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MAURITIUS, a smart choice





Mauritius, a smart choice

Mauritius is attractive to businesses because it offers a series of competitive advantages that are hard to resist. It has a stable, business-friendly economic environment and a high-quality workforce. In addition, its geographical position is enviable, as the country is at the crossroads of maritime routes and its colonial history links it to Africa, Europe and Asia, three continents that are key to its international trade and to which it is well connected despite its spatial isolation. It has been able to take advantage of its position by creating a logistics hub for international trade.


Yet in 1968, at the time of the country's independence, its economic situation was not very promising. Some economists, such as James Edward Meade, predicted a dark future for Mauritius, a rock lost in the Indian Ocean with no natural resources and a poor population. ⁽¹⁾ Mauritius rejected these prophets of doom out of hand by taking its destiny into its own hands and mobilising all its forces around inclusive economic development. The country had inherited the sugar industry from the period of British colonisation. It built on this industry by taking advantage of trade agreements with Great Britain and France.

In this way, it was able to make the most of its opportunities and escape poverty.

Mauritius has developed in successive stages, each of which opens up a new horizon of opportunities, moving back the frontiers of scarcity. Towards the end of the 1980s, Mauritius seized the opportunities offered by globalisation. It succeeded in attracting Hong Kong's textile industries by creating free trade zones and offering them opportunities to exploit the African Growth and Opportunity Act (AGOA) agreement with the United States, of which Mauritius was a beneficiary. As a result, Mauritius has acquired know-how and knowledge of international markets due to the presence of major textile brands on its territory. The end of the Multifibre Arrangement in 2005 challenged its economic model and exposed the country to the headwinds of globalisation. It was able to anticipate this economic downturn by focusing on tourism and finance.

As for Mauritius, it's a favourite destination because it's famous for its paradisiacal beaches and enchanting landscapes that make people dream of Jean Jacques Rousseau's *Les rêveries du promeneur solitaire* and a desire to «end one's days on this beloved island without ever leaving», far from the noise and fury of the continent. And this is what Mauritius is all about, with its natural landscapes and tropical climate. Tourism is a key sector, accounting for 24% of GDP. In 2023, Mauritius

received more than one million tourists attracted by its marketing campaigns ⁽²⁾. For the financial sector, Mauritius is known as an offshore centre with a very attractive tax regime for companies and a single tax rate. The country has signed double taxation agreements with a number of countries, making it a magnet for multinationals.

It is obvious from this demonstration that Mauritius is a leading economy on the African continent because, according to the World Bank, it is one of the upper-middle-income economies - having succeeded in taking up challenges and turning them into assets. Despite its small size, Mauritius is a veritable laboratory for economic development, due to its ability to pursue its ambitions. It constitutes a success story for the African continent and for the global South, thanks to its institutional foundations that inspire confidence. Is Mauritius a good bet for investors? Certainly! 

Douraya Asgaraly

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¹ Mauritius: from sugar island to knowledge island - Emmanuel Grégoire - éditions Le Printemps Ltée (2011)

² Mauritius Tourist Board

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Email: contact@nations-emergentes.org

web: www.nations-emergentes.org

• Publication Director •

Douraya Asgaraly
Tél.: (33) 6 16 63 45 19
Email: nat.emergentes@yahoo.fr

• Directrice de rédaction •

Sri Damayanty Manullang

• Editorial Consultant •

Catherine Fournet Guérin - Professor at Sorbonne University
<https://laboratoire-mediations.sorbonne-universite.fr/membres/fournet-guerin-catherine/>

• Contributors to this publication: •

Audrey Harrel, Nimar Kumal Betchoo,
Catherine Fournet-Guérin Hemraj Ramnial, CSK

• Graphic Designer •

Chantal Caraman,
Gwendal LE SCOUL, concept graphic

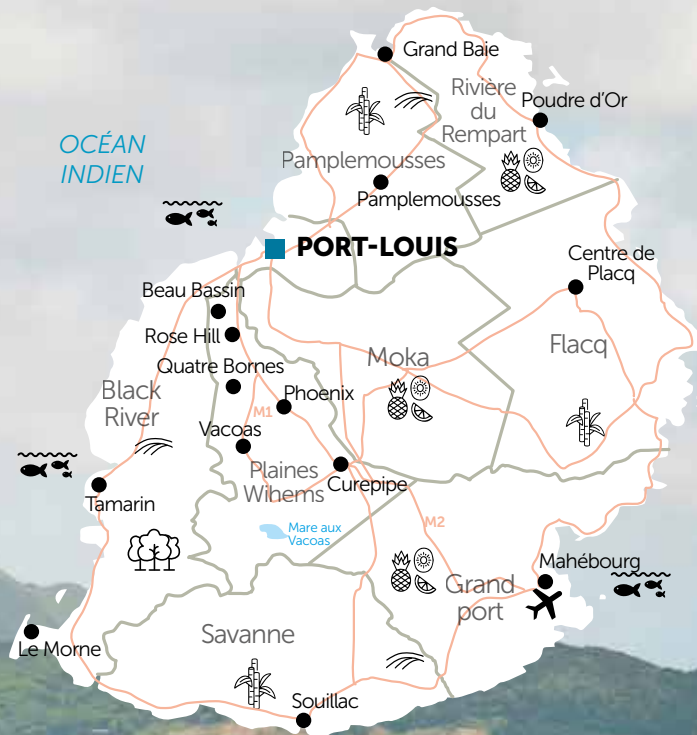
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Le Morne Brabant - Mauritius
28/07/2020 - Xavier Coliffic

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MAURITIUS



- ARABLE LAND IN THE COASTAL PLAINS TO THE NORTH, WEST AND SOUTH OF THE ISLAND
- FRESHWATER: THE LARGE MARE AUX VACOAS RESERVOIR
- FORESTS: IN THE MOUNTAINOUS REGIONS OF THE SOUTH-WEST OF THE ISLAND, SUCH AS THE BLACK RIVER GORGES FOREST
- FISH AND SEAFOOD ALONG THE COAST ALL AROUND THE ISLAND. IMPORTANT FISHING GROUNDS NEAR COASTAL VILLAGES
- SUGAR CANE: IN THE CENTRAL AND SOUTHERN PLAINS OF THE ISLAND, WITH EXTENSIVE CULTIVATION AREAS IN THE PAMPLEMOUSSES, FLACQ AND SAVANNE REGIONS.
- TROPICAL FRUITS GROWN IN THE RIVIÈRE DU REMPART, MOKA AND GRAND PORT REGIONS, INCLUDING MANGOES, PINEAPPLES AND LYCHEES.

RESSOURCES NATURELLES	
	Arable land
	Sugar cane
	Forests
	Fishing grounds
	Tropical fruits

Les infrastructures

→ AIR TRANSPORT

1 Sir Seewoosagur Ramgoolam international airport in the southeast of the island

→ ROAD TRANSPORT

2,448 km including 90 km of highways

→ SEA TRANSPORT

Port-Louis, Mahebourg port and Mathurins port (Rodrigues)

Source : CIA Factbook - 2024

Between magnificence and misery

Audrey Harelle, journalist

Red, blue, yellow, green. «Rouz ble zonn ver» in Creole. This was the song chosen on 12 March 2024 to celebrate 56 years of independence for Mauritius. Mauritius is a four-coloured country: four-coloured flag, four-coloured official communities. With what is called here a «cultural show», which is in fact just a succession of dances and songs following the «communal» classification (the Mauritian term for community) of the Constitution dating from 1968: Hindus, Muslims, Chinese-Mauritians and the general population. This classification makes no sense: Hindus and Muslims come mainly from India and are differentiated by religion, Chinese-Mauritians are categorised according to geographical origin and the general population includes Europeans (and slavers at the time), descendants of enslaved Africans and all those who do not feel they belong to the other three groups.

The first thing that strikes visitors is the diversity of Mauritian people. The island is a country of immigrants; there were no natives. These successive waves of newcomers form the basis of its population. The culture has therefore been built on this diversified foundation, in terms of food («fried mines» and «dhol puris» are the perfect illustration of successful Mauritianism), music/cinema - Bollywood and its songs resonate in the homes - and clothing - saris alongside churidars and classic dresses/jeans/suits. The religious festivals of the different faiths are celebrated here (Eid, Chinese New Year, Divali, Christmas, Maha Shivaratri, Cave-dee...), taking care not to prejudice anyone. Mauritians are very deeply religious, and politicians practice communitarian clientelism. The choice of candidates for elections and then of ministers is based on this sad calculation that undermines Mauritianism and nation-building. And it often leads to cult and culture being confused.

What are referred to as «socio-cultural associations» are in fact sectarian lobbies supposedly representing this or that ethnic or religious group, which receive an annual government subsidy of 125 million Mauritian rupees (2.5 million euros). There is still no Mauritian cultural centre, nor any political will to create one, but there are Tamil, Marathi, Indian, African and Chinese centres...

On the other hand, cultural sites such as the Port-Louis theatre, one of the oldest in the Indian Ocean, and the Plaza theatre in Rose-Hill, have been closed for renovation for 15 and 20 years respectively. Fortunately, the entertainment scene has been given a boost thanks to a private initiative, the Caudan Arts Centre, which opened in December 2018.

And yet the demand is there. The Porlwi Festival (named after the capital) has attracted thousands of Mau-



ritians since 2015, with its variations in subsequent years: Porlwi by Light, Porlwi by Nature. But the artists no longer knew how to produce themselves. The year 2023 was marked by concert cancellations by the authorities. One of the victims was Dadju. When he arrived in Mauritius on 1 December, he learned that the police had declared his concert scheduled for the following day to be illegal... After the health restrictions came police restrictions for artists, who do not benefit from subsidies like the socio-religious groups. The first and only Mauritian music market, MOMIX, which had been in existence since 2017, had to abandon its activities last year due to a lack of funding. Its requests for both public and private sponsorship went ignored. Yet the creative industry can be a pillar of the economy.

And a method of getting children out of poverty - including intellectual poverty. The Mo'Zar workshop in Roche-Bois, set up 27 years ago to combat exclusion, has enabled gifted children to study at the prestigious Berklee College of Music in America. Roche-Bois, the district from where Kaya came, the creator of seggae, a blend of sega, a style of music typical of Mauritius, and reggae, who died in a police cell 25 years ago... Culture in Mauritius is rich in heritage, but poor in funding. 📍

<https://lexpress.mu/>

“The first thing that strikes visitors is the diversity of Mauritian people. The island is a country of immigrants; there were no natives.”

Mauritius, its social, demographic, linguistic and ethnic data

Located 900 km from Madagascar, Mauritius, along with Reunion Island Rodrigues Island, of the volcanic Mascareignes archipelago, Mascarene islands. The island enjoys a climate tempered by oceanic influences. It is situated in the path of south-west Indian Ocean tropical cyclones - a fact which causing destruction during the austral winter.

The heavy rainfall that accompanies them provides benefits for its agriculture. The fertility of the red tropical soils, derived from the decomposition of basalts, is limited by the recent nature of the landslides: piles of stones are a specific feature of its agricultural landscape. The island is famous for its giant tortoises and wingless birds (dodos).

Its capital is Port-Louis and it covers an area of 2,045 km².



2 045 km²

POPULATION IN 2023

1,3
millions
d'habitants
en 2023



POPULATION BY AGE 2023 (%)

0 à 14 ans
15,3%

DISTRIBUTION OF POPULATION

Urban population
40,1% en 2022

15 à 64 ans
71,3%

65 ans et +
13,4%

Rural population
59,9% en 2023

LANGUAGES :

Creole spoken by 86.5% of the population. French and English are the main languages of business.

ETHNIC GROUPS (%)

- Indo-mauriciens : 68 • Créoles : 27
- Sino-mauriciens : 3 • Franco-mauriciens : 2

MAURITIUS'S DIFFERENT RELIGIONS (%)

- Hindous : 48,5 • Catholiques : 26,3
- Musulmans : 17,3 • Chrétiens : 6,4 • Autres : 1,5 •

Source : Statistisches Bundesamt 2006

Political data

REGIME TYPE :

→ Republic of Mauritius

FORM OF GOVERNMENT :

→ Democracy

• **Head of state:** Prithvirajsing Roopun (since December 2019)

• **Head of government:** : Pravind Jugnauth (since January 2017)

KEY FIGURES FOR THE MAURITIUS ECONOMY

Currency :

Mauritius rupee (MUR)
1 € = 50,6 MUR
1 \$ = 47 MUR

GDP (billions US\$)

2019 14,44
2020 11,41
2021 11,48
2022 12,95

GDP per capita (\$)

2019 11 403,3
2020 9 011
2021 9 069
2022 10 256,2

GDP growth (%)

2019 2,9
2020 - 14,5
2021 3,4
2022 8,2

Inflation (%)

2019 0,4
2020 2,6
2021 4,0
2022 10,8

Per capita income in purchasing power (\$)

2019 24 680,6
2020 21 365,1
2021 23 079,1
2022 26 979,1

Source : World Bank

GDP by expenditure in 2022 (%)

- Household consumption : 72,8
- General government consumption : 16,8
- Gross capital formation: 19,5
- Exports : 44,1
- Imports : 53,8

Source : Unstad - statistiques

Commodity trade in 2022 (\$ millions)

- Exportations : 2 388
- Importations : 6 609
- Commodity trade balance : - 4 222

Source : Unstad - statistiques

Total trade in services in 2022 (\$ millions)

- Exportations : 2 618
- Importations : 2 039
- Services balance : + 586

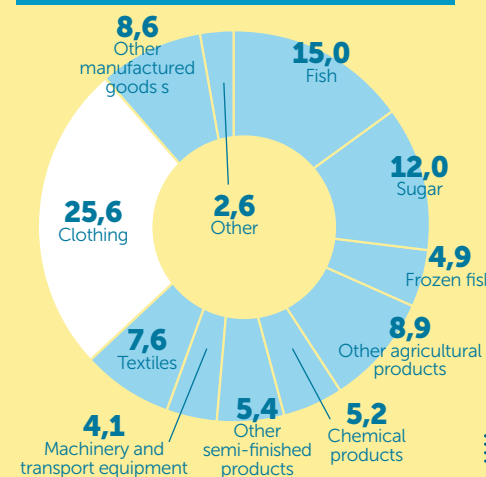
Source : Unctad - statistiques

Trade between France and Mauritius

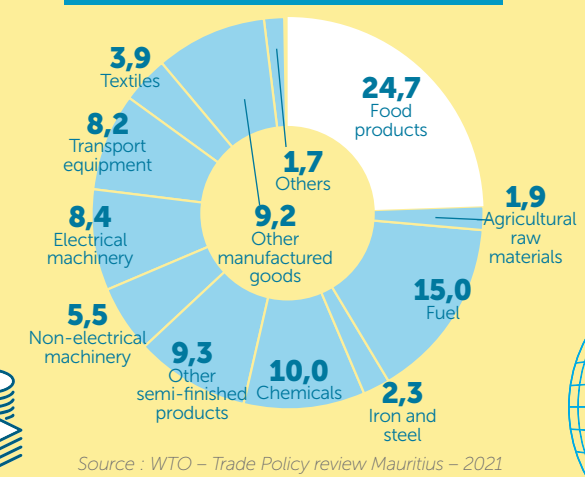
Mauritius is France's 80th trading partner. Mauritius is France's 71st client, 85th supplier and 37th surplus. It accounts for 0.075% of France's exports worldwide. Within the Africa-Indian Ocean region. Mauritius is France's 7th client, 10th supplier and 11th surplus. It accounts for 4.00% of the region's exports. In 2022, French exports to Mauritius totaled €433.1 million, while imports from the island amounted to €263.5 million.

Source : French Customs

MAIN EXPORTS FROM MAURITIUS IN 2020 (%)

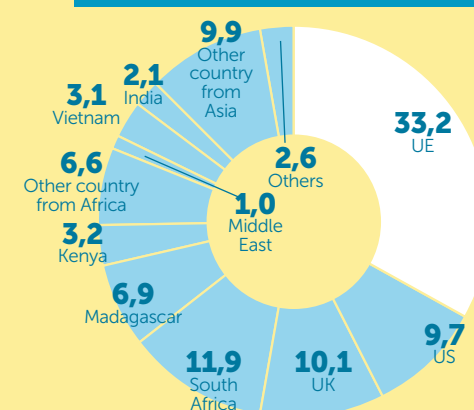


MAIN PRODUCTS IMPORTED BY MAURITIUS IN 2020 (%)



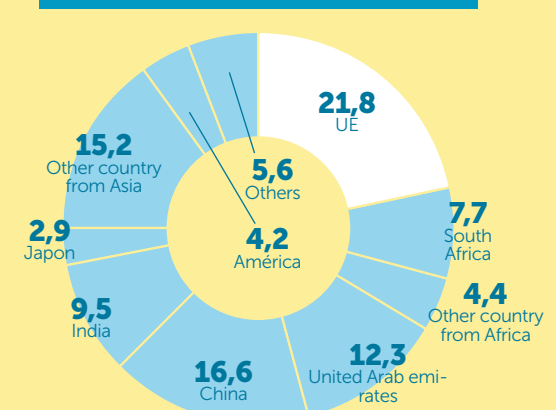
Source : WTO - Trade Policy review Mauritius - 2021

MAURITIUS'S MAIN PARTNERS IN 2020 (%)



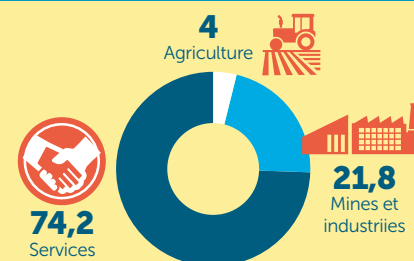
Source : WTO - Trade Policy review Mauritius - 2021

MAURITIUS'S MAIN SUPPLIERS 2019 (%)



Source : WTO - Trade Policy review Mauritius - 2021

GDP BY SECTORS 2022 (%)



Source : CIA Factbook - 2023

USEFUL WEBSITES :

Government website
<https://govmu.org/EN/Pages/default.aspx>
Ministry of commerce
<https://www.mauritiustrade.mu/en>
Ministère des affaires étrangères
<https://mauritiusfc.mu/ministries/ministry-of-foreign-affairs-regional-integration-and-international-trade>
Ministère de l'investissement
<https://edbmauritius.org/>
Ministère de tourisme
<https://mt.gov.sa/>
Mauritius embassy in Paris
<https://mauritius-paris.govmu.org/Pages/index.aspx>
Mauritius embassy in Paris
<https://maupass.govmu.org/LandingPage>

<https://www.teamfrance-export.fr/>
International Treasury
<https://www.tresor.economie.gouv.fr/Pays/MU?listePays=MU>
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PRESSE LOCALE

<https://lexpress.mu/>
<https://defieconomie.defimedia.info/>
<http://www.lemauricien.com/>

Why to invest in MAURITIUS ?

Nimar Kumal Betchoo

Nirmal Kumar Betchoo is Doctor of Business Administration and Former Dean of the Faculté of Economics and Management at the University of Mascareignes. He is the author of numerous articles on Mauritius's economy, its resilience and its efforts to overcome the challenges of its geographical position.

In this article, he paints a picture of Mauritius, a small island with big ambitions to seize the opportunities of globalization, stay in the race and avoid the middle-income trap.

Positioned as a low-income economy of roughly \$300 per capita on achieving independence in 1968, Mauritius is now ranked as one of the continent's wealthiest countries with a current GDP at \$ 10,300. It successfully diversified its economy shifting from sugarcane monoculture to a manufacturing and service-based economy driven by export-oriented manufacturing that comprise textiles, tourism, financial and business services, information and communication technology, seafood processing, real estate, and education/training.

Mauritius has become a prominent location for businesses in Africa aiming to establish their presence in the global market. Despite its small size, the paradise country has managed to develop a thriving offshore financial centre. The benefits of such global business competitiveness purport the importance of Mauritius as an important trade centre in the Indian Ocean region.

With a population of 1.3 million inhabitants, Mauritius has a high literacy rate of 95% making it a prospective market that boasts stability and economic prosperity despite the impact of COVID-19. Its unemployment rate is 6.3% with a fairly reasonable Consumer Price Index of 5.2%. Its Gross Domestic Product is expected to rise by 7% this year (Statistics Mauritius, 2024).

Mauritius pro-trade and investment policies

The policy in Mauritius is pro-trade and investment. The government of Mauritius (GM) has signed Double Taxation Avoidance Agreements with 46 countries and maintains a well-regulated legal and business investment framework. The island-nation has been eager to attract foreign direct investment from China and India, as well as courting more traditional markets like the United Kingdom, France, and the United States. Mauritius is promoted as a safe, secure place for doing business due to its favourable investment climate and tradition as a stable democracy. Corruption in Mauritius is low with regards to regional standards, although recent political and economic corruption scandals might claim for more transparency and accountability (Orama Corporate, 2023).

Concept of Global Business Company

One of the key components of the Mauritius International Financial Centre is the famous Global Business Company (GBC). The GBC is a legal entity established under Mauritian law that allows foreign companies to set up business operations in Mauritius and take advantage of the country's favourable tax and regulatory environment as well as its several multilateral treaties. Over the past decade, the GBC has become an increasingly popular option for African businesses looking to expand their international operations.

Trade Government (2023) claims that the GBC framework in Mauritius offers a wide range of structural and financial benefits to businesses. One of the significant benefits is that Mauritius offers a favourable tax environment to businesses which are comparatively lower than other tax jurisdictions, providing a competitive advantage to businesses. GBC's are subject to a low corporate tax rate of 15%, with no capital gains or withholding tax on dividends.

Double Taxation Agreements

Additionally, investors benefit from the country's Double Taxation Agreements (DTA's) that the government entertains with over 45 countries, including most African nations. The DTA's ensure that investors are not taxed twice on the same income whereby companies operating in Mauritius can avoid paying taxes on their profits twice both in Mauritius and in their home country. This competitive advantage makes Mauritius an attractive location for African businesses looking to expand their international footprint. In addition, Mauritius does not benefit from capital gains tax making it an attractive location for invest- ➤➤➤

“ *Mauritius is promoted as a safe, secure place for doing business due to its favourable investment climate and tradition as a stable democracy.* ”

“ **The DTA's ensure that investors are not taxed twice on the same income whereby companies operating in Mauritius can avoid paying taxes on their profits twice both in Mauritius and in their home country.** ”

▷▷▷ ment activities. These tax benefits have been a major draw for African businesses, many of which are looking to optimise their tax structures (Trade Government, 2023). These beneficial treaty clauses enabled the flow of more than USD 90 Billion (which accounted for one third of total investments in India) within a short span of 15 years, into India as Foreign Direct Investment ('FDI') from Mauritius (Sriram, 2016).

Strategic location of Mauritius

African businesses in Mauritius are also benefiting from the country's strategic location. Situated at the crossroad between Asia and Africa, Mauritius provides businesses with a gateway to the fast-growing Asian market. The country's favourable time zone also allows businesses to operate efficiently in both Africa, Asia and the rest of the world.

The number of GBCs in Mauritius has been growing steadily, with over 12,000 GBCs registered in the country as of 2020. Furthermore, the volume of Foreign Direct Investment (FDI) in Mauritius has been increasing over the years, with the country being the third-largest investor in India. In 2021, Mauritius received FDI inflows worth \$375 million underlying the country's attractiveness for global businesses (Orama Corporate, 20230).

Mauritius-China Trade agreements

The Mauritius-China Free Trade Agreement (FTA) is a symbol of the excellent bilateral relations between two countries which have endured and thrived for several decades. The first bilateral agreement between Mauritius and China took place in May 1972 (Burnham, 2022). The FTA between Mauritius and China was signed in October 2019 in Beijing. Following the completion of ratification procedures by both sides, the Mauritius-China FTA entered into force on 1 January 2021.

Mauritius Trade (2023) stipulates that China represents a market of 1.4 billion people. The Mauritius-China FTA achieves the goal of mutually beneficial outcomes. It is China's first FTA with an African country and it provides robust institutional guarantee for deepening economic and trade relations between the two countries.

Mauritius-India Trade Agreements

In the last five years, India has been among the leading trading partners of Mauritius. In 2022, India represented 9.8 % share of Mauritian total imports and ranked second in their main countries of import. The volume of exports from India to Mauritius ranged between \$ 800 million to \$ 1 billion over the past five years and is likely to progress steadily. In the recent years, main items of exports of India to Mauritius have

been petroleum products, pharmaceuticals, motor vehicles and rice. India is also a major supplier of raw materials for the local industry namely supplying yarn and fabrics to the textile and clothing industry (High Commission of India, 2024).

The value of Mauritian exports to India in 2019 was USD 24 million attaining USD 52 million in 2022. Currently, the main products exported included medical devices, scrap metal, fish meal among others. Scrap aluminium, vanilla beans, scrap paper, parts of machinery and garments were other major commodities exported by Mauritius to India in 2022.

Mauritius-France trade relations

According to Question written (2022), Franco-Mauritian relations have maintained their stability mainly due to the links forged by history. The political strategy of the Mauritian Government to move closer to France following independence, the essential place that the French language has always retained in Mauritian culture and the economic power of the Franco-Mauritian community are the main assets that allow France to continue to play a leading role in Mauritius. France maintains excellent bilateral relations with Mauritius, sustained by a common history, as well as a shared belonging to the southwest of the Indian Ocean. Equally, the two sister islands, Reunion and Mauritius preserve close ties.

France is an important economic player in Mauritius. Both countries exchanged €696 million in 2022. France is Mauritius' 2nd customer with €263 million in imports in 2022. It is its 5th supplier with €433 million in exports in 2022. France is its leading foreign investor in the productive sector with nearly 200 companies for a stock of FDI estimated at €1.3 billion at the end of 2021. It is the leading supplier of tourists, before and after the pandemic, with 250,000 French people out of nearly a million tourists in 2023 (France Diplomatie, 2024).

The contribution of AFD to Mauritius

Agence Française de Développement (AFD) supports the Mauritian government in defining its energy policy and programming its investments. Since the last decade, France and Mauritius signed a framework agreement on regional cooperation between the two islands. This agreement identifies ten priority sectors of action namely tourism, sustainable development, health, etc.. The joint economic commission established the financing of 25 projects in 12 years, 719 million euros committed since the reopening of the agency in 2006 and 14 projects financed at regional level since (Agence Française de développement, 2023).

AFD contributes, with the Green Climate Fund, to improving electrical transmission and the mix renewable energies into the Central Electricity Board network and to supporting the private sector by contributing to the financing of investment to reduce the impact of climate change via the Sunref 111 credit line. This credit line contributes to the continuation of efforts to promote mitigation actions, support from the private sector to contribute to investment finan-

cing to reduce the impact of carbon footprint. There is also an action plan to support the government's policy on professional equality between women and men in the private sector, by encouraging the adoption and implementation of gender action plans.

Prospects for economic and investment development

According to Statistics Mauritius (2024), Investment, as measured by the Gross Fixed Capital Formation (GFCF), would grow by 21.2% in 2023, after a growth of 7.8% in 2022. Investment rate, defined as the ratio of GFCF to GDP at market prices would increase to 21.8% in 2023.

Private sector investment is expected to grow by 16.2% in 2023 while public sector investment would expand by 41.3% in 2023. The share of private sector investment in GFCF is expected to decrease to 76.9% in 2023 while that of the public sector would increase to 23.1%.

Ease of doing business in Mauritius

Mauritius is positioned first in Africa to do business and ranks itself among the 20 best places to do business in Africa and worldwide. The nation moved seven places to 13th out of 190 countries according to a recent World Bank Ease of Doing Business Report (Price Waterhouse coopers, 2022).

This situation consolidates the country's ongoing efforts to make it the leader in business facilitation in Africa and to be among the most business-friendly countries in the world, along with other jurisdictions such as New Zealand, Singapore, Hong Kong, United States, United Kingdom, etc.

Conclusion

This article briefly addressed the attractive trade relations that Mauritius offers to the global economic environment. The country has shown resilience in the past few years after the COVID-19 pandemic struck the global economy where Mauritius was not spared. Such recovery has been evidenced through effective government policies to boost the economy by re-opening its borders, bringing greater foreign direct investment to the country while improving its financial jurisdiction. Effort was undertaken by the State to remove Mauritius from Moody's grey list and position itself as a reputed offshore business location. Tax strategies redefined under tax rebate schemes and the DTAA claim the country's intention to stay ahead in terms of attractiveness and ease of doing business. There is equally the country's long-standing trade and friendly relations with many countries that make Mau-

ritius an attractive business destination besides already being an attractive tourist destination. 📍

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“ **Situated at the crossroad between Asia and Africa, Mauritius provides businesses with a gateway to the fast-growing Asian market** ”



Mauritius, the keys to its economic success

Catherine Fournet-Guérin

Catherine Fournet-Guérin is Professor of Geography at Sorbonne University. She is a specialist in Southern Africa, a region she knows very well having written numerous books and articles. Her research focuses on the practices of African urban societies. She has recently published a book on «Cosmopolitan Africa» with Presse universitaire de Rennes.

In this interview, she analyses the factors behind the success of Mauritius, a small island that has defied the experts' gloomy forecasts for its economic future, its soft power towards the countries of the South, and the lessons we can learn from its remarkable trajectory.

Over the past few years, Mauritius has established itself as an attractive country on the African continent, capable of offering support functions to multinationals wishing to provide a stable working environment for their management. The island offers them a financial, transport, tourism and high-tech hub. But isn't too much being done for such a small market (1.2 million people)? The image of an island that knows how to overcome its handicaps and turn them into assets is quite seductive. But does it deserve to be? What are the key factors behind Mauritius' success? Is it linked to political pragmatism, almost marketing to attract tourists and big business?

Precisely because its domestic market is limited, Mauritius, like other small states, has chosen to rely on the extraversion of its economy and its international attractiveness, built up since independence in sectors that have changed over time. In the 1970s, for example, the island's economic development began in the textile and ready-to-wear industries, which were recognized as free trade zones. This was followed by tourism and, above all, the financial sector in the larger sense. Since the 2000s, investment has focused on the information and communications technology sector. There's also the positioning in offshore call centers, thanks to the fact that Mauritians speak both French and English and that the island is in a time zone very close to Europe.

Indeed, at the time of independence, all development experts considered Mauritius to be off to a «bad start», with no chance of ever becoming rich, due in particular to its demography and dependence on sugarcane monoculture. These predictions were proved wrong. In 1968, demographers predicted a population of 3 million: thanks to a very rapid demographic transition, desired by the authorities and well accepted by the population, not even half of this projection was reached. Emigration also contributed.

The factors behind this spectacular turnaround are numerous: a well-educated, multilingual population, great political stability, stable economic policy choices over the long term, which have given Mauritius a reputation for solidity and ensured great confidence among investors, and a widespread entrepreneurial culture, among others. The island was also an early beneficiary of investment from Hong Kong and Taiwan, spurring economic growth. In the World Bank's annual «Doing Business» ranking, Mauritius is still in first place by far in sub-Saharan Africa. The island's leaders have also made it more accessible by air, not only from Europe, but also from Africa, India, Australia and South-East Asia. It is the only air hub in the western Indian Ocean.

Mauritius is a multi-ethnic society made up of 2% Franco-Mauritians, 3% Sino-Mauritians, 27% Creoles and 65% Indo-Mauritians. Is this a factor in Mauritian success? It has created a mode of production based on complementarity, where everyone is a link in a logistical chain - which ultimately produces the absence of conflict required for economic development?

It's a tricky question. Multi-ethnic countries like Mauritius have indeed succeeded, as has Singapore, with a partly similar composition. But others, such as Fiji, have failed to turn their ethnic diversity into an asset. It's more a question of mobilizing the whole of society with a commitment to improving living conditions and increasing employment. This has been supported by substantial public investment in health and, above all, education, which are crucial to a country's development.

What lessons can we learn from the emergence of Mauritius that could be useful for the African continent? Is an abundance of natural resources a necessary but not sufficient condition for economic prosperity?

Mauritius is indeed seen as a model by many African countries and citizens, and deservedly so. For them, it's

proof that it's possible and that poor development in Africa is not inevitable. The key to Mauritius's success, however, is the commitment of the state to its people and to development. Economic development has not been achieved without the human factor, all levers have been activated and all facets of a society's life have been taken into account. As a result, economic growth has been accompanied by the disappearance of extreme poverty. Redistributive and social policies have been implemented for the benefit of the entire population.

How is Mauritius positioning itself as a regional and international financial center?

This is the other side of the medal for Mauritius. Certainly, the island attracts foreign direct investment and other capital flows, but since the mid-2010s it has been included on international lists as a tax haven, for example in 2017 on the European Union's «grey list». It is very easy to invest in Mauritius, and many individuals and financial entities use its territory to avoid taxation in their home country. Throughout Africa this year, a number of bodies have denounced the impoverishment of states as a result of the flight of tax revenues to this country favoured by the economic and political elite. This is both an asset and a long-term vulnerability, depending on how international policy towards countries practicing financial opacity evolves. The Swiss example shows, however, that it is possible to overcome this situation.

Moreover, Mauritius has virtually no natural resources: like the «dragons» of Southeast Asia (Taiwan and Hong Kong, for example), it has developed without them. However, its large exclusive economic zone is an important asset that the country is seeking to exploit through the «blue economy».

What are the new emerging sectors in Mauritius that could be of interest to companies? What are its challenges in the years ahead? Is the low demographic profile of Mauritian society a handicap for the country?

It's difficult to predict. The textile industry, for example, suffered greatly in the 2000s from the end of international quotas imposed on China, and Mauritius too by ricochet. But the country has overcome the crisis and specialized in other sectors, such as finance and the Internet economy, as we have seen. At the same time, the ready-to-wear sector has adapted and moved upmarket, with subcontracting for major Western brands, such as Harris Wilson (Floréal Ltd group), or even the creation of local brands. The Mauritian economy is clearly focused on diversification: business real estate, local processing and fishing, call centers, communications companies, renewable energy technologies and more.

The predicted ageing of the population is indeed a demographic challenge. Indeed, due to very low fertility for decades, the process is underway. In 2017, the government has launched a press awareness campaign to encourage the population to have more children. This is a turning point in the country's demographic policy, which has long been Malthusian. But it is unlikely to be followed up, as has been seen in other countries.



In the field of tourism, Mauritius has often relied on luxury tourism. Is this still the case today, as environmental movements criticize the government's policy of boosting tourism without taking into account its negative externalities such as waste management and pollution?

This is a hotly debated topic in Mauritius. Citizens' environmental movements are very active, and the choices inherited from the past are increasingly being challenged by a section of the population. In any case, yes, international tourism, whether upmarket or not, continues to be a very buoyant sector. In addition, it has segmented itself to diversify: tourism linked to cosmetic surgery, so-called medical tourism, tourism linked to horse breeding and competitions (with visitors from the Gulf countries in particular), cruise tourism, highly reputed golf courses, etc. More and more airlines are flying to the island (Emirates, for example), which opened its skies to low-cost airlines in the 2000s to increase the number of visitors (from Malaysia, for example).

Mauritian entrepreneurs are very dynamic on international markets, investing in Africa and India. Does Mauritius believe itself to be a role model for African countries?

I don't know if Mauritians consider themselves to be a model, but I do know that African countries consider Mauritius to be a model. In any case, it's certainly a unique success story in the regional context. And as we know, when it comes to a country's development, its neighbors and its economic and social environment play a decisive role. And Mauritius has developed in a context of great geographical isolation. This is very impressive. Let's remind ourselves of the original constraints on development: a small island, overpopulated at the time of independence, with a predominantly poor population, subject to climatic hazards and lacking subsoil resources. Today, Mauritius ranks among the upper-middle-income countries, with a GDP/capita and an HDI on a par with some Eastern European countries. Mauritius' trajectory shows that there is no such thing as development determinism or fatality. ☺

Some keys

Mauritius implements an offensive strategy to attract investors. It is seeking to diversify its economy and create new market segments that will enable it to pursue its economic development. The country is looking for new ideas to encourage innovation and specialized talent in all sectors of activity: tourism, marketing, financial services... It offers professionals a business-friendly business environment, a qualified bilingual workforce and attractive tax benefits and exemptions.

Despite these positive externalities, caution is required. To seize these business opportunities, it is advisable to be accompanied in your project by an international trade consultant who knows the ground such as the Franco-Mauritian Chamber of Commerce, which provide you with all the tools you need to prepare all the tools you need to prepare your project. The chamber can support you from the outset and help you contact with key players to build your network.

Mauritius is a member of SADC (Southern African Development Community), COMESA (Common Market for Eastern and Southern Africa) and the Indian Ocean Commission (IOC). In addition to these regional trade agreements, it has also signed bilateral trade agreements. All the rules of origin can be found on the online trade website : (<https://www.mauritiustrade.mu/en/trade-agreements>)

Mauritius has also ratified the agreement establishing the FTA (African Continental Free Trade Area): <https://au.int/fr/treaties/accord-etablissant-la-zone-de-libre-echange-continentale-africaine>

Mauritius has been a member of the WTO since 1995.

Mauritius is one of the ACP (African, Caribbean and Pacific) countries linked to the European Union by a partnership agreement signed in Cotonou on June 23, 2000, which came into force in 2003. Under this agreement, the European Union is negotiating Economic Partnership Agreements (EPAs) with seven regions in Africa, the Caribbean and the Pacific.

The European Union has concluded an Interim Economic Partnership Agreement (EU-Africa EPA) with certain AfOA (African, Caribbean and Pacific) states. This agreement includes Comoros, Madagascar, Mauritius, Seychelles, Zambia and Zimbabwe. Temporarily applied, it has been in force since 2012. However, Zambia currently only benefits from the Generalized System of Preferences (GSP). Within the framework of the Cotonou Agreement, this EU-Africa EPA aims to promote trade between the various partner states, while encouraging regional integration. The agreement provides for preferential treatment for products from the European Union, a reduction in quotas and duties for ESA products imported into the EU, the gradual opening up of ESA markets to EU exports destined for these territories, and cooperation on development and fisheries.

The rules of origin, derogations and tariff reductions for trade between the European Union and the signatory countries are specified in the agreement. Please, visit the website : <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=OJ:L:2012:111:TOC>

① THE TRADING PROCEDURE

The «Mauritius Trade Easy» online platform provides general guidance on Mauritius' trade policy: it provides information on import and export procedures and applicable charges (including customs duties and local taxes, applicable regulations and required shipping documents) by tariff line and partner country. The site also includes a customs clearance cost simulator that estimates import impositions and integrates them into the duty-paid price. Please visit : <https://www.mauritiustrade.mu/en/trading-with-mauritius/import-procedures>

Importers must be registered with the Mauritius Revenue Authority (MRA). <https://eservices.mra.mu/apptan/feedpdfapptan>) and the Department of Business Registration, which give them a taxpayer account number used for customs declarations, and a business registration number respectively.

All customs declarations must be submitted electronically. The TradeNet system (<https://tradenetmns.mu>) is an electronic data exchange system (in place since 1994) which allows on-line transmission to the Customs

Administration of manifests, declarations, certificates of origin, import/export permits and other commercial documents. It also facilitates the submission of applications for import (and export) permits under the jurisdiction of various ministries. Since 2016, Mauritius has begun implementing its national «guichet unique», Mauritius Trade Link, which is part of TradeNet and enables the online submission of applications for import and export licenses and permits issued by public bodies.

Customs' risk management system includes four circuits: green, yellow, red and blue, which are automatically assigned by the TradeNet system according to criteria such as product type, value and consistency of information submitted.

• Customs declaration documents :

Exporters are required to submit the following documents:

- Bill of lading
- Commercial pro-forma invoice in several copies in

- English and French
- Packing list
- Insurance certificate (if applicable)
- Export permits for animals, plants and cosmetics
- Certificates of origin required for fish and fish products

Good to know : Following the Covid-19 pandemic, Mauritius has banned the import of certain products from designated territories until further notice. This applies in particular to the following products: live animals and fish; chilled, frozen and dried seafood, including fish products such as fish and oyster sauce; chilled, frozen and dried meat; wool, animal hair and bristles; animal feed, including fish feed from the following territories: China, Iran, Reunion, South Korea, Switzerland and all European Union (EU) countries.

• Customs duties & taxes

The three main taxes levied on imports are customs duty, value-added tax (VAT at 15%) and excise duty. Excise duty and VAT also apply to domestically produced products. Import duties are levied in the form of specific duties and ad valorem duties. Current rates of ad valorem duty range from zero to 30%, while the number of tariff bands is currently five (zero, five, 10, 15 and 30%). Customs duties are normally levied on the CIF (Cost, Insurance and Freight) value of imported goods.

Excise duties are higher than 100% for motor vehicles and tobacco. New excise duties added since 2014 concern certain dairy products and fruit juices containing sugar; insecticides, rodenticides, fungicides and herbicides; various energy-intensive household appliances (refrigerators, dishwashers, ovens, domestic air conditioners, tumble dryers and electric lamps); washing machines (based on energy efficiency); and incandescent electric lamps, including «LED» lamps (also based on energy efficiency).

Average customs duties : (%) in 2021

- agricultural products 3.2
- Sugar and sugar mills 20.7
- Beverages, spirits and tobacco 14.1
- Non-agricultural products 0.9
- Textiles 1.0
- Electrical machinery 1.3

Source : WTO – Trade policy Report – 2021

• Prohibitions and restrictions

Prohibited goods include, but are not limited to, ivory, turtle shells and other endangered animal products, underwater fishing weapons, certain used motor vehicles, certain used motor vehicle parts and accessories, appliances containing chlorofluorocarbons, radioactive blue asbestos, COVID-19 rapid antibody tests, as well as any goods, including paintings, images or drawings, which may be considered contrary to public or religious morality. For more information, consult the website: <https://www.mra.mu/index.php/customs1/export/pro-con-exports>

② GOODS LABELLING

All labels must be in English and French. For certain products, such as toys, foodstuffs, clothing, etc., the country of origin must be indicated on the label. These requirements vary according to the type of product. To find out more, go to: <https://trade.ec.europa.eu/access-to-markets/en/content/epa-eastern-and-southern-africa#toc4>

Exporters should check with their importers, who are

responsible for ensuring conformity with local regulations. You can protect yourself by specifying in the contract that the buyer must approve samples and labels.

③ LOGISTICS AND CUSTOMS

To export	MAURITIUS	SUB SAHARAN AFRICA
Border compliance (hours)	24 h	97,1 h
Border compliance (US\$)	303 \$	603,1 \$
Documentary compliance (hours)	9 h	71,9 h
Documentary compliance (US\$)	128 \$	172,5 \$

To import	MAURITIUS	SUB SAHARAN AFRICA
Border compliance (hours)	41 h	126,2 h
Border compliance (US\$)	372 \$	690,2 \$
Documentary compliance (hours)	9 h	96,1 h
Documentary compliance (US\$)	166 \$	287,2 \$

Source: World Bank, Doing Business, 2020

④ MEANS OF PAYMENT

- Best and most widely used billing currency: the euro
- Fast, easy SWIFT transfer
- Banker's order not widely used

▶▶▶ Reference websites

<https://www.sadc.int/>
Southern African Development Community

<https://www.comesa.int/>
Common market for Southern Africa

<https://www.commissionoceanindien.org>
Indian Ocean Commission

<https://www.mauritiustrade.mu/en/trade-agreements>
Export and import procedures

<https://www.mra.mu/index.php/legislations>
Mauritius Tax Administration

<https://www.mauritiustrade.mu/en/trading-with-mauritius/import-procedures>
Mauritius Trade easy

<https://www.mra.mu/index.php/customs1/export/pro-con-exports>
Prohibitions and restrictions products

<https://www.mra.mu/index.php/customs1/tariff-information>
Customs duties list

<https://commerce.govmu.org/Documents/Legislations/THE%20LEGAL%20METROLOGY%20ACT.pdf>
Labelling products procedures

https://ec.europa.eu/search/?QueryText=Mauritius&query_source=TAMARKETS&swlang=en&more_options_language=en
EU and Mauritius

<https://commerce.govmu.org/Pages/Legislations/Acts-and-Regulations.aspx>
Consumers protection

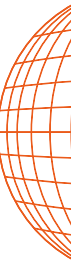
<https://trade.ec.europa.eu/access-to-markets/fr/content/ape-afric-orientale-et-australe#toc4>
Market access UE

<https://www.ccifm.mu/>
Franco Mauritius Chamber of Commerce

<https://www.doingbusiness.org/content/dam/doingBusiness/country/m/mauritius/MUS.pdf>
Doing business in Mauritius – 2020

<https://www.coface.fr/actualites-economie-conseils/tableau-de-bord-des-risques-economiques/fiches-risques-pays/maurice>
Economic studies – Coface

<https://www.tresor.economie.gouv.fr/Pays/MU?listePays=MU>
International Treasury – Mauritius





The Post Bank of Congo, a future-oriented bank

The Post Bank of Congo (PBC) was created on 3 March 2012, following a founding general meeting.

This Post Bank of Congo was established out of a political desire to address the low level of bank customers in the Congo. Its two objectives are financial inclusion and financing the economy.

A public limited company with a Board of Directors, PBC's share capital amounts to twenty-five billion CFA francs (25,000,000,000) divided between the Congolese State and the Society of Posts et de Savings of Congo, which hold 80% and 20% respectively.

The Post Bank of Congo began its commercial activities in January 2013 and inaugurated its head office in downtown Brazzaville on 13 February 2015. It is a bank for all, within everyone's reach. Its vocation is above all to be a local bank and its objective is to extend to all districts of the Congo.

The PBC network currently comprises thirty-four (34) branches and thirty-three (33) automated cash machines (ATMs). This represents the largest network in the Republic of Congo. BPC is a partner of the Inter-bank Monetics of Central Africa (GIMAC), offering its customers the opportunity to carry out transactions in all CEMAC countries.

Its everyday concern is to offer a quality service and diversified products such as bank accounts, consumer credit, trade receivables management products such as bank accounts, consumer credit, factoring, national and international transfers, electronic banking cards and chequebooks, manual foreign exchange and a range of products for businesses.

The PBC is moving into the digital era and offering its customers greater latitude and freedom with BPCNET, a service that allows customers to have their bank at their fingertips.

The PBC has a new vision, that of being a partner of choice, offering appropriate and sustainable solutions while being aware of its social responsibility. It is committed to sustainable development by supporting various green initiatives, in particular the deforestation and reforestation policy in the Republic of Congo.

In short, the Post Bank of Congo offers a customer-focused approach, a bank for everyone, attractive banking terms and conditions, a large branch network that is expanding throughout the country, and well-known partners such as Natixis, Aktif Bank and Afreximbank. It also has young, qualified staff who are at your disposal and ready to listen.

For the Post Bank of Congo, our ambition is your success !