center. The second leg is to enhance our position in the field of corporate finance and banking.

There are a lot of MNA transactions happening in the region now, where there is the need for complex financial engineering, structuring and raising for those investments to materialize. Therefore, we have identified this segment as a key pillar in terms of driving growth of the financial services sector going forward. The second pillar, treasury management, is an important focus, because global firms are fast coming to serve the rising needs of the Continent. There is a dedicated license granted by the FSC for the setting up of regional treasury management and treasury centers.

The third focus is on private wealth. As Africa is rising and as the Asian continent continues to grow at the same pace, there would be need for a Regional Financial Centre where investors and high net worth individuals of the



region who would want to bank with and set up their family offices to manage their finance from, and this segment has been identified as the third key pillar for driving growth. In addition, we have identified five key imperatives that need continuous improvement as we proceed. First and foremost, we need the regulatory setup. The second imperative is the human capital factor. The third imperative is the entire doing business environment which has to be fast adapting. On the fourth area we are focusing on is the reputation of the jurisdiction. Finally, the fifth imperative, which is very much linked to the fourth, is the PR management.

How do you see the regulatory framework evolving as FinTech develops with new possibilities like AI or blockchain opening up?

Over the last two years, we have made significant improvements in terms of

creating the necessary setup for FinTech companies to set up a base in and operate from Mauritius. We have established a committee, spearheaded by the FSC, known as the regulatory committee on FinTech and innovation-driven financial services, which regrouped a number of experts from around the world. The objective is to position Mauritius as the Regional Centre for Financial technologies in our part of the world.

The FSC is a member of several international regional organizations, such as IOSCO, CISNA and SADC amongst others. What would you highlight of your collaboration with other regulators?

FSC is mandated to conduct capacity-building programs for regulators in this part of the world, introducing new standards in the field of financial services. In addition, earlier this year Mauritius was chosen as the host country for the CISNA Secretariat, with FSC housing it. Last year alone, we signed MoUs with the FCA in the UK, the AMF in France, the Bank of Russia and the FSA in Malta. In our field of activity, you cannot operate if you do not collaborate. The very three words of IFC, provide an essence of what we are doing, and it starts with International - there cannot be an International Financial Centre if there is no collaboration with international counterparts.

-  **In 2018, the total value of investments in Mauritius stood at \$36.4 billion**
-  **By 2030, the IFC's contribution to the GDP is aimed to reach \$1.9 billion**
-  **In 2017, FDIs in Mauritius marked the record of \$508 billion**

# Diversification on a global scale leading to exponential growth

**Chairman, SBM Holding, Kee Chong Li Kwong Wing, guides us through his vision about the company's, as well as Mauritius', steps moving onwards**



SBM Group is, among others, involved in Non-Banking Financial activities. How would you assess the importance and reach of the Non-Banking Financial Cluster within the Group?

In 2015, we embarked on a growth strategy based on three main pillars which are regionalization, diversification and digitalization. One of the objectives of our diversification strategy was to give a boost to our non-banking financial activities. Diversifying our non-banking activities included enhancing our clients' proposition, corporates, through our asset management and factoring solutions, or high net worth individuals with tailor-made wealth management solutions. We also provide advisory services with respect to raising debt and equity capital from investors for corporations, banks and sovereign governments to help them meet their funding needs for growth and expansion plans. Over the last four years, SBM's Non-Banking Financial Cluster has made satisfactory improvement, quadrupling its contribution to the Group's profit.

**“With one foot in Asia and the other in mainland Africa, the Group's network, institutional linkages and client base are well diversified.”**

Chairman, SBM Holding, Kee Chong Li Kwong Wing

To what factors do you attribute your recent success and what are your expectations for 2019?

The operating profit of the Group for the year ended 31 December 2018 increased by MUR 2.21 billion from MUR 7.57 billion for the year ended 31 December 2017 to MUR 9.78 billion for the year ended 31 December 2018. The increase was mainly attributable to higher net interest income and other operating income. Other operating income included net gains arising on the acquisition of two banks in Kenya which amounted to nearly MUR 1 billion. We first expanded our network in Kenya through the acquisition of Fidelity Commercial Bank and then took over selected assets and liabilities of Chase Bank Limited. Today, we have more than 50 branches with some 800 employees and nearly 200,000 clients in Kenya. In India, we have merged our branches into a Wholly Owned Subsidiary, which became the first foreign owned bank to obtain a universal banking license.

SBM Holdings raised US\$ 165 million and became the first African bank to issue a Depositary Receipt on an African Exchange. What are the advantages of this move for both Afreximbank and, in turn, for SBM Holdings' capital-market capabilities?

The Issue and Listing of the Afreximbank's Depository Receipts has been a landmark event for SBM Group, Afreximbank, Stock Exchange of Mauritius and for Africa as a whole. Through this initiative, we showed that we are capable of finding adequate and innovative solutions that meet our clients' needs. The successful listing of the Afreximbank's DR demonstrates that SBM has positioned itself as a strong financial player in the region providing the whole range of advisory, listing, securities, trading, custody, registry and transfer services. Moreover, the choice of SBM by Afreximbank for its capital raise indicated our outstanding track record. With one foot in Asia and the other in mainland Africa, the Group's network, institutional linkages and client base are well diversified. SBM is today a fully integrated financial institution with strong Investment Banking capabilities. It was the first financial institution to obtain an Investment Banking License in Mauritius. With its strong franchise and resource capabilities, the SBM Group aims to tap into the trade and investment potentials along the Asia-Africa corridor.

-  **In 2018, SBM Holdings noted 29 percent increase of operating income**
-  **In 2018, SBM Group raised their total profits by 4.5 percent**
-  **Afreximbank's listing was the first capital raise of its kind in Mauritius**

What, in your opinion, makes the island nation the perfect platform to channeling investments to Africa and how can SBM Group capitalize on this?

The African Continent is today the pole of attraction for foreign investment. Following the bold and wide-ranging measures taken by African countries to industrialize and transform their economies, Foreign Direct Investment flows are rising across the continent. Mauritius, through its strategic positioning between the two fastest growing continents – Asia and Africa, is becoming a preferred gateway for trade and investment. Ranked 1st in Africa for doing business, Mauritius offers a panoply of fiscal and non-fiscal incentives to investors, free repatriation of profits and dividends, access to credit on preferential terms and 100% foreign ownership. Through its presence in Kenya, India, Madagascar and more recently the Seychelles, SBM not only accompanies its clients across frontiers but also through its partnership with Afreximbank promotes and finances trade within the African continent and beyond.

# A glimpse inside the country starting from the plane

**Chief Executive Officer, Air Mauritius, Somas Appavou**, breaks down the specifics of Mauritius' product when it comes to air connectivity.



**In 2017 Air Mauritius celebrated half a century of history. What have been some of the company's main milestones over the past decade?**

From the very beginning, we knew that, being an island, we had to create a bridge with the rest of the world. Air Mauritius serves as that bridge both in terms of passenger traffic, carrying millions of people and in terms of trade. Modern aviation technology has allowed us to fly 12 hours non-stop to international cities which has become a competitive advantage for Mauritius. We were one of the very first operators of the Airbus A340 four engine aircraft. At the time, we needed an aircraft capable of flying extended range and flying directly to Europe. We have been carefully building our product to suit today's passenger needs while preserving traditional Mauritian hospitality onboard.

**"Within 24 hours of launching the Academy, we had 92 applications, and there were only 12 seats available."**

Chief Executive Officer, Air Mauritius, Somas Appavou

**You currently fly directly to 24 destinations, 6 of which are in Africa and 4 in Asia, and have started to develop the Chinese market. Which new routes are being prioritized as part of your expansion strategy?**

We need to reform our business model. We wish to simplify our network, consolidate our operations and then expand. We are looking at opportunities based on the technology that is available right now. Planes that can fly 6 to 7 hours will get us to Asia, Australia and parts of Africa. This affects how we can build our network with additional frequencies, giving customers the right product or service at the right price. We have to focus on our core markets, which for us are France, U.K. and China. We have to develop the Asian market. We are doing everything we can, as China is a different market compared to the, more familiar, European markets.

**Your fleet now includes two A350-900, delivered in 2017, and two A330neo that were delivered earlier this year. What is the impact of such a fleet renewal programme?**

The reason why we changed the type of aircraft was based on three parameters. First, this is new technology, allowing us to be more fuel efficient. This is what we need for better operating efficiency. Secondly, the product is more appealing to the customer. Thirdly, we did it because of our strategy. If you look at our network, we have three layers. The first is very domestic, in our case, our inter-island operations. The limitation in Rodrigues Island, our only

domestic route, right now is the runway length. At the second level, we have the regional operations. Those consist of 4 to 6 hours of flight, including Cape Town, Johannesburg and Durban in South Africa, as well as Nairobi. Then, we have the medium to long haul destinations, which include Asia and Europe. Once we simplify the fleet, we will have a better approach in terms of cost, because we will be able to benefit from economies of scale.

**What other strategies do you have in place to mitigate fuel price volatility and sustain profit?**

We have simplified our fleet. We are making our processes leaner and more agile, adding more technology into our operations in order to be more competitive. We are looking at different markets and how we can optimize online travel agent, rather than having the traditional travel agents.

**One of the key pillars of your strategy is to invest in human capital, through the launch of the Flying Academy of Air Mauritius Institute. How do you assess the success of the Institute since inception?**

We are a small island and the strong market demand for pilots is a global issue. Our Flying Academy aims to train people in Mauritius at a very competitive price so they can fly for Air Mauritius or anywhere in the world. Within 24 hours of launching the Academy, we had 92 applications, and there were only 12 seats available. What we want for our students is to solve the problem of pilot unemployment and help them find a job. The unique selling point of our Flying Academy is that trainers will be operating pilots of Air Mauritius. Cadets will learn from top performers on the job. Our next phase is to train engineers, mechanics and other types of aviation professionals.

**What are your expectations for 2020?**

2020 will be a year of transition. Our business model needs to evolve so that it is better adapted to the new operating environment. We need to build more business resilience and agility. Lastly, we have to focus on sustainability, which is essentially dependent on the environment.

-  **Air Mauritius** was established in **1967**, just before **Mauritius'** independence
-  In **Mauritius**, **97 percent** of travellers come by air
-  Travel and tourism industries represent **23.6 and 14 percent** of **Mauritius'** GDP

# Our Island in the Sky



"Mauritius was made first, and then heaven; and that heaven was copied after Mauritius." Mark Twain

## The complexity of power generation in the middle of the ocean

**Acting General Manager, Central Electricity Board, Shamshir Mukoon,** guides us through the evolution of Mauritius' electricity interconnection



The Central Electricity Board is a key institution of the Mauritius energy sector. The company has experienced a significant turnaround in the last few years. What measures have been implemented to achieve it?

CEB is the first and only utility in the country, with the mission to electrify the country and ensure that the economy is supplied with the energy required for its development. As of today, we have already reached almost 100 percent of electrification. We have our own power generation and a contract with independent power producers. The country mainly relies on imported fossil fuel, but we also have local resources like the sugar cane biomass, called bagasse, which is left over from sugar cane production. On top of that, we also have 3 to 4% of hydropower. The remaining is solar and wind power, renewables, which is the trend nowadays for electricity generation.

In the last 3 or 4 years we had the task to see how we could ensure that this mix of generation is more in line with the challenges that we are facing. We start with the topmost challenge internationally, climate change. The first challenge we have is an ever-increasing demand, as the country's economic activities increase. We are not able to produce all of that increase in demand only with renewable power, but over time we expect to reduce the fossil-based generation. To do this, we had to overcome technical challenges as we are an island and, as such, we are not interconnected with anybody.

**"In parallel, we have to put our electricity transmission network to a level that it is conducive to receive multiple power injections."**

Acting General Manager, Central Electricity Board, Shamshir Mukoon

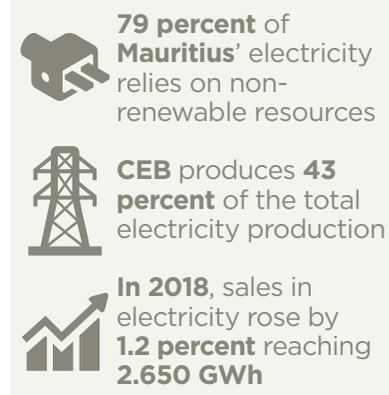
**What are the most important projects in your agenda at the moment?**

One of the most important projects is the Home Solar Project, with more than 70,000 current customers. We use our resources that we have in terms of investment capability so that the company we elaborated for the Home Solar Project, achieves the target of 2,000 installations per year and up to 10,000 over the next five years. As of today, we have already commissioned 1,000 systems.

The second one has been to see how we can support the commercial sector. We came up with a similar scheme, the SME Scheme. In this we have a target of 2,000 systems to install 2 kw on the rooftops, providing them with a subsidy so that it works in the same way. Apart from that, we are studying along with the Mauritius Research Council for ways to expand production of renewable energy over the 4 million square kilometers of sea that we have. In parallel, we have to put our electricity transmission network to a level that it is conducive

to receive multiple power injections. The GCF funds projects and gives grants to countries that have plans to do investments in any kind of venture in the direction of renewable energy.

One of the major pushes for us was to unlock opportunity for businesses, giving connectivity support towards a 'smart' network. The Board of the CEB, with the Ministry and the government, decided that we create the subsidiary CEB Fibernet Company, with a mission to create a backbone of broadband network over the island. We have a network, and we have it almost at no additional cost. It is from there that we, as a utility, are going to use this for our own network communication, getting information from all the independent power producers and small generators all over the island.



**The CEB has started plans for its corporatization. What would be the advantages of this change in status for the company and the power sector in Mauritius?**

We have so far been working on the Electricity Act, which has existed since 1939. The sector has to be revamped, so we started this process of corporatization. This regulatory authority has been set up and has been manned already. To do it now, in-house, the CEB has to organize itself internally to operate like a private utility. This restructuring of the CEB side is the main challenge that we are facing. We have been working on that, having also the assistance of the African Legal Support Facility. Following that the decision will be taken to restructure the CEB and promulgate that Electricity Act.

**With the ongoing restructuring and the possibilities in the renewable sector, what role can the private sector and foreign investors play?**

In this role there will be more opportunities for power generation business in the for-profit sector. This is an area where they have an opportunity to come and invest, and also bring in maybe new technologies for our smart grid. There are opportunities for private investors to come in with smart grid solutions and to be able to invest in the network.

## Innovation is the key for Mauritius' future

**Chief Executive Officer of the Mauritius Commercial Bank, J. Alain Law Min,** provides a glimpse on the bank's current state.



Recent results show that MCB continues to maintain a strong performance driven by a sustained growth in its foreign and local activities. What strategies have been put in place to achieve this?

In 2017 we set out on our growth path with a clear vision and direction to execute our three-pronged strategies, namely 'extend our frontiers', 'deliver a world-class customer experience through digital' and 'nurture our values and deliver on our brand promise'. Our focused business development initiatives, coupled with our disciplined and robust risk management framework, brought encouraging results and helped to boost our operating income. With the size of our economy and our leading market share locally in both retail and corporate segments, we have to look beyond our shores to achieve superior growth.

We have a specific business model to drive our international expansion, which leverages on our product expertise in niche market segments, such as financing trade within Energy and Commodities, structured project finance

within the hospitality, agriculture and power sectors, and providing private banking and wealth management services to high net worth individuals. We adopted an agile way of working, with cross-functional teams and customers involved in the development process. We have so far developed a few customer journeys, such as SME account opening.

**What do you think makes Mauritius the best platform to channel investments to Africa?**

Mauritius has all the ingredients to be the business and investment hub for Africa. With a dynamic and bilingual workforce, we have expertise in providing financial, legal and a range of other value-added services. In addition, Mauritius has a number of Investment Promotion and Protection agreements and Double Taxation Avoidance Treaties, which offer appealing business protection and investment structuring possibilities.

## The bigger picture

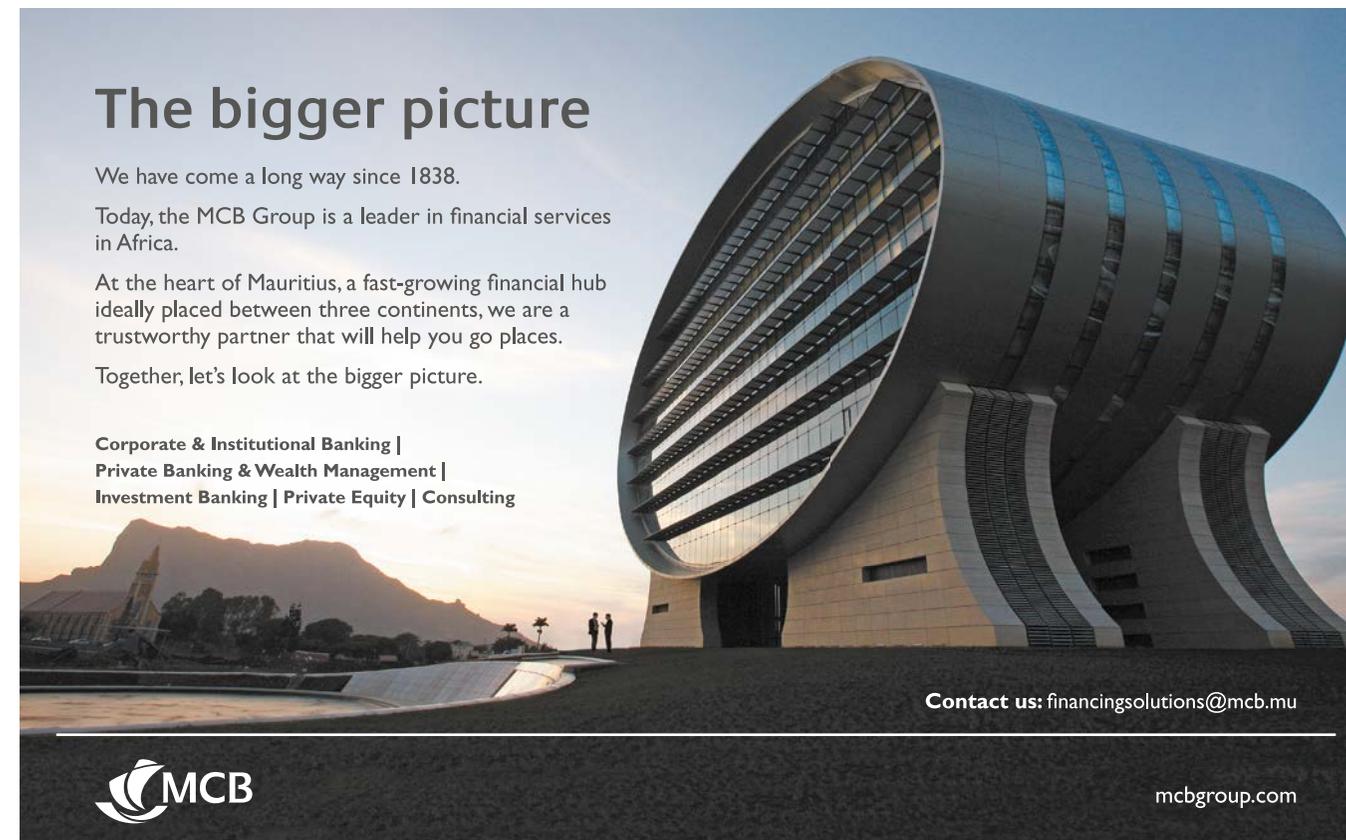
We have come a long way since 1838.

Today, the MCB Group is a leader in financial services in Africa.

At the heart of Mauritius, a fast-growing financial hub ideally placed between three continents, we are a trustworthy partner that will help you go places.

Together, let's look at the bigger picture.

Corporate & Institutional Banking |  
Private Banking & Wealth Management |  
Investment Banking | Private Equity | Consulting



Contact us: [financingsolutions@mcb.mu](mailto:financingsolutions@mcb.mu)



[mcbgroup.com](http://mcbgroup.com)

# Looking ahead as the most-favoured bank in Mauritius



**Chief Executive, SBM Bank, Parvataneni V. Rao**, highlights the importance of people and the well-established connection with them.

### What role has SBM played in the country’s economic diversification?

SBM is involved in small manufacturing, retail trade, transport and other activities in the SME sector as well as being very active in the micro-SME sector. In addition to this, SBM is also present in business areas such as the sugar sector, producing sugar cane. We are also actively present in tourism, being present in nearly all of the prominent hotels in Mauritius through financing or as a banking partner. We are also present in textile manufacturing, one of the manufacturing activities in Mauritius in addition to sugar production. We are actively involved in real estate, including private business and government infrastructure development.. Our staff is further involved in community activities, including those related to natural disasters. Recently, we have become one of the top sponsors of the Indian Ocean Island Games. We are involved with the community and people in a big way; SBM contributes to both the business and social sectors of Mauritius.

### What strategies have been put in place to achieve this growth?

The fundamental concept that SBM is founded on is financial inclusion. This idea of financial inclusion has been of immense help to the people of Mauritius and has also helped SBM to grow significantly over the past five years. In 2015, we began a significant initiative under the visionary leadership of our chairman, Mr. Kee Chong, engaging McKinsey & Company to give SBM a new roadmap in line with SBM’s presence and business activities in Mauritius. The initiative was to double the assets of the bank’s balance sheet in five years, from 2015 to 2020. It has already been achieved by 2019. With this McKinsey initiative, our strategy rests of five pillars: consolidation, diversification, internationalization, modernization and, most importantly, capacity building, especially human capital. We want to continue our journey with our customers and continue to grow. It is our goal to contribute to Mauritius as well as India and Africa by linking all the countries in which we are present.

**SBM** | For a smarter tomorrow

SBM is a leading financial institution. We have established the right connection for you to reap the benefits of our presence in Mauritius, Kenya, India, Madagascar and Seychelles.

- SME • High Net Worth Individuals • Global Business & International
- Personal • Corporate • Deposit • Financing • Payment • Wealth

T: (230) 207 0111 | E: [sbm@sbmgroup.mu](mailto:sbm@sbmgroup.mu) | [www.sbmgroup.mu](http://www.sbmgroup.mu)  
 SBM is regulated by the Bank of Mauritius (BOM) and the Financial Services Commission (FSC).