

Speech of Hon. Deepak Balgobin
Minister of Information Technology,
Communication and Innovation, Ag
Minister of Financial Services and
Good Governance

Pre-Event Programme
India Africa Entrepreneurship & Investment
Summit

Le Méridien Hotel, Pointe aux Piments

20 July 2023 at 13 10hrs

(20 mins)

- **Mr. Yaduvendra Mathur, Chairman of the India - Africa Summit**
- **Mr. Ken Poonoosamy, CEO of the EDB,**
- **The Board of Directors of the EDB,**
- **Mr. Dhanesswurnath Thakoor, Chief Executive of the Financial Services Commission,**
- **Mr Sudatta Mandal, Deputy Managing Director, Small Industries Development Bank of India,**
- **Mr. Bajlinder Sharma, Convenor of the 3rd India - Africa Entrepreneurship & Investment Forum,**
- **Mr. Tomi Davies, President of the African Business Angel Network,**
- **Dignitaries and Valued Delegates,**
- **Captains of the Industry,**
- **Ladies and Gentlemen,**

Good Afternoon to you all and Welcome to Mauritius!

I stand before you today, as Acting Minister of Financial Services and Good Governance. My colleague, Minister Mahen Seeruttun being on an overseas mission.

Ladies and Gentlemen,

Your presence, today, represents the growing mutually gainful partnership between India and Africa. It is a testament to our shared aspirations for economic progress, entrepreneurship, and inclusive development.

The India Africa Corridor is already a reality.

Mauritius serves as a remarkable bridge that unites India and Africa, creating a distinctive connection between these two continents and our International Financial Centre (IFC) serves as the promising gateway for trade and investments.

Ladies and Gentlemen,

The special economic ties between Mauritius and India have been cemented by the signature of a spectrum of bilateral agreements ranging from financial services, maritime security, biotechnology, environment to infrastructure, ICT, energy, amongst others.

The unwavering support of the Indian Government to the Mauritian population to combat the mounting challenges of the global pandemic bears testimony to the unique, privileged, and special bond between the two countries.

Mauritius has also played a pivotal role in facilitating India's economic growth by providing a platform for the international community to invest in India.

The preference of international investors to utilize Mauritius as a platform was primarily driven by the advantageous tax treaty between the two countries.

This has contributed significantly to attracting foreign investment and bolstering economic cooperation between Mauritius and India.

The India Mauritius Double Taxation Avoidance Convention (DTAC) was signed in 1982 with the aim of empowering economic activities between our two nations, in a spirit of brotherhood.

In 2015, the India – Mauritius DTAC was revamped to introduce new products in order to boost the value chain and Mauritius acclaimed as an international financial centre, continues to play a crucial role in India's economic growth for Indian investors for inbounds and outbound investments.

We are addressing this need by extending our VCC (Variable Capital Company) structure to family offices and we will also be introducing a new Wealth Manager and Family Officer licence.

The collaboration between India and Mauritius reflects a deep and multifaceted partnership that underscores the significance of our bilateral and multilateral ties, inclusive of the Comprehensive Economic Cooperation and Partnership Agreement (CECPA).

Ladies and Gentlemen,

This summit provides us with a unique opportunity to deepen our collaboration, exchange ideas, and forge new partnerships.

The Mauritius IFC is remarkably attributed as a sophisticated and transparent financial hub that operates under robust regulations.

Since inception of the Mauritius IFC in 1992, Mauritius has successfully structured over 190 Billion USD of direct investment and currently around 30 Billion USD of portfolio investment into India annually.

Mauritius has consistently upheld the standards of transparency.

As a signatory to the multilateral Base Erosion and Profit Shifting (BEPS) Convention, Mauritius actively addresses tax avoidance by multinational enterprises.

We made firm commitment to revise our existing tax treaties through bilateral negotiations, further demonstrating our dedication to ensuring fairness and accountability in the global tax landscape.

Mauritius is further committed to addressing each of the 40 recommendations set forth by the Financial Action Task Force (FATF) which serves as global standards in combating money laundering, terrorist financing, and other financial crimes.

Significant efforts have been undertaken to enhance our legal and regulatory framework to align with FATF requirements.

We must also acknowledge the indisputable fact that Mauritius holds the top ranking in the African region in numerous accolades, notably

- the World Bank's Doing Business Report 2020,
- the Global Innovation Index 2022,
- the 2022 Mo Ibrahim Index of African Governance, or
- the International Property Rights Index 2022.

These accomplishments reaffirm our nation's position as a beacon of success and progress within the African continent.

Ladies and Gentlemen

Mauritius has been a pioneering member of the African Union (AU), Southern African Development Community (SADC), and Common Market for Eastern and Southern Africa (COMESA) and exemplifies an unwavering dedication to fostering high-quality investment in Africa.

The country successfully attracts substantial FDI into the African continent by leveraging its strategic geographic location and well-crafted economic policies, thereby acting as a catalyst for sustainable economic growth and fostering harmonious regional integration.

Our extensive network of Double Taxation Avoidance Agreements (DTAAs) and Investment Promotion and Protection Agreements (IPPAs) with African states translate to preferential access for global investors and traders to tap into the African markets.

Mauritius demonstrates a resolute dedication to upholding tax transparency. As a pioneer in Africa, we became the first country to sign the Foreign Account Tax Compliance Act (FATCA), emphasizing our commitment to international tax compliance.

Additionally, Mauritius is acknowledged for its cooperation with the European Union (EU) in the realm of tax good governance, successfully implementing all the commitments it has made in this regard.

The Mauritius IFC will continue to play a crucial role in making Africa more attractive to Indian investors in term of high return projects in the African continent.

I am happy to announce that we shall soon be presenting the new ESG Framework (Environmental Social and Governance) which will go a long way in attracting investors' interest.

I am also thrilled to announce that the Africa Partnership Conference (APC) with the theme 'Unity in Partnership: Enabling Sustainable & Inclusive Investment' will be organized this year. The aim is to gather partners from Africa and across the globe. The objective is to create a sustainable and inclusive investment and trade financing value chain for Africa and firmly position Mauritius on the trade and investment map for Africa.

Ladies and Gentlemen,

The ICT sector in Mauritius saw a contribution of 6% to GDP in 2022 with around 900 local and multinational companies employing more than 30,000 people. It is also considered as one of the major pillars of the economy.

The country is fully connected to fiber optics. We have also launched 5G connectivity in certain regions while mobile penetration has reached 157 percent.

The Government aspires to position Mauritius as a regional hub for Technology and Innovation through strategic partnerships, international collaborations, and the creation of innovation ecosystems.

My Ministry, through dedicated efforts, has played a pivotal role in the digital transformation of our country, mainly through significant advancements in digitalising Government services.

The Cybersecurity and Cybercrime Act was voted in 2021 with a view to modernize our legal framework to ensure that the Mauritian legislation remains strong and resilient to cybercrime.

The Mauritius Emerging Technologies Council was created recently to be instrumental in shaping the digital landscape of our country and to foster a culture of innovation, paving the way for a technology-driven future.

In order to maintain the momentum of the sector, my Ministry is currently developing a five-year Blueprint to assist the Government in prioritizing the goals with respect to the ICT sector.

The Mauritius Research and Innovative Council has been operating the National SME Incubator Scheme (NSIS), to promote initiation and development of innovative start-ups through a network of Private Sector-led accredited business incubators.

Since 2017 to date, the MRIC has invested around 37 million rupees and has produced 49 successful start-ups, which have been accompanied, trained, and nurtured by 6 incubators. There are currently 70 ongoing projects being incubated under this scheme.

The special collaboration in which we are engaging today with the Indian and African Entrepreneurs and investors will enhance the positive impact of the NSIS on the innovative start up ecosystem in the country.

Ladies and Gentlemen

The India Africa Entrepreneurship and Investment Summit represents a key milestone in our shared journey towards economic empowerment and inclusive growth.

Let us seize this opportunity to forge new partnerships, explore innovative solutions, and create a brighter future for both India and Africa.

Let us set our sights high and work hand in hand to make the Summit resounding success.

Thank you for your attention.