



A Lux Island Resorts hotel is the perfect place to experience the famous Mauritian hospitality



Dedicated to sustainability and zero waste, Seafood Hub processes over 110,000 tonnes of tuna a year

Mauritius: A complementary and welcoming partner for UAE investors

Renowned as a tropical paradise for discerning holidaymakers, the island of Mauritius has a thriving and diverse economy that is supported by a world-class international finance centre

The stunning island nation of Mauritius in the Indian Ocean boasts a diverse and expanding economy. Having seen its gross domestic product (GDP) increase by 3.7 per cent in 2021 to reach \$10.95 billion, it is thought to have grown by a further 7.2 per cent in 2022 and another 5 per cent rise is predicted for 2023.

The country also enjoys one of the highest foreign investment rates in Africa, thanks to a multitude of opportunities that are increasingly on the radar of UAE investors since Mauritius' Economic Development Board opened a representative office in Dubai in March. This should help boost bilateral ties in high-potential sectors such as information technology, manufacturing, healthcare, the ocean economy, renewable energy, property development and, in particular, financial services.

"We have been so successful at promoting our white beaches, sea and sun that some see Mauritius only as a tourism destination. The office will improve our visibility in UAE and allow us to better promote our international financial centre (IFC). We are not looking at UAE as a competitor in this space, we can be a complementary partner," says Minister of Financial Services and Good Governance Mahen Kumar Seeruttun. Currently contributing over 13 per cent of the country's GDP, Mauritius' world-class financial services sector has decades of experience in cross-border investment and finance, he adds: "For example, \$80 billion in investments has been channelled into Africa

sified ever since," explains Jimmy Wong Yuen Tien, CEO of DTOS, which has evolved alongside the IFC as one of the country's preeminent financial services providers.

Owned by IBL Group, Mauritius' largest conglomerate that operates and invests worldwide, DTOS now provides a wide range of services to clients including Fortune-500 companies and manages assets worth over \$16 billion. "We began by providing management services for investors like high-net-worth individuals. We then launched company registry services and have consolidated that with other added-value services such as business model optimisation. Investors want a one-stop-shop service provider and this is what we aim to be," says Wong.

DTOS has diversified geographically as well, he notes: "At the start, we were dependent on India-related investments. However, seeing Africa as a natural progression, we quickly opened offices in Uganda and Kenya." More recently, it opened an office in Dubai. "Our UAE business is growing rapidly. We have the right resources on the ground, while the combination of our experience in Mauritius, East Africa and Dubai puts us in a unique position," enthuses the CEO. Business in Mauritius is expanding too, thanks to DTOS' ability to deliver a wide variety of clients' needs, he states: "Africa is generating a lot of interest and we are attracting people that are relocating families and businesses to operate from Mauritius remotely."

There are many reasons why peo-

and its new Comprehensive Economic Cooperation and Partnership Agreement with India.

In 2020, however, the country was placed on the grey lists of the intergovernmental Financial Action Task Force (FATF) and the European Union due to perceived shortcomings in a few of its financial frameworks. Despite this, the sector grew 4.6 per cent in 2021 and, by early 2022, Mauritius had addressed the concerns and returned to both organisations' white lists. "It was a challenging period, but we came out stronger," states Wong. The nation is now one of a handful worldwide that is compliant or largely compliant with all 40 of FATF's recommendations, he adds: "We are among the few that are compliant for fintech, thanks to forward-looking legislation. Overall, Mauritius is being positioned as a hub for the digitalisation of international operations and laws have been passed that will attract more players to drive digital projects for Africa from here. DTOS is looking forward to a new wave of investors setting up structures in Mauritius and using it as an IFC."

A jurisdiction of substance

All stakeholders worked together to guarantee a rapid return to FATF's white list, but the driving force was an internationally respected regulator: the Financial Services Commission (FSC). "Being compliant or largely compliant with all its recommendations is of great significance. We have shown we are a jurisdiction of substance that takes the recommendations of international bodies seriously. It also sends our investors and international counterparts the message that we have the systems and procedures to ensure our processes are sustainable," asserts FSC CEO Dhaneswurnath Thakoor.

Through its robust, agile and innovative oversight of the non-banking sector, FSC has accelerated the development of Mauritius' IFC since it was set up in 2001. "We have evolved by keeping the base of our offerings and diversifying into products that are in demand internationally. Today, we are looking to further the horizon of virtual assets in financial services, which we believe will be one of the sector's growth pillars," says Thakoor.

The FSC has been central to the country's burgeoning status as a hub for fintech in general — having launched its first regulatory sandbox for innovative technologies in 2018, it has gone on to introduce frameworks for products and ser-

vices ranging from crowdfunding to virtual assets.

Now it is establishing an innovation lab to encourage more fintech entrepreneurs, he reveals: "Under our original sandbox model, innovators had to come to us with a fully baked idea, ask for permission to deploy it and then we would look at the regulatory side. However, we recognise that some innovators might have part of an idea they want to test in a broader ecosystem before developing it into a full product. The first step we have taken to facilitate this is to collaborate with the Bank of Mauritius, as we believe there is no clear boundary between bank and non-bank financial services in this area."

The regulator has also invested heavily in technology to boost its own efficiency. "For instance, we have launched our online FSC One Platform portal for applications and interactions with stakeholders, which has increased transparency in our processes and shortened turnaround times. Going forward, we will bring in a digital element that will allow us to onboard international customers remotely and securely," comments Thakoor.

A second growth pillar FSC has orientated towards is sustainable financing, he adds: "We are not sparing any effort to be a first mover in this. We have issued guidelines for green bonds under which we have already issued a license to an entity, we are ensuring that greenwashing activities do not take place and we are working to make sure Mauritius attracts environmental, social and governance investments. For example, we are the ideal jurisdiction to fund green-energy projects in Africa from, as we are experienced at working with international development finance institutions."

By focusing on established strengths and growth areas, the FSC aims to help Mauritius double the size of its IFC by 2030. "We provide a stable platform that investors can take advantage of to access a broad range of international markets and we are constantly building on our unique set of attributes. There are exciting financial services taking place here, as well as many other business sectors that offer opportunities," says Thakoor.

'Hungry for growth'

A closer look at DTOS' parent, IBL, demonstrates Mauritius' potential as a base for local and international investments. Currently working and investing in over 285 companies in nine global industries, IBL recorded revenues of \$1 billion in



Mahen Kumar Seeruttun
Minister of Financial Services and Good Governance

Jimmy Wong Yuen Tien
CEO, DTOS

Dhaneswurnath Thakoor
CEO, Financial Services Commission

2022, 15 per cent up on its 2019 pre-pandemic performance. Despite this success, the group remains "hungry for growth," according to CEO Arnaud Lagesse. Illustrations of its expansion goals include the recent acquisition of Kenya's leading supermarket chain, and the ongoing development of its solar-energy portfolio. "Another sector we have earmarked for growth is healthcare, where there are many opportunities locally and regionally," he says.

Lagesse would like to see more business ties between Mauritius and UAE. "There are three sectors in particular that UAE companies could consider in Mauritius: financial services, property and hospitality. Our financial sector offers great potential because we have a stable environment, quite an aggressive

guests. Tread Lightly currently supports offsetting projects in Africa and Asia that are supplying over 200,000 people with electricity from renewable sources," he states.

Elliah would encourage tourists to holiday in Mauritius: "On our beautiful island, you can experience the world-famous Mauritian hospitality, which includes friendly people, genuine smiles, exquisite cuisine, year-round great weather and wonderful beaches. And plan a stay at LUX*, of course!"

Another of IBL's thriving businesses is Seafood Hub, which processes over 110,000 tonnes of tuna a year. "We started in 1972 as a joint venture with Japan's Mitsubishi. Over time, we have developed into areas like canning, pouching, loin preparation, fishmeal, fish oils and

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DHANESWURNATH THAKOOR, CEO, FINANCIAL SERVICES COMMISSION

fiscal policy and a lot of diversification. We also have a buoyant property market with the potential for development and there are real opportunities in our hospitality sector.

The star of IBL's own hospitality interests is Lux Island Resorts, which develops and invests in luxury hotels and resorts. At the moment, its portfolio contains four idyllic properties in Mauritius, one in the Maldives and one on Reunion island. "Our hotels and those of other owners are managed by our sister company, The Lux Collective. Currently, it operates 16 in the Indian Ocean and China, and it has recently signed a contract to manage two new properties in Sharjah: the LUX* Al Bridi is a safari retreat and the LUX* Al Jabal is a beach retreat," says CEO Désiré Elliah.

With tourist bookings back up to around 2019 levels at the end of 2022, Lux Island Resorts has also been expanding, notes the CEO: "We have opened the new LUX* Grand Baie Hotel on Mauritius' most-coveted beach. It is a 5-star hotel with 86 rooms and eight villas at the very high end of the market. I am particularly pleased with the occupancy level of the villas, which are popular with UAE customers — this is not surprising, as they are gorgeous, spacious and private.

In all its projects, Lux Island Resorts is trying to utilise more and more solar energy, it aims to use eco-friendly construction materials and it has banned single-use plastics. "Through our Tread Lightly programme, LUX* also offsets 100 per cent of the carbon emitted by

other marine ingredients. We have three processing plants, two run with Mitsubishi's Princes and one with France's Sapmer for sashimi. We do absolutely everything apart from fishing and directly employ 6,000 people within our integrated value chain," explains its chief operating officer, Cougen Purseramen.

Seafood Hub's core priority is the sustainability of tuna in the region's oceans. Mauritius is ahead of the pack in managing fish stocks and the company uses the vast majority of the fish that arrives on its quays. To date, one part has been wasted, he says: "We were not optimizing effluent, so we have set up a waste-to-value plant with South African partners that will convert it into methane, which will run our boilers. This will make us the first in the global industry to be zero waste — we are leading by example in doing more with less and adding value."

Its second priority is competitiveness. "Our customers are global and our competitors are in Asia, South America and Europe. We strive to remain competitive in pricing, service, reliability and quality, which is inherent in everything we do," declares Purseramen. In line with IBL's overall strategy, Seafood Hub's third focus is globalisation, he concludes: "We already produce fishmeal and fish oil in Ivory Coast. We are happy with what we have achieved there and have expertise that can help partners elsewhere in the world bring better value, service and products to market. We want to continue making our industry a better player globally."

"\$80 billion in investments has been channelled into Africa through Mauritius in recent years."

MAHEN KUMAR SEERUTTUN
MINISTER OF FINANCIAL SERVICES AND GOOD GOVERNANCE

through Mauritius in recent years. As the natural platform to bridge the East with Africa, we can be a strong partner in upcoming developments that are going to reshape the continent."

"Until the early 1990s, the Mauritian financial sector was mostly focused on domestic activities. At that point, the country devised a legislative framework to attract foreign investors to set up structures in Mauritius that could act as a base for investing in other nations. Within a few years, we had become the top investor into India, with which we have a favourable tax treaty, and the sector has flourished and diver-

ple choose Mauritius as an investment platform. For instance, it is located between Asia and Africa in Dubai's time zone, the World Bank ranks it 13th worldwide for ease of doing business, there are no restrictions on capital flows, the qualified population speaks French and English, and its legal system is based on those of France and England. It is also a member of key trading blocs — the South African Development Community, the Common Market for Eastern and Southern Africa, and the African Continental Free Trade Area — plus it has bilateral trade and investment agreements, including one with China

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FINANCIAL SERVICES COMMISSION MAURITIUS:
A dynamic, innovative and forward-looking regulator

UK & EU, US, India, China, Africa, Mauritius

FSC regulated activities: Global Business, Fintech, Insurance, Pension, Capital Markets, Investment Funds and Intermediaries

Global Business Entities: over 16,400

Investment Funds: over 1000

The FSC Mauritius is the integrated regulator in Mauritius for the financial services sector (other than banking) and global business.

The FSC Mauritius has, over the years, been a dynamic, innovation-driven regulator which has been instrumental in the establishment of Mauritius as a jurisdiction of substance in the global landscape. Driven by its vision to be an internationally recognised financial supervisor committed to the sustained development of Mauritius as a sound and competitive financial services centre, the FSC has successfully responded to new challenges. It is now a pioneer among its African regional peers.

International Cooperation
The FSC is member of international standard setting bodies and proactively strives to comply with international best practices and the standards of organisations such as the International Organization for Securities Commissions (IOSCO), the International Association of Insurance Supervisors (IAIS) and the International Organisation of Pension Supervisors (IOPS), amongst others. The FSC is also signatory to a number of Memoranda of Understanding with key local, regional and international regulatory counterparts.

Embracing Innovation
The FSC has put in place a modern regulatory framework for a spectrum of innovative financial products and services such as peer-to-peer lending, crowdfunding, variable capital companies, structured investment-linked insurance business, guidelines for the issue of green bonds, and has enacted the Virtual Asset and Initial Token Offering Services (VAITOS) Act 2021. Similarly, to foster a culture of innovation towards digital transformation, the FSC launched the FSC One Platform, an online hub for licensees and a major database for institutions and investors.

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