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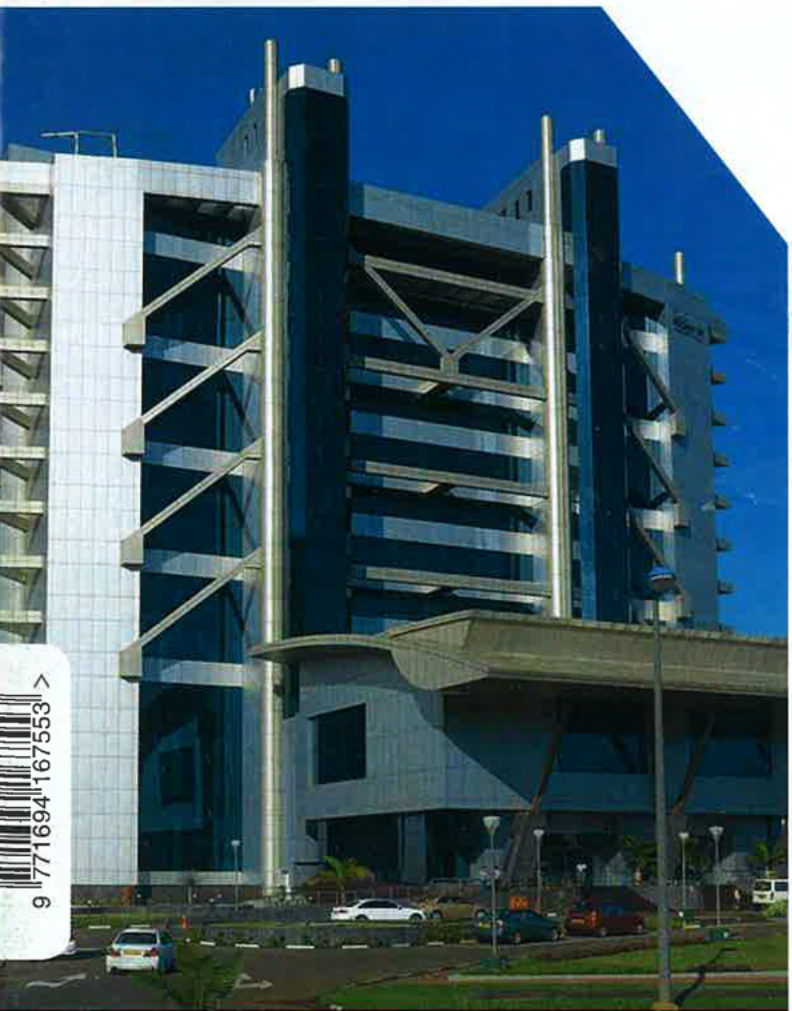

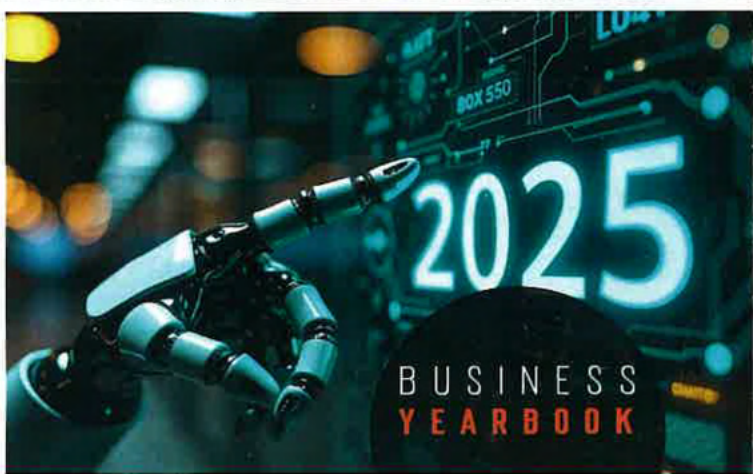

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ALAN RUNGASSAMY
EXECUTIVE DIRECTOR OF SUNIBEL CORPORATE SERVICES LTD

MAURITIUS INTERNATIONAL FINANCIAL CENTRE
NAVIGATING EVOLUTION WITH OPTIMISM

MAURITIUS has consolidated its position as a cornerstone of Africa's financial ecosystem, combining regulatory rigor, strategic partnerships, and a forward-looking embrace of digital and sustainable innovation. With a newly elected government, we shall see economic resilience and global integration, the Mauritius International Financial Centre (IFC) stands poised to reinforce its role as a bridge between Africa, Asia, and global markets.

A LEGACY OF TRANSFORMATION

Mauritius has transformed from an agrarian economy to a diversified financial hub through strategic policymaking and adaptive governance. Over the past 55 years, it has developed expertise in banking, insurance, and investment structuring, supported by a regulatory environment aligned with international standards like FATF and OECD. The financial services sector now contributes 13.7% to GDP.

The country offers a pro-business environment with skilled labour, favourable tax structures, and an extensive network of Double Taxation Avoidance Agreements (DTAA), Investment Promotion and Protection Agreements (IPPA), and Free Trade Agreements (FTA). Its membership in regional groups like SADC, COMESA, and AfCFTA provides businesses with preferential access to markets across Africa and Asia, as well as Europe and the US.

Mauritius' well regulated banking and insurance sectors, along with international legal and accounting firms and a multilingual workforce, have attracted multinational corporations, Private Equity Funds, and fintech innovators seeking stable entry points into high-growth African markets.

A PILLAR OF ECONOMIC GROWTH

The Mauritius IFC has long been regarded as a major pillar of the nation's economy. Contributing significantly to GDP growth, our IFC is renowned for its enhanced regulatory framework, compliance with international standards, and its role as a gateway for cross-border investments.

A member of ESAAMLG, Mauritius stands out as a jurisdiction of repute, known for its strong adherence to global compliance standards, particularly in areas such as Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT). The country's alignment with international best practices, set forth by organisations like the Financial Action Task Force (FATF) and the Organisation for Economic Cooperation and Development (OECD), has positioned it as a trustworthy and reliable financial hub. This adherence to rigorous standards has not only helped Mauritius avoid grey- or black-listing, but also reinforced its reputation as a safe and transparent investment destination.

STABILITY MEETS INNOVATION AMID HEADWINDS

Moody's has recently downgraded the outlook for Mauritius from Stable to Negative, but maintained its sovereign rating at Baa3. While the country's vulnerability to the risk of losing investment grade could have disastrous consequences for financial stability, the assessments of emerging markets highlight key considerations for the IFC: competitiveness, innovation and sustainability.

It remains important to enhance Mauritius' competitiveness while addressing systemic challenges. The Variable Capital Companies (VCC) Act, still in its early years, have expanded opportunities for fund managers, allowing greater flexibility in asset pooling and distribution. Concurrently, the Virtual Asset and Initial Token Offering Services (VAITOS) Act positions Mauritius as a leader in blockchain and digital asset regulation, attracting ventures like decentralised finance (DeFi) platforms and tokenised investment vehicles.

Furthermore, the island's growing reputation as an ESG-friendly jurisdiction makes it an attractive option for investors, who are increasingly prioritising ESG criteria when making decisions. Mauritius has responded by creating a regulatory environment that encourages green investments, sustainable bonds, and other socially responsible financial products.

NAVIGATING CHALLENGES

Despite the many advantages, Mauritius faces certain challenges that could impact its long-term prospects. The global focus on compliance and governance continues to pressure jurisdictions like Mauritius to stay ahead of the curve, which has bright forward AI-driven transaction monitoring systems. While the country has made great strides in this regard, maintaining its status as a trusted financial centre will require continuous improvements in compliance and transparency.

Another pressing issue is talent retention. As global talent seeks opportunities abroad, Mauritius must find ways to retain and attract skilled professionals, particularly in high-demand sectors such as finance, fintech, and IT. The government's efforts to attract foreign talent through visa programs like the Occupation Permit and Premium Travel Visa are positive steps in addressing this issue.

Mauritius also faces growing competition from other emerging IFCs in Africa and beyond. Countries such as Rwanda, Nigeria, and South Africa are rapidly developing their financial centres, potentially diverting investment flows away from Mauritius. However, this competition presents opportunities for collaboration. By working together, African IFCs can create synergies and offer cross-jurisdictional products that enhance the continent's overall financial ecosystem.

A PROMISING OUTLOOK FOR MAURITIUS

Mauritius' evolution into a global business hub reflects resilience, adaptability and innovation. With its financial services sector, commitment to regulatory compliance, and embrace of digital innovation and sustainability, Mauritius is positioned to maintain its status as an attractive IFC.

Its location between Africa and Asia, coupled with its involvement in fintech and ESG, makes it a gateway for businesses looking to access emerging markets. As the global business landscape evolves, Mauritius aims to offer a stable, transparent, and business-friendly environment for companies and investors.