

MAURITIUS

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Center of excellence for Africa is continent's rising star

Fueled by strong economic growth and enviable political stability, the ambitious island nation is building an outstanding reputation for businesses seeking to thrive there and on the mainland

The recent high-profile inauguration of the first permanent Japanese embassy in Mauritius marked the latest milestone in the blossoming relationship between the pair and opened an exciting new chapter in the ambitious island nation's bilateral relations with a key trade and development partner.

The launch of the long-term diplomatic presence in the capital of Port Louis is a clear statement of intent by Japan and reinforces the huge confidence, high esteem and strong trust as it looks to capitalize on the republic's enviable human assets and favorable strategic location in the heart of the Indian Ocean.

The transformation from a traditional island economy dependent on textiles and sugarcane is impressive and reflects Mauritius working hard to reinvent itself as a safe and secure hub for foreign direct investment (FDI). Through the signing of trade agreements, improved market access, attractive incentives and the creation of a vibrant and competitive private sector, the increasingly diversified economy has flourished.

Mauritius has enjoyed uninterrupted economic growth over the past few decades, and it boasts key advantages over other global financial centers. The growth curve is expected to continue with real gross domestic product growth projected at 3.9 percent in 2019, according to leading global financial institutions The World Bank and the International Monetary Fund (IMF).

While such progress is undoubtedly impressive, Mauritius offers huge untapped potential in several industries that investors from Japan are now being invited to explore against a backdrop of political, fiscal and social stability. In addition to the new permanent embassy,

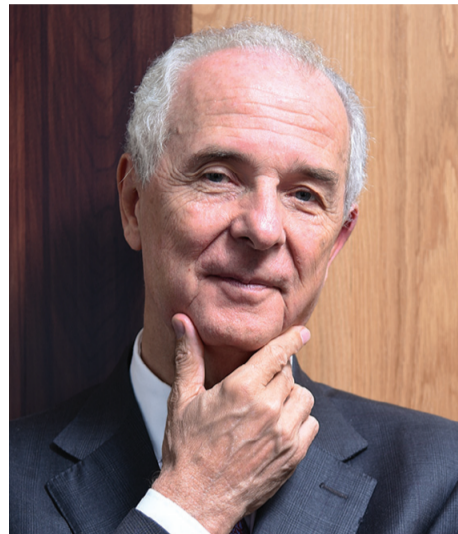


Joseph E. Charles Cartier
Chairman, EDB

Mauritius' Economic Development Board (EDB) has opened an office in Tokyo to further explore bilateral opportunities.

TICAD 7 will be trigger for big trade boost
Bilateral trade remains on an upward trajectory, with official data showing exports from Mauritius — mainly marine products and textiles — worth nearly \$100 million to Japan in 2018. Heading the opposite way were significant volumes of automobiles and technology-related items, with Japanese goods worth around \$1.5 billion delivered.

Those figures are forecast to maintain a positive momentum, especially with many major deals poised to be inked at The Seventh



François Guibert
CEO, EDB

Tokyo International Conference on African Development (TICAD 7), in Yokohama.

His Excellency Yoshiharu Kato, first resident ambassador of Japan in Mauritius, is certainly very excited about the opportunities that lie ahead and is looking forward to spearheading such success and building on the core bilateral foundations that already exist.

"The strategic position of Mauritius as a gateway to Africa will not only boost trade and investment between Japan and Mauritius, but give our two countries a chance to work together on the international front and in the region as a whole," he said.

"I am eager to see more private sector investment from Japanese companies looking to set

up in Mauritius, creating jobs and new opportunities. This could lead to an economic boost for Mauritius. Our embassy has made efforts to strengthen bilateral relations and deepen mutual understanding."

Japan's support for its smaller partner is widespread and extends to activities and operations in diverse areas such as health, education, good governance and even space exploration. "Japan has been offering scholarships and training to students and public officials from Mauritius. In terms of consultancy, Japan has deployed a geo-technical expert for landslide management and some meteorological consultants will be providing technical training to the staff of the Mauritius Meteorological Services.

"Since the creation of the Embassy of Japan in Mauritius, we have helped the Mauritius Tourism Promotion Authority to participate in the Japan Tourism Expo 2018 organized by the Japan Association of Travel Agents in Tokyo and we created communication tools for the occasion, such as Japanese promotional booklets for Mauritius," said the ambassador.

The two countries' relationship has also blossomed in other ways, as the ambassador revealed: "The Japan Dodoshima Alumni Association (JDAA) was founded in October 2018 by former participants, mostly Mauritian public officials, under Japan International Cooperation Agency training programs.

"Meanwhile, JDAA was set up to regroup former participants and strengthen cooperation between Japan and Mauritius. It is also one of our missions to put in the spotlight Mauritians who are happy about the outcome and results of their collaboration with Japan."

Global financial watchdogs praise progress
With its pro-business climate, advantageous strategic position and adherence to international standards and regulations, Mauritius is widely seen as the safest, and best, option for a Japanese business entering the African continent. Earlier this year, the IMF praised the island nation's efforts to overcome some structural hurdles in an upbeat report on its economic performance and policies.

"The Mauritian economy continues to grow at a steady pace, benefiting from a vibrant services sector and strong domestic demand," the Washington D.C.-based entity noted. "Mauritius is pursuing an ambitious strategy — centered around upgrading infrastructure, promoting diversification and spurring private investment — to foster inclusive growth and reach the high-income country milestone."

Although only in its infancy, the EDB has made a strong start in life following its early 2018 birth from the merger of the Board of Investment, Enterprise Mauritius and the Financial Services Promotion Agency. As an apex body operating under the aegis of the Prime Minister's Office, the EDB synergizes efforts across all ministries and private stakeholders to meet the set goals.

Heralded as an exciting new era for investment in Mauritius, the creation of the EDB is a new chapter in economic planning, investment, trade promotion and facilitation. In addition to its ongoing work with highly developed countries like Japan, the EDB aims to reinforce economic collaboration with African states in order to leverage on the geostrategic position of Mauritius to drive investment into the continent. With around two dozen double taxation avoidance treaties and a similar number of investment promotion and protection agreements already signed with African allies, Mauritius offers investors a solid platform for doing business in a broad range of sectors.

The EDB is available to guide and support investors exploring all industries, including the lucrative financial services sphere. In a bid to foster cooperation among financial centers and to position Mauritius as an international financial center (IFC) of choice, repute and substance, the EDB became a member of the World Alliance of International Financial Centers in July.

"The overarching objective of the EDB is to ensure greater coherence and effectiveness in implementing policies and draw the vision for the economic development path to be adopted to reach a high-income economy status, through sustainable and inclusive growth, while ensuring economic independence," said EDB CEO François Guibert.

"The mandate of EDB is to, inter alia, provide strong institutional support for strategic economic planning and ensure greater coherence and effectiveness in economic policy formulation, promote Mauritius as an attractive investment and business center, a competitive export platform, as well as an IFC. ... and facilitate inward and outward investment and ensure a conducive business climate.

"The locomotive of our transformation stems from wanting to position Mauritius as a center of excellence for Africa. This continent is the next



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region where annual growth will average double digits, and Mauritius has a key role to play on this front. That notion includes different things, for example, what we are doing presently by creating safe solutions for investors to look at the potential of Africa," Guibert said.

EDB energizes growth and entices new FDI
While the senior executive acknowledges there are comparatively few natural resources in the country, he emphasizes Mauritius' impressive human resources and capacity to train engineers for mining industry operations elsewhere on the continent means their services are in great demand.

"We also have a very strong financial services sector that allows these mining activities to take place in Africa," said François Guibert. "We have investor protection agreements with 24 African countries. This is not only a place where you can feel assured to locate your investment, there are also many value-added services such as internationally recognized arbitration. With two centers on the island, Mauritius is signatory on all conventions of arbitration.

"The key is we are the only Commonwealth country where the Napoleonic Code still prevails, which means in our legal system we have the British common law and the French civil law. We get a lot of people doing research on how these two systems intertwine.

"The locomotive of our transformation stems from wanting to position Mauritius as a center of excellence for Africa — the next region for double-digit annual growth."

François Guibert, CEO, EDB

"The benefit of this is very clear if we look at Africa holistically, as it has countries with French law and British law, you can more or less divide Africa between those two, and the legislature in Mauritius has experience in both. So, not only do we facilitate investment towards Africa, but in cases of conflict we have the proper structure to resolve disputes through arbitration," Guibert said.

Focus on innovation and education is key. Economic Development Board's Chairman, Joseph E. Charles Cartier, highlights how seriously Mauritius takes its role in helping the creation of one giant African market. African nations only trade 12 percent between themselves, compared to a 60 percent rate between EU countries and a 24 percent figure in Asia.

"Just imagine the kind of economic boost that will be seen if we move to 20 percent and then 30 percent. This is the key role we want to play as we want Mauritius to be part of the supply chain of African industry," Cartier said.

"Strategic Japanese investment could be implemented effectively in the infrastructure we are developing to reinforce our maritime strength at Port Louis. There is also a very strong education sector in Japan that could further bolster our scholarly offering here, if the U.K., France, Australia and other developed nations have based several universities here, then why not Japan?"

"Placing a Japanese education institution here would expose the African continent and its young minds to Japanese culture, language and way of doing business. This would cement the ties and open a gateway for Japanese investors to work in Africa."

According to Cartier, one of the main drivers



Yoshiharu Kato
Ambassador of Japan in Mauritius

of the Mauritian economy is innovation and technology, with officials seeking to embrace innovation in research and development and agriculture; not only in traditional areas such as banking and financial services.

"We want to enhance our agricultural production to be intelligent by using technologies such as the internet of things; using mobile apps that allow farmers and workers to know exactly what is happening in their fields and act upon that sensor data accordingly," he explained.

"We are a small country and this is something similar to Japan, giving us even more of a reason to collaborate on this front as they already have the experience to deploy this technology here. As for financial technology (fintech), we want to position Mauritius as a laboratory for technologies that can be exported to the rest of Africa.

"We have the Mauritius Africa FinTech Association and are launching innovative legislation to make this happen. The best example is the creation of a framework that sets out the rules for a license that allows the holder to provide custody services for digital assets. This move makes Mauritius the first jurisdiction globally to offer a regulated landscape for the custody of digital assets."

Strong performance in coveted rankings
One honor Mauritius is very proud of is its leadership position in the annual Ease of Doing Business rankings in Africa. The republic jumped from 25th to 20th place in the latest coveted survey of 190 countries by the World Bank.

The report's authors recognized the series of improvements achieved by Mauritius in eight out of the 10 indicators, namely starting a business, dealing with construction permits, getting electricity, registering property, protecting minority investors, paying taxes, trading across borders and enforcing contracts.

Mauritius also performed relatively well in the 2018 Corruption Perceptions Index by Transparency International, ranking in the top third of the 175 countries surveyed. That improved position was welcomed by Minister of Financial Services and Good Governance Sudhir Dharmendar Sesungkur.

"Mauritius has modernized its rules and legal system to become fully compliant with international standards, which is extremely important for international investors," the minister confirmed. "We are eager to welcome a few banks from Japan. They don't need to come and set up a big office. They can set up a branch, which doesn't need a huge amount of capital.

"This can accompany businesses from Japan targeting Africa. Once they have the momentum, they can decide whether to have a full-fledged office, but they have the money and the capital Africa needs. Japan can be a key player and partner in the development of Africa."

Mauritius

Your Partner of Choice
for Business in Africa



The Economic Development Board marks a new beginning in the economic landscape of Mauritius. The key objectives of EDB are to ensure greater coherence and effectiveness in implementing policies and pave the way for Mauritius to graduate into a high-income economy through sustainable and inclusive growth, whilst ensuring economic independence.

A Thriving Economic Powerhouse

Mauritius offers an enabling regulatory environment and a competitive platform for the setting up of Regional Headquarters to better serve key markets.

- A highly-educated & bilingual workforce passionate about innovation
- Secure investment location with established rule of law
- A wide array of investment and trade agreements
- Preferential market access to Africa, Europe & the USA
- A sophisticated International Financial Centre of substance
- A strategic manufacturing hub with cutting-edge technology
- A vibrant culture & exquisite lifestyle
- Free movement of capital across borders
- Protection of intellectual property



Africa's best-positioned financial hub is the safest option for Japanese investors

With a safe, streamlined and stable business environment, the banking and financial services sector meets strict global standards and opens doors in Africa and elsewhere

With a strong track record in cross-border finance and investment, Mauritius' banking and financial services sector is one of the region's strongest and most transparent. Home to many international banks, investment funds, legal firms and corporate services providers, the industry has built a reputation every bit as strong as its modern infrastructure backbone.

The country is leveraging on its state-of-the-art facilities and innovative legal framework and ease of doing business regime, so offering a panoply of competitive financial products and services, noted the Economic Development Board (EDB). "These include private banking, global business, insurance and reinsurance, limited companies, protected cell companies, trusts and foundations, investment banking and global headquarter administrations, among others," it added.

As a new member of the World Alliance of International Financial Centers (WAIFC), Mauritius will benefit from its place at the top table of global financial jurisdictions. The country is certainly among illustrious company, given the other 13 members include, Frankfurt Main Finance, Luxembourg for Finance, CityUK, Paris Europlace, Toronto Finance International, Abu Dhabi Global Markets and Casablanca Finance City.

The EDB, as the statutory body responsible for the promotion of the Mauritius International Financial Center (IFC), has also been voted onto the board of directors of the WAIFC. The association's core objectives include the promotion of cooperation among financial centers in order to sustain long-term growth, exploration of cross-fertilization opportunities and facilitating exchanges of best practices. The WAIFC is additionally developing the dialogue with public authorities on an international level.

Also project-driven, WAIFC projects currently underway for the benefit of its members, civil society and the global community include a fintech empowerment and capacity-building initiative, a series of publications on the role of IFCs in financing the economy, and a financial center database.

EDB CEO, François Guibert, is delighted, saying: "The EDB will leverage on its membership to the WAIFC to advocate on the important role that the Mauritius IFC plays as a robust, sophisticated, and well-regulated platform, in driving prosperity in developing and emerging countries. This strategic alliance will further strengthen the value that Mauritius adds as an IFC in the global economy."

Ten-year plan will shape future of IFC

With a strong regulatory framework, transparent legal regime, fierce commitment to international best practices and standards, and a favorable time zone (GMT+4) that allows trading on all global markets in a day, the island nation is an increasingly popular quality-efficient and cost-competitive IFC of choice for regional and global players.

The government is targeting sector growth of 5.5 percent per annum for the next decade, a fig-



Harvesh Seegolam
Chief Executive
Financial Services Commission

ure that would see a doubling of the gross value added. With many countries embracing the digital economy, Mauritius is eager to promote fintech and blockchain technology to provide platforms for the trading of digital assets, and is also eyeing the creation of an international platform for debt struc-

"Mauritius' track record, expertise and trust, can help it develop corporate finance and corporate banking to become a regional center."

Harvesh Seegolam, Chief Executive, FSC

turing and listing. Industry guardian the Financial Services Commission (FSC) has embarked on a 10-year plan for the sector with the blessings of the government. There are three main focus areas, as FSC Chief Executive, Harvesh Seegolam, explained: "The first is reaffirming, reinstating, and further consolidating the position of Mauritius as an IFC for cross-border investments.

"This is already our forte and what we have been known for over the last 30 years. The second leg is corporate finance; with the markets maturing in Africa and in the Indian subcontinent, and with this development, the needs for these markets are changing. They are moving from purely equity financing deals to corporate finance deals that would typically see in the developed world. "Mauritius with its track record, expertise and trust can develop corporate finance and corporate banking at the regional level to become the main center that facilitates both of these types of activities, as well as credit financing. It also entails key activities such as treasury management that is very instrumental in this process. There is also a lot

"With fintech, Africans benefit from convenient and affordable financial services, enabling them to even leapfrog other regions in some cases."

Kee Chong Li Kwong Wing, Chairman, SBM Holdings



J. Alain Law Min
CEO, MCB

of focus on the corridor created between Asia and Africa through Mauritius.

"Trade financing, corporate financing, corporate banking and treasury management; all these activities fall under this limb of developing the Asia-Africa corridor with Mauritius becoming this center of finance and business that actually enables these productive movement of capital to happen.

"The third focus of our strategy is private wealth. As Africa emerges into the developing category of countries, there is a great need for private wealth solutions. Because of the trust and expertise we have in our jurisdiction, this has been identified as the key segment of activities and three main drivers we can further develop."

Deputy Prime Minister and Minister of Energy and Public Utilities, Ivan Collendavello, believes the country's financial services industry can be a hub for Japanese investors in Mauritius, but who may want to use the nation as a gateway into Africa.

"We have a serious network of management companies that specialize in investment in Africa, and have specific know-how of the continental markets," he said. "The continental market would be attractive to Japanese investors. On this three-pronged approach, Mauritius and Japan, through The Seventh Tokyo International Conference on African Development, for instance, can push forward their overall global strategy."

Capital markets milestone set by SBM

A highly successful, award-winning trailblazer and innovator in African Banking, SBM Holdings reinforced its excellent reputation with a 2017 collaboration that changed the continent's capital markets forever. The high-profile deal with the African Export-Import Bank saw the supranational trade finance bank open its shareholding to the investing public through the issuance of depositary receipts.

Established nearly four decades ago, the company boasts a strong franchise in Mauritius, with a market share of more than 20 percent in domestic advances and deposits. The group has also built a significant presence in India, Madagascar, and Kenya, and also holds a banking license to operate in the Seychelles.

Given its excellent track record, SBM Holdings is an ideal partner for companies from Japan and elsewhere seeking to take advantage of the myriad of opportunities created by fintech, as K.C. Li Kwong Wing, chairman of SBM Holdings, explained: "Africa is the global leader when it comes to development, adoption and usage of mobile wallets.

The continent has more than 220 million registered mobile money accounts with more than 80 million active every three months. "With fintech, Africans benefit from convenient and affordable financial services, enabling them to even leapfrog other regions in some cases. The paradox of financial exclusion in Africa is that almost all the digital transformations that the financial sector will experience can be more easily established on the continent.

"Mobile banking, for example, allows access to the banking world without going through expensive procedures; Africa is becoming an e-commerce platform where operations can be multiplied more quickly than elsewhere. The expansion of the financial sector in Africa will attract more and more investors, and the continent especially will be served as a financial platform."

To illustrate this point, Li Kwong Wing highlighted how SBM Holdings is the first Mauritian financial institution to partner with the leader of

the digital financial service and lifestyle platform, Alipay, which is part of the Chinese giant Alibaba Group.

"Africa is the best place for technological breakthrough and expansion of companies," he added. "Africa is leapfrogging so many countries in terms of technology, since it is adapting to the latest ones better than others. Technology, especially fintech, is addressing a real problem and thus serving a real need in Africa.

"If Japan really wants to enhance its engagement in Africa, it should not only think about helping Africa, but about participating with Africa in new technological ventures, in the launch of new generation banking services, and in new financing initiatives through private-public partnerships and joint ventures.

"Africa needs three important things: more connectivity, more physical infrastructures and finally smart and sustainable investments. Japan can have an important role in delivering all three. The African market is truly a basket of opportunities, which you can grasp by using Mauritius as a gateway."

Banking players embrace open economy

As a small island nation that has always punched well above its weight, few doubt the government's ambitious bid to build Mauritius' reputation as the "Luxembourg of Africa" will be achieved.

By opening up the nation to overseas investors and implementing fundamental changes to the way the economy is managed, the country has enjoyed a greater transfer of technology, knowledge, talent and capital from developed countries in Asia and Europe.

Such goals chime with those of Mauritius Commercial Bank (MCB) Ltd., a subsidiary and the mainstay of MCB Group Ltd., and the longest standing and leading banking institution in Mauritius. Founded 180 years ago and with an increasingly prominent foothold in the region, MCB remains true to its guiding principle of assisting in the advancement of individuals, corporates and the country at large, thus playing a key role in the socioeconomic development of Mauritius.

MCB embraces an innovative culture, with significant progress made in upgrading its IT platform and developing its digital footprint. The bank, which leverages a global network of around 1,200 correspondent banks, has diversified its activities in sub-Saharan Africa and beyond, as gauged by participation in major cross-border deals and transactions, as well as the deployment of the "Bank of Banks" initiative.

"There is no point doing things in Africa if you are



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just mediocre; you have to be good at what you do," stated Alain Law Min, CEO of MCB. "The fact we are investment grade helps a lot for us to go on the international market.

"We have just raised funds internationally to fuel our growth elsewhere. It was led by a Japanese Bank, Sumitomo Mitsui Banking Corporation (SMBC), which has been a long time partner for us. I first worked with them when I freshly joined the bank in 1998. They led a syndication for the first power plant in Mauritius in 1998, so they have been here for a long time. We've always worked very well with SMBC.

"We also have good relationship with Japanese financial institutions and we raised \$800 million with the help of SMBC and Standard Chartered PLC on the international market. We are experts in trade and have gone into different countries to fund the oil and gas trading business."

Industry awards underline scale of success

Mauritius Commercial Bank's success has caught the eye of its peers with the bank recently named, for the fourth year in a row, the title of "Best Bank in Mauritius" by banking industry bible Euromoney. That award came hot on the heels of the title of

"Regional Bank of the Year — Southern Africa" at the African Banker Awards 2019.

According to Min, such recognition was well deserved and is just reward for extensive engagement in many major projects to improve the quality of customer services, as well as the country itself, in relation to its sustainable development.

He is confident more acclaim will follow and is keen to work more closely with foreign partners from Japan and elsewhere. "With MCB Capital Markets we have partnered with African Development Bank for the launch of a bond issue," he said. "It's a very good sign; all of these are good signs to show there is confidence in the local jurisdiction. We can be a center to raise funds and people are interested in this. It is not a major investment, but every little bit counts. We want to be positioned to attract investment and people are interested in our bonds.

"We have a structure that enables us to look at the needs of specific segments of customers and Japanese clients will, of course, be most welcome. It has been 20 years since we first worked with Sumitomo, so we are quite comfortable in interacting with Japanese investors. We tick all the boxes when someone from Japan looks into Mauritius."

"Fintech is highly regulated and monitored, while on the other side you also have this ease of doing business without much bureaucracy."

Shaan Kundomal, CEO, Capital Horizons



Fintech: Fusion of finance and new technology drives digital success

The birth of fintech has created a highly competitive global industry focused on innovation and compliance with strict regulations, with Mauritian firms playing a big part in the digital quest

Given the speed with which the global fintech industry has grown, not to mention the fierce competition among countries to establish themselves as regional, or global bases, it is no surprise to see Mauritius has established the Mauritius Africa FinTech Hub (MAFH). Described as a "fast-growing ecosystem where entrepreneurs, corporations, governments, tech experts, investors, financial service providers, universities and research institutions can collaborate to build cutting-edge solutions for the emerging African market," MAFH is confident about its prospects, and those of fintech. As countries race to establish themselves as global hubs for revolutionary digital hardware and software for fintech and blockchain, Mauritius is determined to ensure it develops the right regulatory framework and operating environment for such state-of-the-art technologies to not just survive, but thrive.

The precedents are certainly positive, as Samade Jhummun, CEO of Global Finance Mauritius, underlined: "Mauritius has a long history of reinvention and is recognized for its openness, ability to adapt and respond to changing times, as well as its highly educated and skilled workforce. These attributes will help us on our future path to a high-income economy which will generate jobs and growth for future generations, with the Mauritius International Financial Center (IFC) at the heart of it." Capital Horizons is an award-winning, boutique provider of financial services offering bespoke solutions to a broad range of customers. Licensed and regulated by the Financial Services Commission (FSC) in Mauritius, the firm offers corporate and legacy management services to institutions and high net worth individuals, respectively, and stands out for its capacity to cater to the Japanese. The firm has focused on combining fiscal optimization through the creation of offshore structure while maximizing what the Mauritius jurisdiction has to offer, namely debt restructuring through the various international banks present.

This has allowed many of the company's clients to decrease their cost of debt by utilizing interest rate swaps. Moreover, cross-border financing has allowed its clients to generate an offshore war chest, which can be used for international investments while choosing in which jurisdiction they wanted to keep their assets tied. "One of our



Shaan Kundomal
CEO, Capital Horizons

proudest moments came this year when we were nominated by at least five international magazines, and won the corporate finance advisor of the year for Mauritius by (digital business magazine) Acquisition International," revealed Capital Horizons CEO, Shaan Kundomal, who also sits on the board of directors of several firms, including a subsidiary of the SBM group. "Inspired by these achievements, we are constantly investing in our infrastructure through a secured cloud-based enterprise resource planning system on which our clients can monitor all their transactions, accounting, net asset values and requests"

Adherence to regulations pays dividends

Trust and good governance are at the heart of Capital Horizons' philosophy, with CEO Shaan Kundomal highlighting the importance of such compliance given the national regulator's eagle-eyed officials are always watching. "The FSC has a very strong surveillance enforcement division, and every year send their teams to audit all companies like ours to ensure we are doing things right and our clients are proceeding in transactions correctly," Kundomal said. "It's highly regulated and monitored environment, while on the other side there is ease of doing business without much bureaucracy."

Headquartered in Ebene CyberCity, MauBank is the third-largest bank in Mauritius and offers a full range of financial services to private and corporate clients, high net worth individuals, companies, public and financial institutions. MauBank is at the forefront of the digital revolution and a major investor in new technology to enhance customers' experience.

Innovative mobile apps win awards

"We do not have a digital transformation strategy, we have a customer experience strategy," said Premchand Mungar, CEO of MauBank. "This may seem like a strange statement, but one of our main objectives is to provide a class-leading customer experience and no technological tool can deliver that by itself. Digital transformation for us is not an objective, it's a means to an end. "We are not approaching digital transformation from the perspective that we want to implement a specific technological strategy. For instance, we are not saying our strategy is to use our data to generate next-product-to-buy predictions or apply distributed ledger technology to cross-border payments. These are all tools, tools with great potential," Mungar said. "Our strategy is not about implementing digital tools, but looking at our customer experience as a whole. We have identified three concrete goals: We want our products to be highly personalized, operationally transparent to our clients, and be efficient in delivering our products. According to a 2017 survey, nearly half of the respondent financial institutions said their latest digital investment is failing to generate returns higher than the cost of capital. One of the main reasons why any transformative strategy does not deliver is because of a failure to scale up."

Mungar added MauBank made a clear statement of intent with its mobile banking app WithMe, designed to adapt to customers' changing needs and ensure a seamless banking experience. "We became the first bank in the country to on-board customers through a mobile app," he continued. "Online leasing application platform MyLease allows customers to calculate how much lease they could take and make their application easier, coupled with a 10-minute approval in principle. Both products won the Infosys Fincle Client Innovation Award 2019 in the API Innovations Category and Emerging Technology led innovations Category."

Cultural charms create memories to last a lifetime

As a dream vacation destination popular for decades, Mauritius was once as famous for its high-profile guests as its incredible scenery and hospitality. That has changed in recent years, and rising tourist figures will thrill investors chasing big returns on tourism projects

Blessed with breathtakingly beautiful beaches lapped by the warm waters of the Indian Ocean, and rich in history, tradition, culture and cuisine, Mauritius' award-winning tourism offering is a melting pot that is second to none. Around 1.4 million international visitors arrived by air or sea in 2018, a number that will surely increase over the coming years as heavy investment in tourism infrastructure such as hotels, airports and ports attracts even more travelers to the sun-kissed tropical paradise. Plans for this significant capital expenditure are outlined in the latest edition of the national three-year strategic plan, as well as the Mauritius Vision 2030 development plan. Working in tandem, they aim to enhance the visibility of Mauritius as an up market tourist destination in traditional, emerging and new markets. One of the main pillars of the strong economy and also a key source of employment and revenue, the tourism industry is estimated to directly employ 40,000 people. Several thousand other workers rely on the sector indirectly in support services.

Melting pot of exotic cultures is unique
The Mauritius Tourism Promotion Authority (MTPA) sums up the country's ample assets in a colorful nutshell. "From the north's incredible variety of beaches with stunning coves and lagoons, to the south's volcanic landscape of the Chamarel Seven Colored Earths, visitors can indulge in all four corners of Mauritius by 'Escaping, Enlivening, Enjoying and Exploring.'"
Not for the first time, Mauritius was awarded prestigious titles at the 2019 World Travel Awards (WTA), including the Indian Ocean's Leading Destination. The country was also voted the World's Best Island Destination for 2019 by the Pacific Area Travel Writers' Association. Arvind Bundhun, Director of the MTPA, was delighted with Mauritius' per-

formance at the "Oscars of the travel industry" as it increased the visibility of the island destination on the international front. "Mauritius is not only a sun, sea, and beach destination; we also have other attributes," he said. "Mauritius is a melting pot of culture, traditions, religions, ethnicities, gastronomy and arts. It is also a safe destination for tourists and investment. The tourism business is firstly and foremost a people business, and what I hear as feedback from the 1.4 million tourists that come to Mauritius is the hospitality has a unique element that speaks volumes of our population."

"We are not just a beach destination, but a melting pot of culture, traditions, religions, ethnicities, arts and gastronomy."

Arvind Bundhun, Director, MTPA

Bundhun notes the MTPA is now focusing on other attributes Mauritius boasts other than its amazing natural assets, such as the plethora of cultures, gastronomy and religion. "We also want to promote the clear air and sustainability here in Mauritius," he added. "There is a plant called lichens that only grows in very pure air, you can find it in the Himalayas across various countries; we have it here in Mauritius growing on thousands of trees. This is another unique selling point that appeals to the Asian market." The importance of a healthy tourism sector to national pride, well-being and socioeconomic development cannot be understated. "We cannot imagine Mauritius without a tourism industry," said Minister of Tourism Anil Gayan. "Of course, there are challenges and there



Mauritius Tourism Promotion Authority (MTPA)

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is much more competition today than in the past. The Maldives has increased its popularity over the years, but we have a product that is special. Anyone who visits Mauritius will not have the same experience anywhere else in the Indian Ocean. We want Mauritius to be a hub, a link between East Africa, Europe and the Indian Ocean. We are looking at all the opportunities in the aviation sector and are very focused on improving such services. "Today, Africa is a land of opportunities, though mainstream media focus more on the continent's remaining challenges. Like my ministry, the Seventh Tokyo International Conference on African Development finds inspiration in aspiring to explain Africa in an understandable way to reduce the gap between stereotypes and the traditional perception about the continent, and this new and exciting reality of development and openings."

Japanese tourists and investors welcome

The minister is eager for Japanese foreign direct investment to maximize his country's tourism offering, as well as help develop new sectors such as the ocean economy — one area in which Japan has a wealth of experience. "This is certainly an area we would be happy to get Japanese interest and investment, not only for fishing but for a number of things, including oil and gas exploration, or exploiting other minerals, like manganese," he added. "At TICAD 7 we will showcase all the things Japanese tourists can do in Mauritius, from trekking to touring villages and visiting homes, participating in religious activities and cultural events. Mauritius is a multi-ethnic society, and almost every week there is an event that pertains to a particular religion or culture. "This is something that the Japanese would never be able to see anywhere else in the world, it is not even the same in India. What we have done here is preserve the heritage that the Indian and African

workers came with 200 years ago, and that has not changed. In India, for example, many things have changed, but here that tradition is preserved."

Mauritius' hospitality industry offers luxury around the clock that fits most budgets, with more than 110 hotels offering beautiful pools, views, and excellent cuisine and service. Unlike many of its counterparts, The Lux Collective offers a memorable experience, by inviting guests of all ages, backgrounds, and nationalities to explore the island and connect with people, rather than just operate as a base for beach lovers.

With the Japanese not known as huge sun worshippers, a stay at one of the handful of LUX Resorts and Hotels in Mauritius is ideal for guests from the East. Indeed, with The Lux Collective's international headquarters now based in Singapore, the company has valuable experience of fine-tuning and tailoring its upscale offerings to guests from Japan and the wider region. The award-winning group's Mauritius hotels and resorts boast magnificent views and gorgeous swimming pools set among lush landscaped gardens. Visitors can choose from rooms at the foot of the rugged and majestic Mount Le Morne, or stays amid the comfortable surroundings of the relaxing boutique resort of Belle Mare.

All the gorgeous hotels adopt a sustainable approach, including the stunning Lux Grand Gaube, founded on the island's northern coast and billed as a clever balance of contrasts and fresh design. In a new twist on high-end hospitality, The Lux Collective launched an exciting new project called Salt: a hotel that encourages people to get out and about, does not offer TV and invites guests to cook with the chefs. "We are not in the hospitality business, we are in the business of time," explained Sydney Pierre, senior vice president, commercial, The Lux Collective. "People save for a year to afford to fly and stay in a hotel for a week. Our vision is that



LUX* Grand Gaube

www.luxresorts.com

each moment matters, and so our purpose is to help guests celebrate life.

"Our pools and beaches are not better than the others, but what is better is our philosophy. This is our culture, people try to copy that, but this is natural for us, it's our passion. Every person working for us, from the chef to the man making up the rooms, contributes to that culture. Our occupancy rates are high, but not because we are the cheapest. We believe in the experience we are providing."

Flying away with the title of Leading Indian Ocean Airline 14 times in the last 17 years in the

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Sydney Pierre, SVP-Commercial, The Lux Collective

coveted WTA, including in this year's edition, flag carrier Air Mauritius is also now one of the world's top 40 airlines. The operator boasts an expanding route network, safe and modern fleet and is proud to be the world's first operator of both the Airbus A350 and the Airbus A330neo models.

Setting sky-high standards of service

As the flag carrier, Air Mauritius is also a national icon and the largest company in the country, with its impressive four-star rating by Skytrax well deserved given the quality of its onboard product and staff service, both in the air and on the ground. Earlier this summer, Skytrax ranked Air Mauritius as the third-best African airline at the World Airline Awards. Commenting on the multiple titles, Air Mauritius

CEO, Somas Appavou, stated: "I dedicate these awards to the hard working people of Air Mauritius. It is a recognition of all the efforts put in by our personnel. As a Mauritian company, hospitality is in our DNA and we strive to improve our products and services so they best reflect the 'mosaic' of our cultural heritage."

With around 2,300 employees and flying to a combined two dozen destinations on four continents, the ambitious carrier is well aware of its importance to the country's image, especially as for many travelers it will be the first Mauritian experience of their vacations. The airline's network is also being reinforced in line with its ambition to transform Mauritius into a strategic aviation hub to connect countries and continents — with the help of international partners.

A new business model means Air Mauritius remains confident that initiatives taken and to come will allow the company to chart a new course for its future. The growing carrier intends to further increase its service and targets daily flights to other destinations adding to the existing daily flights to Paris, Johannesburg, Antananarivo, St. Denis and Pierrefonds (Reunion Island). In July, Air Mauritius launched twice weekly flights to the Seychelles. The adoption of the Air Mauritius Hub Concept has, over the past decade, evolved from a point-to-point to an origin-and-destination network. This successful new business model offers more choice to its passengers through the hubs it operates with its many partner airlines.

Air Mauritius now offers more than 100 destinations from a series of hubs it operates with partner airlines, in Paris, Johannesburg, Nairobi, Kuala Lumpur, Singapore and Perth. Service to Europe has also been reinforced with seasonal flights to one of Europe's key financial centers, the Swiss city of Geneva.

Focus on renewable energies offers wave of FDI opportunities

Mauritius is embracing renewable energies such as solar and wind power, with Japan's outstanding reputation for state-of-the-art technology making it the ideal investment partner

Unlike many developing countries, Mauritius already offers 100 percent electricity coverage to residents and businesses across the nation. With such an achievement almost unheard of in Africa, Mauritius stands in a privileged position for energy generation and distribution. Well aware of the potential impact of global warming should sea levels rise, the government is committed to boosting the share of electricity generated by renewable energies to 35 percent by 2025 from the current 22 percent. It aims to do this through wind farms, solar energy, biomass and waste-to-energy projects, seeking significant foreign direct investment to maximize such untapped resources. Although bagasse (sugarcane waste) remains the overwhelming source of renewables (89 percent) in Mauritius, the country derives the remaining 11 percent from hydro, wind, landfill gas, fuel wood and solar power. The national energy policy encourages the use of renewable and clean energy to reduce its dependence on fossil fuels and avoid harmful greenhouse gas emissions. Launched in 2016, the Mauritius Renewable Energy Agency (MARENA) spearheads the adoption and use of renewable energy for sustainable development goals. As per the MARENA Act of 2015, the agency developed the first Renewable Energy Strategic Plan (RESP) 2018-2023; a keystone reference for execution of critical national policy and goals. Designed to support Vision 2030, the RESP reviews energy requirements with the aim to advise the government in the planning and execution of future decisions in its quest to provide clean and affordable energy to the nation. With its prominent role in addressing renewable

energy opportunities and challenges, MARENA falls under the aegis of the Ministry of Energy and Public Utilities, which is headed by Deputy Prime Minister Ivan Collendavelloo. He explained the government seeks international competitive bidding for most of its power projects and favors joint ventures between the local private sector and international firms.

However, in 2017 the Central Electricity Board (CEB) Act was amended to allow CEB (Green Energy) Co., a wholly owned subsidiary of the CEB, to participate in projects without recourse to public procurement. The aim of CEB (Green Energy) Co. is to promote the development of renewable energy.

Interest in solar power technology heats up

"Renewable energy is a real success story here as we have achieved almost a 1,000 percent increase in just four years," said Collendavelloo. "Our objective is to secure a 30 percent reduction in carbon dioxide emissions by 2030, and have a 35 percent renewables share in our electricity mix by 2025."

The minister is eager for Japanese technology to play an integral part in Mauritius' energy industry, including in liquefied natural gas (LNG). "We have looked at what the Japanese are doing and what they can offer," he said. "Japanese technology has created a measure of interest with us, especially in offshore LNG technology. Of course, in Mauritius offshore facilities tend to be very attractive, but also expensive. We need to determine how we are going to approach this, but Japanese investors could certainly bring that technology to Mauritius. "Japanese technology would also benefit us in electric vehicles. This means charging batteries

and taking fossil fuels, but if you have solar energy to power your batteries, you can do it. Japanese technology and investment is considered the best for this challenge. My dream is to bring that state-of-the-art technology here." The country's current three-year strategic development plan has identified a number of facilitators that will help boost the use of renewables. They include new energy generation capacity and the use of energy efficiency measures, as well as increasing electricity generation capacity through the installation of a 120-megawatt combined cycle gas turbine (CCGT) power plant at Fort George Thermal Power Station near Port Louis.



Shamshir Mukoon, Acting General Manager, CEB

CEB is powerful energy industry guardian. The plan also calls for investment in renewable energy with a 13 MW solar photovoltaic power plant in Henrietta, a 29.4 MW wind farm of in Plaine Sophie and six solar farms with a total capacity of 65



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

MW. The impressive success of the national electricity industry is chiefly due to the CEB. The forward-thinking entity is at the forefront of the growing sector, although once a long-awaited electricity act is approved, the CEB will no longer have the role of generator, distributor and authority overseeing the sector. "We produce 40 percent of our electricity from coal and 40 percent from heavy fuel oil, so 80 percent of our energy comes from imported fossil fuels," said CEB General Manager, Shamshir Mukoon. "Fortunately, we are a sugarcane producing country so we use the bagasse that comes from the processing of this crop. We have around 13 percent from biomass bagasse and four percent from hydropower and 2 to 3 percent from solar."

The senior executive notes bagasse is considered a low emission combustion material, and that the sugarcane grown helps reduce the amount of carbon dioxide in the air. "We have been releasing

tenders and projects within the renewables space and by late 2020 we expect to commission a total of 120 MW of wind power. Today, we only have 40 MW operational. The aim is to bring the renewable energy target from 20 percent to 35 percent in 2025.

"Many of the tenders that are currently being offered by the CEB have been offered on a basis there will be a power purchase agreement between us and the investor. The second thing we have initiated is a customer individual solar plan for private home users. We have allowed them to install their own solar rooftops and connect to the national network. "They produce their own electricity and distribute the surplus to the network. This system of giving autonomy to an individual is known as Small Scale Distributed Generation. We already have 4,000 homes on this system and are looking to increase that number so many more people benefit."

Lighting up the lives of the disadvantaged

Acutely aware of the huge difference a reliable supply of electricity can make to the lives of people in poorer communities, the CEB runs a series of initiatives that benefit low-income citizens. "For such people we proposed to buy their home solar energy kit, install, operate and maintain it," Mukoon continued. "This category of customer also benefits from 50 kilowatt-hours of free energy. Whatever excess power comes back onto the grid is then sold to other users and to repair the grid system when problems arise. The groundbreaking and well-received idea was presented to the International Renewable Energy Agency at the World Future Energy Summit in the United Arab Emirates. "It was ranked as one of the best projects, which resulted in a concessional loan from the Abu Dhabi

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"Our plan is to decarbonize and take the steps to move further into renewable energies. Japan could invest in projects, as well as LNG."

Shamshir Mukoon, General Manager, CEB

age facility, import the gas and get it to our shores. Natural gas could then replace all fossil fuels and cut emissions by 40 percent. Our plan is to decarbonize and take coordinated steps to move further into renewables. Japan should explore energy investment in areas like our LNG project as many Japanese firms are involved in this industry and have the experience, know-how and reputation."

Home Solar Project
Enabling vulnerable customers to produce their own electricity at no cost from renewable energy sources

CENTRAL ELECTRICITY BOARD - P.O. Box134, Rue du Savoir, Cybercity, Ebène, Mauritius - Web: <https://ceb.mu>

MAURITIUS

“The locomotive of our transformation stems from wanting to position Mauritius as a center of excellence for Africa — the next region for double-digit annual growth.”

François Guibert, CEO, EDB

“Mauritius’ track record, expertise and trust, can help it develop corporate finance and corporate banking to become a regional center.”

Harvesh Seegolam, Chief Executive, FSC

“Fintech is highly regulated and monitored, while on the other side you also have this ease of doing business without much bureaucracy.”

Shaan Kundomal, CEO, Capital Horizons

“With fintech, Africans benefit from convenient and affordable financial services, enabling them to even leapfrog other regions in some cases.”

Kee Chong Li Kwong Wing, Chairman, SBM Holdings

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