

FinTech

Mauritius poised for take off

The Prime Minister, Honourable Pravind Kumar Jugnauth, launched the “Mauritius International Financial Centre – Forward looking conference” on 19 September. This two-day high level conference, organised by the Financial Services Commission (FSC), was held at the Intercontinental Mauritius Resort, BalACLava. During his speech, the Prime Minister declared that Mauritius is rethinking the way its financial services sector is operating. His aspiration is to transform Mauritius into the most innovative and technologically enabled country in this part of the world. To support this ambition, a number of key measures relating to financial technology, innovation and artificial intelligence was announced in the 2018-2019 budget speech.



In his address, the Prime Minister announced the setting up of a national blockchain strategy plan to encourage the adoption and implementation of blockchain in both private and public sectors. Furthermore the blueprint of the sector has been completed with the collaboration of the relevant stakeholders and international consultants. The composition of the National Regulatory Sandbox Committee has also been finalised with the first meeting of the Committee planned in September.

Honourable Pravind Kumar Jugnauth, Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development

The Honourable Dharmendar Sesungkur, Minister of Financial Services and Good Governance, in his address on 20 September, further expanded on the blueprint of the financial sector which “outlines the framework and measures to develop the financial services sector, to enable the fulfillment of Vision 2030 and help drive the Mauritian economy forward in the special league of high income countries”. This blueprint introduces a new harmonized fiscal regime for domestic and global business companies and a specific fiscal regime for banks.

FinTech (Financial Technologies), a rapidly emerging sector revolutionising financial services worldwide, was one key topic discussed during the “Mauritius International Financial Centre – Forward looking conference”. Key stakeholders and policymakers gathered during a workshop dedicated to “Enabling Framework for Financial Technologies in Mauritius” and discussed the readiness of Mauritius for FinTech services.



Honourable Dharmendar Sesungkur, Minister of Financial Services and Good Governance

FinTech relies on infrastructure

One building block for the emergence and growth of FinTech services is the infrastructure. Mr. Sherry Singh, CEO of Mauritius Telecom and one of the panellists, highlighted the fact that FinTech is only possible if we have infrastructure and “there is no other country in Africa better placed than Mauritius in terms of infrastructure”. Thanks to the strategic focus of Mauritius Telecom in the deployment of fibre islandwide, Mauritius is now ranked 8th in the world in terms of fibre connectivity, just after China and Japan. Furthermore, Mauritius has got an excellent mobile connectivity with 4G coverage and Mauritius Telecom’s fibre network provides connectivity of up to 100 Mbps.

Mr. Sherry Singh emphasised that to become a hub and target the African continent, international connectivity is a must: “international connectivity basically means undersea cables coming into the country. We have the SAFE and the LION cables. There are 2 more cables as private initiatives, the IOX and the METISS cables which mean that Mauritius has sufficient number of cables redundancy to exit Mauritius and access other countries”.

Confronting the talent challenges

While regulations and infrastructure are essential elements, a key challenge for Mauritius, as agreed by the panellists, is the availability of local talent. Mauritius, with its population of 1.2M inhabitants, has a limited pool of human resources. Specialised talents (coders, software engineers, data scientists, programmers etc.) are in short supply in Mauritius. According to Mr. Sherry Singh “if we are serious about making Mauritius a hub, we have in the first phase no choice except to import talent.”



Members of the panel from left to right :

Yandraduth Googoolye, Loretta Joseph, Lord Desai, Sherry Singh, Benjamin Yablon, Antony Leung Shing and Umar Bagus

Mr. Antony Leung Shin, Country Senior Partner, PWC Mauritius, identified three main attributes for a successful FinTech sector: access to a talent pool, capital raising abilities and demand. Mr. Umar Bagus, Associate Partner, McKinsey & Company highlighted that talent is a critical enabler and there is a need to bring home Mauritian talents and rely on expatriates.

Potential solutions were discussed namely focus on training, lifetime learning, incentives for Mauritian talents abroad to come back to Mauritius, artificial intelligence as an opportunity to overcome labour shortages.

Unveiling of FSC’s new identity

FSC unveiled its new identity during this high level conference. This new identity reflects the new drive of this institution.