



# Mauritius: Fostering prosperity in Africa through strategic partnerships

With the world waking up to Africa's rising investment needs for sustainable growth that affects not only the continent but the fate of the entire globe, experts from Mauritius comment on the importance of strategic partnerships in helping the region tap into its vast potential for growth and development.

An African Development Bank report from November 2023 notes that Sub-Saharan Africa's GDP increased more than 5-fold in the 30 years from 1990 to 2020, outpacing the 3.6-fold increase in population growth over the same period.

Indeed, the continent's potential is immense, possessing as it does significant untapped resources, including 30% of the world's mineral resources, 17% of the world's population, and vast cultivable land. Despite this, Africa receives only a 3% share of the world's foreign direct investments. And, with Africa's population projected to nearly double to 2.5 billion over the next quarter-century — experts predict the dawn of an era that will not only transform many African countries, but also radically reshape their relationship with the rest of the world.

With the BCP Group present in 18 African economies, the Deputy CEO at BCP Bank (Mauritius) and Vice Chair of Mauritius Finance, Sangeetha Ramkelawon, notes: "Many African economies are experiencing rapid growth, driven by factors such as urbanisation, a rising middle class, and increasing consumer demand. Africa has a young and rapidly growing population, which presents opportunities for investments in sectors such as education, healthcare, and technology to meet the needs of this demographic."

She adds that Africa has a pressing need for infrastructure development, including transportation networks, power generation, and telecommunications, urging investors to consider infrastructure projects that can contribute to economic development in Africa while providing attractive returns to them.

Shamima Mallam-Hassam, MD of Trident Trust Company (Mauritius) Ltd and Chairperson of Mauritius Finance, notes: "With the world's youngest and fastest-growing population (about 60% of Africans are under the age of 25), the continent is emerging as a magnet for consumer markets and products, making it an attractive destination for supply chains and also offering significant opportunities for trading. The continent has the potential to become a major participant in global supply chains by harnessing its vast resources of materials needed by high-technology sectors and its own growing consumer markets."

Meanwhile, the October 2023 Africa Partnership Conference (APC), organised by the Economic

Development Board, Mauritius, in collaboration with the Ministry of Finance, Economic Planning and Development of Mauritius, made clear that realising Africa's potential is key for the island economy to achieve its own destiny.

Shamima avers: "Mauritius has indeed established itself as a reputable and attractive International Financial Centre (IFC) within the African region, leveraging its stable political environment, robust legal framework, and a conducive economic landscape. This positioning not only enhances investors' confidence but also promotes Mauritius as a gateway for investment into Africa. We are also seeing growing interests for Africans to structure their wealth out of Mauritius. Private banking and wealth management for the region is a major opportunity, offering potential growth of 7-8% p.a. to create a US\$20 billion revenue pool by 2030."

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**Sangeetha Ramkelawon,  
the Deputy CEO at BCP Bank (Mauritius)  
and Vice Chairperson of Mauritius Finance**



She adds that South Africa, Nigeria, Kenya, Senegal and Ivory Coast are the key destinations for investments channelled through Mauritius due to their market potential, growth prospects, and strategic importance. She also highlights that some of those countries also are among the countries that have the most HNWI's — the so-called 'Big 5' wealth markets in Africa — South Africa, Egypt, Nigeria, Kenya, and Morocco — that together account for a significant 56% of Africa's high-net-worth individuals and over 90% of the continent's billionaires.

Now, with the African Venture Capital Association (AVCA) set to hold its annual milestone conference in Johannesburg this April to mark the 20th anniversary of this seminal event, we asked key industry stakeholders in Mauritius to reflect on the AVCA theme, "Embracing Change: Shaping the Next Era of Africa's Prosperity."

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### Mauritius as a strategic place for investment in Africa

At the outset, Bilal Adam, President, South African Chamber of Commerce (SACC), and CEO, Stewards Investment Capital, states: “As someone deeply committed to promoting valuable partnerships, I see collaborations between Africa and key global economies shaping up as integral to driving mutual growth and prosperity. At the SACC, our primary focus is on bilateral trade promotion between South Africa and Mauritius, facilitating timely information, and creating networking opportunities for our members. Moreover, we are one of the founding members of International Business Enterprise together with Graeme Robertson where we bring together all expat chambers (USA, France, Australia, China, and South Africa), to collaborate on common issues, creating investment and networking opportunities.”

Bilal adds that the chamber has strengthened partnerships to position Mauritius as a regional hub and attract investment opportunities into Africa, with collaboration with organisations such as the EDB having been highly instrumental on this front. “Additionally, we’ve expanded our strategic partnerships, which now include Investec, Sanlam, ENSAfrica, and Stewards Investment Capital. These efforts collectively contribute to our goal of fostering sustainable growth and enhancing opportunities for both Mauritius and South Africa,” he avers.

Meanwhile, Christophe Chabaud, Director, Inn Pact (Mauritius) Ltd avers that, over the next five years, a third of investors plan to increase allocations to sub-Saharan Africa to foster the digital economy, combat climate change, and counter food security threats. In this context, investing in Africa presents both financial and impact opportunities. He emphatically notes: “Africa is primed for impact investing. A joint effort between the public and private sectors will guarantee that Mauritius is primed for impact investing in Africa.”

Shamima adds that the concept of impact

investment, which aims to generate social and environmental benefits alongside financial returns, has gained significant momentum in recent years. She notes that, as this sector matures, the importance of having a robust framework for impact investment cannot be overstated.

“Such a framework is crucial for multiple reasons, ensuring that investments are not only effective in achieving their intended impact but also sustainable and scalable over the long term. Indeed, a well-designed framework for impact investment is the foundation for ensuring that investments are made thoughtfully and effectively, achieving the dual goals of financial return and positive societal impact. It provides the necessary structure for evaluating, executing, and scaling impact investments, contributing to a more sustainable and equitable world,” she explains.

In terms of an actual example of an impact investment conducted out of Mauritius, we turn to African Capital Alliance (ACA), whose investment into Accelerex Holdings (AH) in Mauritius was announced in November 2020 at the height of COVID. AH is a leading payment terminal/payment solution services provider, with capabilities in agency banking and lending to SMEs based on its technology platforms. The business started operations in Nigeria and has expanded into other markets since, notes Ashraf Deenmahomed, Director & Chief Operating Officer at African Capital Alliance (Mauritius).

“Since ACA invested in Accelerex Holdings in November 2020, the company has grown from being a leading payment solution services provider in Nigeria to becoming a Pan-African business, enabling electronic payments across 8 countries in partnership with 35 banks. As of December 2023, AH had over 400 merchants, with over 44,000 connected devices processing over 9 million transactions per annum outside Nigeria, and this is poised to grow significantly in 2024. From a Nigeria-based business, AH now facilitates payments in Ghana, Kenya, Democratic Republic of Congo, Tanzania, Rwanda, Uganda, and

**“With a DTA, a General Cooperation Agreement, and a bilateral investor protection agreement, the foundations of deepened collaboration already exist between Mauritius and Rwanda.”**

**Nikesh Patel,**  
the Honorary Consul of Rwanda to Mauritius



South Sudan. Being based in Mauritius has enabled AH to seamlessly channel investments into multiple African countries, deepening financial inclusion across the continent,” he emphasises.

For his part, Christophe adds that the role of International Financial Centres and the collaboration between them has been key in developing the ecosystem. “Innovative legal products such as, for example, the Variable Capital Company in Mauritius, enable emerging fund managers to access a wide range of service providers to support them in warehousing investments, building some track records, establishing, and managing their impact funds. Beyond that, the convergence of regulatory frameworks will continue to foster the emergence of regtech companies developing tech reporting solutions for asset managers to measure, disclose and improve the sustainability of their investments,” he elaborates.

### **Mauritius as an investment gateway to Africa**

To begin with, the Trade Development Bank’s Daniel Lam Chun, Chief Executive, ESATAL Fund Manager, and TDB Indian Ocean-Lusophone Africa Coverage Executive, comments on the various advantages the jurisdiction offers as ‘a gateway to Africa’. He notes, “Mauritius offers an attractive legal and regulatory framework, qualified human resources, and adherence to multiple international treaties, including several trade agreements globally and the largest network of investment promotion and protection treaties with the rest of the African continent. Many international and African companies have established holding companies in Mauritius and several financial services companies, including banks, other development finance institutions, asset managers, investors, PEs, VCs, fund managers, and funds are based there, and benefit from flexibility in terms of legal structures companies can adopt.

At IQ-EQ, with 700+ people employed by their offices in Mauritius and South Africa and servicing worldwide clients across their core service segments,

Rehma Imrith, Chief Commercial Officer at IQ-EQ Mauritius, explains that Africa is a key region. She highlights: “More than 450 private equity funds are domiciled in Mauritius and investing in the African continent, and USD 40bn of investments directed to Africa to date were structured through Mauritius (source: EDB). Mauritius’ stable economy and conducive business environment, skilled and multilingual workforce, hybrid legal system and favourable tax regime have significantly contributed to build Mauritius IFC’s solid reputation as a favoured gateway for investments into the African continent.”

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**Bilal Adam, President,**  
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Rehma elaborates that, when it comes to specific countries, South Africa remains the primary market for inbound and outbound investments from a Global Business perspective. She also underlines that Mauritian companies are now important players on the African continent in key sectors such as Healthcare, FMCG, Financial Services and Logistics, and have successfully developed tailored strategies to target the African continent.

For her part, Sangeetha highlights that the combination of Africa’s growth potential and Mauritius’ role as a gateway and facilitator for investment positions both the continent and Mauritius as attractive destinations for investors seeking opportunities in emerging markets.

**“The Mauritius IFC offers an ecosystem fully compliant with the best international standards, making it a destination of choice for fund managers to structure complex multi-country transactions.”**

Annabella Cesar, Senior Manager, AfricInvest Global Manco



“Mauritius has a substantial network of tax treaties with various African countries, as well as tax incentives for businesses operating in certain sectors. With a well-established financial services sector, a stable political environment, and a conducive regulatory framework for foreign investment. Its business-friendly environment makes it an attractive location for investors looking to enter African markets. It has also developed expertise in financial services, including fund management, private equity, and investment banking. This expertise can be leveraged to structure and finance investments into Africa,” she emphasises.

“Multinational companies are also using Mauritius as a physical trading and procurement hub and as a platform to distribute goods in Africa. In recent years, many Mauritius-based companies have been focusing on African markets, particularly in East African countries, with Kenya as a primary target. They are not only expanding their presence but also acquiring established businesses in the region. Madagascar has also been attracting investment from Mauritius in various sectors, such as textile and FMCG, for the last 30 years,” she adds.

From the fund management perspective, Annabella Cesar, Senior Manager, AfricInvest Global Manco, avers that the Mauritius International Financial Centre (MIFC) offers an ecosystem fully compliant with the best international standards, making it a destination of choice for fund managers to structure complex multi-country transactions through SPVs or holding companies controlling African assets.

“Mauritius’ tax treaties with African countries provide notable advantages for investors including prevention of international double taxation, generating of additional net tax inflows in different countries in Africa through the growth of underlying assets whilst reducing cross-border tax avoidance and evasion. As such, it is essential that Mauritius extends its network of Double Taxation Avoidance Agreements with more African countries, mainly the most dynamic economies such as Morocco, Nigeria, Kenya, and Cote d’Ivoire,” she explains.

For his part, Christophe notes that, since 2007, Innpact has been partnering with Development Finance Institutions, not-for-profit, and large and emerging investment managers to structure, manage and advise a total of \$8+ billion of impact assets. “Our partnerships with fund administrators, banks, laws firms and auditors resulted in the establishment of Mauritius Impact Finance Gateway to Africa (MIFGA), a turnkey fund management platform specialised in impact investing and catering for the specific needs of impact advisors targeting Africa,” he emphasises.

Meanwhile, ACA is investing in impactful, technology-centric start-ups in Africa via Mauritius in sectors that align well with the continent's fundamentals. Ashraf remarks that the portfolio is showing tremendous resilience despite the macroeconomic challenges experienced by many countries since Covid-19, and that ACA's strategy of building a portfolio that is diversified across sectors, geographies and currencies has been a significant contributor.

**“Mauritius could develop further its role as a hub for private wealth and asset management in the coming years as Africa continues to create wealth and successful businesses.”**

Rehma Imrith, Chief Commercial Officer at IQ-EQ Mauritius



“Whilst the fast-moving consumer goods sector has struggled due to high inflation in many countries eroding consumers’ purchasing power leading to weakened demand and lower margins, our investments in digital infrastructure and energy have shown robust growth,” he explains, giving the examples of portfolio companies such as the West Indian Ocean Cable Company Holding Ltd (WIOCC)

in digital infrastructure, and Aradel Holdings in the energy sector. He notes that WIOCC has in the last year landed the world's largest subsea cable system in South Africa, and expanded its Data Centre business to 6 locations in 3 countries, thus playing a pivotal role in addressing the Subsea Cable outages that affected a number of African countries in March 2024. Meanwhile, he adds that Aradel Holdings recently acquired Shell Petroleum Development Company in Nigeria, further consolidating its position as one of Nigeria's leading integrated energy companies, and is now well poised to play an integral role in the energy transition process. "We remain convinced that private capital has a pivotal role to play in the development of the continent, and ACA remains committed to continue playing a catalytic role in that space," he avers.

### **Challenges in the way of harnessing the full growth potential of Africa from Mauritius**

At the same time, industry observers caution that more remains to be done, and recurring pain points such as the need for greater aerial connectivity, better marketing of funds and a wider role in the regional trading blocs continue to come in the way of Mauritius realising its destiny as a regional financial services hub.

"As an African nation, Mauritius has an active and legitimate role to play in the regional trading blocs such as the African Continental Free Trade Area (AfCFTA), SADC, COMESA, and the African Union, and encourage better economic diplomacy towards key countries on the continent. Improving aerial connectivity with key African countries can also be a strong factor to ease partnership between us and the rest of Africa. Finally, Mauritius could develop further its role as a hub for private wealth and asset management in the coming years as Africa continues to create wealth and successful businesses," opines Rehma.

For her part, Annabella notes that AfricInvest firmly believes that the MIFC should seriously consider the passporting rights under the Alternative Investment Fund Managers Directive (AIFMD) that would allow Mauritius Fund Managers to market their funds in Europe.

"Most of the funds incorporated in Mauritius invest in Africa or India in different sectors which mirror the Mauritian economy. These funds have financial means, experience and track record which would be

worth taking advantage of to boost entrepreneurship in Mauritius, and help local businesses grow both locally and abroad. In order to encourage those global pan-African funds to invest onshore, it is essential that the MIFC creates a platform that facilitates communication/ interaction between those funds and the local entrepreneurs. A thorough understanding of those fund managers and their investment strategies is essential. In addition, the MIFC should come up with strategies to better market the local economy towards those Fund Managers and also provide them with specific incentives to deploy part of their funds in Mauritius," she explains.

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**Christophe Chabaud,  
Director, Innpect (Mauritius) Ltd**



Christophe adds that 'fund promoters face numerous hurdles to deploy capital: scarcity of resources during the ramp-up period, limited exposure to the fund industry, restricted and sometimes conflicting investment strategies driven by investors' agenda.' Hence, he avers that the impact investing journey may only be successful if promoters are not diverted from their original impact objectives by the technical aspects of designing and operating a fund.

He also highlights the importance of strategic partnerships in enabling fund promoters to focus on their core area of expertise: investment management. "While faced with increasingly stringent reporting requirements from investors, promoters often lack the resources or expertise to align with investors' expectations in terms of impact measurement, governance or simply to navigate through the typically more complex structures of blended finance vehicles," he rues.

Finally, Nikesh Patel, the Honorary Consul of Rwanda to Mauritius, notes the various trade barriers between Mauritius and its fellow African economies. "Whilst the various common markets and free trade agreements are a necessary step in the right direction, at the practical level, unless there is better

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connectivity, actual trade is difficult to conduct. Try sending a container of anything duty or quota free from Mauritius to Rwanda ( or vice versa). The service will involve transshipment (sometimes via Singapore and, prior to conflict, via Yemen), then the inland carriage from either Mombasa in Kenya or Dar-es-Salaam in Tanzania, some 2000km inland to Rwanda.” He rues that all this makes for a costly and time consuming exercise, such that any savings from duty free are lost.

### **The way forward: Opportunities continue to outweigh challenges**

Looking ahead, Nikesh adds that, with a DTAA, a General Cooperation Agreement, and a bilateral investor protection agreement, the foundations of deepened collaboration already exist between the two countries. “All the ingredients and framework have been set up by the governments of both countries to facilitate and enhance trade and business. But the actual trade and business has to be undertaken by private sector players. Ultimately, businesses will look for tangible benefits such as ease of doing business, low cost of doing business, an environment where they will get a good return and safety of investments, when deciding.”

For the way forward, Sangeetha notes that, as one of the main members of the economic blocs in Africa such as SADC, COMESA and IORA, Mauritius enjoys privileged access to African, Asian and European markets. She also stresses the role of regional integration initiatives such as the AfCFTA in facilitating cross-border trade and investment, and increasing the continent’s appeal to investors.

“We at BCP Bank (Mauritius) are eager to spread the knowledge, and work alongside other partners, legal firms, our clients, management companies and partner with other banks to be able to serve the financing needs in Africa, via trade finance, specialised lending, risk sharing and so forth,” she avers.

For his part, Daniel concurs that the Hopeful

Continent holds out opportunities for investment that continue to outweigh challenges. “These opportunities have all been discussed widely: the abundance of natural resources which offer promising opportunities in terms of value chain development; alongside urbanisation, the fastest growing and youngest population in the world which is poised to widen demand; a large portion of the world’s arable land; the African Continental Free Trade Area (AfCFTA); high returns on investment and lowest default rates on infrastructure projects, and generally speaking, perceived risks which are higher than real ones; and many more.”

Here, he emphasises that TDB is pleased to be working with several strategic partners in Mauritius including many Mauritian banks, fund managers, the stock exchange, regulators and others - and highlights that the country itself is one of TDB’s shareholders, in addition to insurance companies and a pension fund. “Working with partners, we have financed several transactions in Mauritius itself in sectors like ICT, health services, hospitality, agribusiness and energy. In terms of conduit for impact in Africa, for example, through our Mauritius-based asset management activities, and with our strategic partners, we have facilitated access to finance in 16 African economies by financing institutions with a strong impact on SMEs and financial inclusion in addition to supporting agriculture value chains, driving job creation and forex generating exports,” he states.

### **Rise and shine: Being present in key geographies and key forums**

Moving on, it is clear that Mauritius needs to be more present in key forums to enable strategic partnerships to thrive and prosper. Here, Bilal notes that a few key events that come to mind are the Mining Indaba, AFSIC, AVCA, SAVCA, Africa CEO Forum, Investors Forum, Bonds Loans and Sukuk Africa, AFIS, and GTR Africa, amongst others.

“Mauritius can also be the hub for key conferences attracting global attention. Recently, our team

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participated in the Pension Funds and Alternative Investments Africa conference, which brought together pension funds and institutional investors from across Africa to discuss latest investment trends and opportunities. Furthermore, focusing on Mauritius's potential as a FinTech hub presents opportunities to participate in conferences such as Token 2049 in Singapore. Collaborating with organisations like the EDB to explore blockchain conferences further enhances Mauritius's positioning as a leader in this space," he concludes.

For their part, Rehma and Annabella both stress the importance of regional forums such as AVCA and Super Return Africa. Annabella adds that Mauritius should also consider a high-level presence at the Global Private Capital Association (GPCA) and should additionally apply to host on a regular basis some of the key events organised by these associations.

Shamima highlights that Mauritius Finance has worked closely with AVCA and has developed strong linkages. "Together with AVCA, MF organised a master class on private equity in Mauritius last year. We also participated in a few panel discussions with members of AVCA. We were also present together with EDB and the Minister of Financial Services at the annual conference of AVCA," she elaborates. Besides, she underscores the importance of regional associations such as the South African Venture Capital Association (SAVCA), the East Africa Venture Capital Association (EAVCA), the Private Equity Venture Capital Association (PEVCA) in Nigeria, adding that Invest Africa is another important body with whom linkages must be built.

"Besides overseas events such as the AVCA, the Africa CEO Forum, and AFSIC, it is important to have a major event in Mauritius that helps bring clients and prospects to Mauritius. The Africa Partnership Conference should be kept as an annual event and the EDB should have it in its annual calendar of events. Such events would help raise the profile of

the IFC," she explains.

Rehma echoes Shamima's views that, apart from AVCA, the regional SAVCA and EAVCA, Africa Investment Forum, Africa CEO Forum, and AFSIC are key events that Mauritius must consider its presence at.

Ashraf states: "Mauritius can strengthen ties with African nations by participating in forums that offer dialogue, strategic alliances and investment opportunities. However, the nation's participation in these forums will depend on its specific goals." In terms of regional forums, he highlights that the AU and the AfCFTA are key, while international forums such as the International Conferences on African Development (ICAD), the Africa-China Forum and the Africa-India Forum Summit come to mind.

Christophe adds that international initiatives such as, for example, the SWITCH Africa Green programme promoted by the European Union and implemented by the United Nations Environment Programme play a significant role in positioning Mauritius as a leading impact investing hub in the region. "The Roadmap and Action Plan for a Circular Economy paves the way for further dialogue between public institutions and emerging fund promoters with the common objective of channelling investments in Africa via a trusted and well-tested jurisdiction. This may even lead to the creation of a fund managers' incubator similar to the International Climate Finance Accelerator in Luxembourg co-founded by Innpact," he concludes.

"Mauritius needs to be part of shaping this new and transformative Africa! If we are not present, others will be, and we will lose our competitive edge. We should not forget that other IFCs, like Kigali, are positioning themselves as international financial destinations for investors seeking opportunities across the African continent, with a clear mission to transform the investment landscape across our continent," stresses Sangeetha.