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MIoD Mauritius Institute of Directors

Promoting Corporate Governance across the board

Directors Forum

Publication No. 8

The African Opportunity - Key Insights for Directors

December 2023

About the Directors Forum

To support the MIoD in building more effective boards and to promote good corporate governance, the Directors Forum (the Forum) was set up in 2012, in collaboration with PricewaterhouseCoopers (PwC) Mauritius. The Forum acts as an Advisory Council and Technical Committee to the MIoD.

The Forum's objectives are to:

- identify issues which are of most concern to directors,
- produce position papers and, through consultation with Government and regulators, contribute to policy development,
- be the voice for governance and directors' issues in Mauritius,
- develop guidance on governance issues in Mauritius.

Collectively, the Forum is made up of members who are respected local directors and professionals with backgrounds in law, economics, finance and accounting, corporate and securities regulation, business and academia, in the private and public sectors.

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Position Paper series

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COVID 19 - Key considerations for Directors
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Engaging with Shareholders – A Guide for Boards
(September 2014)

Paper 2:
An Ethics Guide for Boards
(December 2013)

Paper 1:
Best Practice Guidelines for the Appointment of Directors
(September 2012)

Navigation

1 Executive Summary

This Position Paper 8 provides key insights for Directors on The African Opportunity – Key Insights for Directors.

Africa, the second largest continent by land and population, is the fastest-growing continent for technology adoption, natural resources, human capital and other opportunities. It is founded with a strong potential for healthy returns through abundant natural resources, sustainable agriculture and free trade agreements.

Mauritius, an island nation located in the Indian Ocean, about 2,000 kilometres off the southeast coast of the African continent, is geographically part of Africa. Often considered as part of the region called East Africa, has many commercial relationships with Eastern and Southern African countries. Multilingual Mauritians (English, Creole and French) are good enablers in breaking the communication barriers.

Mauritius is a recognised platform for investments into African countries. Notwithstanding the network of 46 Double Taxation Avoidance Agreement (DTA) treaties, including 16 with African jurisdictions and Investment Promotion and Protection Agreements (IPPAs) that are currently in place with several African jurisdictions, Mauritius possesses the right attributes to position itself robustly as the preferred investment gateway to and from Africa. Moreover, with the setting up of the Mauritius International Financial Centre (MIFC), the country has been established as a safe, trusted and competitive international financial centre, reaffirming its position as the preferred jurisdiction for Foreign Direct Investment flows towards Africa.

Today, more than 450 private equity funds are domiciled in the MIFC and investing in the African continent. As at June 2021, nearly USD 40 billion investments directed to Africa were structured through Mauritius. Besides some Mauritian companies have already invested in Africa and are exploring more opportunities available in Africa and the outcome provides valuable insights and lessons to learn from. These investments have allowed the development of local communities in Mainland Africa, mutually benefiting both parties.

Disclaimer: This paper provides a broad overview on the opportunities present in the African market.

Navigation

2 Introduction

2.1 History and economics of being part of Africa (1/2)

Mauritius is long known for the ties they share, historically as settlement land, politically and economically with other African Countries. The country is member to three of the Africa's most important trade organisations, namely the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA) and the Organisation of African, Caribbean and Pacific States (OACPS). Through these memberships, many foreign entrepreneurs have set up their businesses in Mauritius to gain from the trade advantages offered.

Apart from SADC and COMESA, Mauritius is also part of the African Continental Free Trade Area (AfCFTA), where trade started in January 2021, this being an exciting game changer for African trade as it aims to expand intra-Africa trade and enhance Africa's competitiveness as well as support to its economic transformation.

The AfCFTA provides a platform for Mauritius to contribute significantly to the new African impetus where it is easier to invest and to do business with Africa, but also enhances and safeguards their investments. It gives Mauritius market access estimated to be as large as 1.3 billion people across Africa, with a combined Gross Domestic Product (GDP) of $3.4 trillion which covers most service sectors, including:

- Financial services
- Telecommunications
- Information and Communciation Technology (ICT)
- Professional services
- Construction and;
- Health.

The AfCFTA will eventually reach zero tariff on most traded items, to boost trade outside, one of the flagship projects of the African Union (AU) Agenda 2063: The Africa We Want, which can boost Africa's economic growth and development and lead to the rapid transformation of the continent.

Navigation

2 Introduction (continued)

2.1 History and economics of being part of Africa (2/2)

The African Growth and Opportunities Act (AGOA) has played a pivotal role in the development of business in sub saharan Africa. By allowing eligible countries to benefit from duty free access to the US market, it boosted trade and encouraged job creation.

Historic move, the African Union has been made a permanent member of the G20 during the last New Delhi Summit in India. This move allows the whole continent to be part of discussions relating to global issues.

2.2 Exploring the land of Africa (1/4)

Africa comprises of countries with different forms of government, including presidential republics, parliamentary republics, constitutional monarchies, and authoritarian regimes. It is a diverse continent consisting of 54 markets, each with distinct political dynamics and economic climates. Some countries enjoy a stable political system, while others face ongoing political conflicts and transitions.

Today, Africa faces a range of challenges and opportunities, including issues related to social and economic development, governance, healthcare, education, and environmental sustainability.

It is a continent of contrasts, with rapidly growing urban centres and modern industries alongside traditional rural communities practising subsistence agriculture.

Navigation

2 Introduction (continued)

2.2 Exploring the land of Africa (2/4)

Africa has the world's fastest growing workforce, with over 60% of the population under the age of 25. Increase in workforce will be supported by technology and infrastructure improvements will and hence fuel up stronger growth in the years ahead.

There are many organisations that support different regions and lines of business available on the continent. Some such organisations are stated below and further in other sections of this Position Paper.

United Cities and Local Governments (UCLG)

Founded in 2005, the UCLG of Africa is the umbrella organisation and the united voice and representative of local governments in Africa. UCLG Africa has a vision of "Building African Unity and Driving African Development through the Grassroots" and now boasts a membership of 44 national associations of local governments from all regions of Africa, as well as 2000 cities that have more than 100,000 inhabitants. As such, the organisation represents nearly 350 million African citizens.

African Centre for Biodiversity (ACB)

The ACB is a research and advocacy organisation working towards food sovereignty and agroecology in Africa, with a focus on biosafety, seed systems and agricultural biodiversity. We are committed to dismantling inequalities and resisting corporate-industrial expansion in Africa's food and agriculture systems. Through these strategies, the ACB and self-organised civil society and farmers' organisations, women and youth in Africa are empowered to participate in advocacy spaces on farmer seed systems, biosafety, agroecology, and agricultural biodiversity conservation, and are able to influence public and private discourse and decision-making.

2 Introduction (continued)

2.2 Exploring the land of Africa (3/4)

Political stability

Some countries in Africa face political instability, conflicts, or governance challenges. Political instability and governance effectiveness can vary across the continent. Some countries have established democratic systems, with regular elections, an independent judiciary, and respect for human rights. For instance, countries like South Africa, Ghana, Botswana, and Senegal have relatively stable democratic systems.

Corruption has been a significant challenge in many countries across Africa, affecting governance, economic development, and overall societal well-being. Some African countries have made notable progress in tackling corruption. For instance, Botswana is often regarded as one of the least corrupt countries in Africa, thanks to its strong governance, independent judiciary, and effective anti-corruption measures and Rwanda through administrative reforms and strict enforcement of anti-corruption laws.

Technological advancements

In recent years, significant advancements in technology and innovation have been achieved across various sectors in Africa. Some countries have made considerable progress in areas such as renewable energy, e-commerce, and healthcare technology. In mobile banking,, Kenya has been a global leader in mobile payment systems with services like M-Pesa, while Rwanda has made substantial strides in becoming a technology hub, particularly in the areas of e-governance and smart city initiatives.

Additionally, several African countries have been focusing on improving infrastructure, expanding internet connectivity, and promoting digital literacy to bridge the digital divide. Efforts are being made to enhance educational opportunities, nurture local tech startups, and attract foreign investments in the technology sector.

Navigation

2 Introduction (continued)

2.2 Exploring the land of Africa (4/4)

Sustainability

The continent is at a disadvantage in terms of sustainability. Despite being one of the lowest contributors to greenhouse gas emissions, Africa is particularly vulnerable to climate change, feeling its effect through widespread loss and damages, biodiversity loss, water shortages, reduced food production and ultimately reduced economic growth.

It is important to note that Africa is a diverse continent with variations in technological advancement, and some regions face challenges such as limited infrastructure, poor access to resources, air and sea access as well as economic constraints. However, there is also a growing recognition of the potential of technology to drive economic growth, improve living standards, and address societal challenges in Africa.

3 The African Opportunities

3.1 Mutual Investment activities (1/5)

Several investment opportunities exist between Mauritius and the other African countries, which will be discussed in this section.
These are made possible through access to financing, putting the limelight on banks and other financial services companies to provide adequate financing, while at the same time, prompting investors and their targets to engage in proper governance practices.

Such opportunities include investments within the African continent as well as in Mauritius and would benefit both parties. Here are a few key areas of investment activities:

(i) Renewable Energy and Natural resources

Many African countries are seeking to diversify their energy sources and promote renewable energy projects whilst Mauritius is developing its expertise in renewable energy technologies, including solar, wind, and hydroelectric power. Investors can explore opportunities to develop and finance renewable energy and mineral resources exploitation projects across Africa. According to the United Nations Environment Programme (UNEP), the African continent holds 40% and 30% of the global gold and mineral reserves, respectively. This includes ample supplies of uranium, diamonds, and iron. In addition, the deepening of the energy crisis by the Russia-Ukraine conflict, has brought in a new light Africa's vast oil and gas resources as being more valuable than ever.

Navigation

3 The African Opportunities (continued)

3.1 Mutual Investment activities (2/5)

(ii) Green energy Hub

The 2022 Sustainable Energy for All Forum in Kigali, Rwanda, witnessed the announcement of a new $242 million investment programme by Bloomberg Philanthropies to speed up clean-energy adoption in 10 developing countries, including Kenya, Mozambique, Nigeria, and South Africa. Such investment will aim at reducing dependence on imported fuels into promoting alternative power sources. Additionally, these solutions can help provide electricity to areas where it was previously cost-prohibitive.

(iii) Manufacturing and Industrialization

Africa is experiencing a growing consumer market and an increasing demand for manufactured goods such as textiles, garments, agro-processing, pharmaceuticals, and light engineering. Mauritian investments in these industries can benefit from lower production costs, access to regional markets, and preferential trade agreements and capitalise on its existing know how and acquired skills.

(iv) Digital commerce and FinTech

African web originates majorly from smartphones - with as much as 89% of the web traffic in some countries. Banking on this, many universities are expanding their reach with EdTech and online learning through massive online open courses (MOOC).

The lion's share of some 40% of revenue in the market is currently concentrated in South Africa, which has the most mature banking system in the continent, Ghana and francophone West Africa are expected to show the fastest growth, at 15 percent and 13 percent per annum respectively.

Nigeria and Egypt follow, each with an expected growth rate of 12 percent per annum. The Mauritius Africa FinTech Hub exists to pave the way for international FinTech companies and financial service providers to access the African market.

3 The African Opportunities (continued)

3.1 Mutual Investment activities (3/5)

(v) Tourism and Hospitality

Africa is home to numerous tourist destinations with rich cultural heritage, wildlife, and natural attractions. Rich with tourism and hospitality know-how as well as training expertise, Mauritius can invest in the development of various kinds of establishments, contributing to the growth of tourism in various African countries. Success stories of such collaboration involve Mauritius providing know-how to countries like Seychelles and Madagascar, while establishing a presence in those countries.

(vi) Real Estate and Infrastructure

With the rapid urbanisation and economic growth in many African countries, there is a demand for real estate and infrastructure development. Mauritius-based companies can participate in infrastructure projects, including transportation, energy, telecommunications, and housing. Additionally, Mauritius itself has experience in real estate development and offers opportunities for real estate investments.

(vii) Agriculture and Agribusiness

Global food demand will increase by 70% by 2050, with demand in Africa growing even faster, according to World Bank forecasts. This is a challenge which can be met with the help of investments from Mauritius. 42% of land in Sub Saharan Africa can be available for agriculture. Mauritius has extensive experience in sugarcane cultivation, irrigation systems and crop diversification in Ivory Coast, Tanzanie, Kenya, Uganda and Mauritius. This experience can be leveraged on to invest in areas such as commercial farming and agro-processing, in view of improving agricultural productivity and food security, in various African countries. Further, the relatively lower level of trade within the continent can be addressed by the action of the AfCFTA.

Navigation

3 The African Opportunities (continued)

3.1 Mutual Investment activities (4/5)

(viii) Education and Skills Development

The demand for quality education and skills training is rising in Africa, a demand which can be met through Mauritian educational institutions and e-learning platforms. Mauritius is known for its education system, with the establishment of branches of reputable foreign universities and has been actively involved in the educational cooperation with African nations.

Several African students have been provided scholarships to pursue higher education in Mauritius, in addition to being allowed to work for up to twenty hours per week for students following a full time course as per the Employment (Non-Citizens)(Restriction) Exemptions(Amendment) Regulations 2013. This initiative has helped build human capital in those countries, enabling them to develop their expertise in various fields and contribute to their nations' development.

(ix) Healthcare

Mauritius has a well-developed healthcare system with experienced healthcare professionals. The country can share its knowledge and expertise with other African countries, particularly in areas such as healthcare financing and management, hospital administration, healthcare financing, and public health initiatives. This can be done through training programs, workshops, and collaborations between healthcare institutions, in addition to setting up physical presence in African countries.

(x) Textile

Mauritius benefits from preferential trade agreements, such as the Africa Growth and Opportunity Act (AGOA) and the European Union's Economic Partnership Agreement (EPA). These agreements provide duty-free access to key markets which enhances the competitiveness of Mauritian textile exports.

For example, the CMT Group and CIEL Textile are large textile and clothing groups in Mauritius that have expanded in Africa. CIEL Textile has established textile manufacturing facilities and subsidiaries in various African countries, including Madagascar, Kenya, and Ethiopia, while the CMT Group has set foot in South Africa.

Navigation

3 The African Opportunities (continued)

3.1 Mutual Investment activities (5/5)

(xi) Trade and Economic Cooperation

Mauritius has actively engaged in regional trade and economic cooperation initiatives with African countries. The country has signed numerous bilateral agreements and regional trade agreements to promote economic integration and enhance trade relations. Mauritius has provided technical assistance and capacity building to support to African countries in areas such as trade facilitation, customs procedures, and investment promotion.

Mauritius has regulations and policies in place to attract foreign investment. Foreign investors would, however, but thorough understanding of the legal and regulatory framework, as well as cultural sensitivities and local partnerships, before proceeding to ensure the returns on investments in Mauritius.

Companies are advised to conduct thorough market research, assess regulatory frameworks, consult papers published by sources such as the World Bank, universities and Economic Africa and seek professional advice when exploring investment prospects in specific African countries.

Navigation

3 The African Opportunities (continued)

3.2 Key enablers (1/4)

(i) Financial Services

Mauritius has established itself as a regional financial hub, providing a range of financial services such as investment funds and private equity to the African continent, where the demand for such expertise is felt. Mauritian investors can tap into and satisfy the growing financial needs of African businesses and individuals.

Mauritian banks have already established their presence in Africa. For example, the largest domestic bank, the Mauritius Commercial Bank (MCB) has a strong foothold in Mozambique and Madagascar and has established itself as a “bank of banks”, providing services to other African Banks.

Conversely, African banks are investing on the Mauritian market. Two prominent African franchise, Absa and Standard Bank have already established themselves as leading banks in Mauritius, while Bank One, a joint venture between I&M Bank, headquartered in Kenya, and CIEL Finance has shown that partnerships can be successful.

This configuration unlocks more business opportunities for Mauritian investors into the African mainland and allows mainland Africa to raise funds in a jurisdiction that is stable.

3 The African Opportunities (continued)

3.2 Key enablers (2/4)

"The MCB Group's diversification strategy has been key in building its resilience. Over the last 15 years, it has been particularly active in Africa. First, by positioning itself in the specialised oil and gas financing ; more recently, by working closely with private equity funds, regional and multinational corporates whilst capitalising on the Mauritius International Financial Centre; and presently, by furthering its ESG agenda through the financing of sustainable projects in Africa.

Today, more than half of the operating profits and total assets of the MCB Group pertained to its international activities. We believe that the success of our strategy has been founded on:

- *focusing on niche and specialised segments;*
- *collaborating with local partners where relevant; and*
- *monitoring closely the selective markets in which we operate."*

Jean Michel Ng Tseung
Chief Executive, MCB Group

3 The African Opportunities (continued)

3.2 Key enablers (3/4)

The opportunities in sub-Saharan Africa are some of the most exciting anywhere in the world and will provide Mauritius with a platform for growth over the coming decades."

Mark Watkinson

Chief Executive Officer, Bank One Limited

"Bank One is a 15-year partnership between CIEL Finance in Mauritius and the I&M Group in Kenya. Between CIEL and I&M the partners own banks in Kenya, Rwanda, Tanzania, Uganda, Madagascar and Mauritius.

Mark Watkinson, the CEO of Bank One, commented that the partnership between CIEL and I&M provides Bank One with the strongest African footprint of the local banks in Mauritius. It is an advantage that allows Bank One to serve customers both in Mauritius and on the African continent. This is increasingly important for local Mauritian businesses looking to invest in Africa and global businesses choosing Mauritius as the best place from which to manage their regional operations in Africa.

Navigation

3 The African Opportunities (continued)

3.2 Key enablers (4/4)

(ii) Warehousing and Logistics

Banking on the rapid economic growth of its economy, and rapid urbanisation in the African Mainland, warehousing and logistics capabilities have been steadily growing to match the demand for distribution of Fast Moving Consumer Goods and Pharmaceuticals.

Navigation

3 The African Opportunities (continued)

3.3 Leveraging Factors - The Mauritian Advantage (1/3)

Mauritius' strategic location in the Indian Ocean is an advantage by providing an easier trade connectivity between Africa, Asia, and the rest of the world by providing access to opportunities through the following means:

(i) Air Travel

There are direct flights from Mauritius to some African destinations. It would be the most convenient and common way for Mauritius to access other African countries. The popular airlines for this route are Air France, Air Austral, Air Mauritius, Emirates, FlySafair and Kenya Airways. Annex 9.1, lists the visa requirement to travel to Mauritius.

(ii) Maritime Routes

Port Louis Harbour serves as a hub for maritime trade and transportation. Ships and cargo vessels can travel to and from African ports, enabling Mauritius to access different African countries through maritime routes. Refer to Annex 9.2 for top 10 highest ranking ports in Africa.

(iii) Regional Organisations and Agreements

Mauritius is a member of regional organisations and agreements that facilitate cooperation and connectivity with other African countries. For example, Mauritius is a member of the Southern African Development Community (SADC) and the Indian Ocean Commission (IOC), which promote regional integration and cooperation in various sectors, including trade, transportation, and infrastructure development.

In the Customs Tariff Act, there are agreements/ protocols/treaties with African countries signed by Mauritius where preferential rate of customs duty on import of originating goods are applicable. In addition, there are significant fiscal incentives arising from the network of Double Taxation Avoidance agreement (DTAs).

Navigation

3 The African Opportunities (continued)

3.3 Leveraging Factors - The Mauritian Advantage (2/3)

(iv) Diplomatic Relations

Mauritius maintains diplomatic relations with numerous African countries, which allow for bilateral cooperation and exchanges. Through diplomatic channels, Mauritius can foster partnerships, collaborate on various projects, and engage in discussions and negotiations that contribute to the country's access to and engagement with Africa. Refer to Annex 9.3 for the Mauritian Diplomatic missions overseas.

Mauritius has entered into Bilateral Investment Treaties (BITs) with several African countries, such as Egypt, Madagascar, Mozambique, Rwanda, and Uganda. These treaties provide a framework for promoting and protecting investments between the signatory countries. They typically include provisions related to investment protection, dispute resolution, and the promotion of economic cooperation.

3 The African Opportunities (continued)

3.3 Leveraging Factors - The Mauritian Advantage (3/3)

(v) Trade and Investment

Mauritius actively engages in trade and investment activities with African countries in the form of discussion and negotiations. This engagement allows Mauritius to access African markets, establish business relationships, and contribute to economic development and regional integration.

Mauritius has also signed Investment Promotion and Protection Agreements (IPPAs) with several African countries. These agreements provide protection and guarantees for investments made by Mauritian investors in African countries and vice versa. They typically include provisions related to the treatment of investments, compensation for expropriation, dispute resolution, and repatriation of funds.

The Economic Development Board also facilitates Mauritius to be globally recognised as a safe, stable and easy environment to conduct business and is a great place to invest, work, live and retire, with future ready infrastructure, global connectivity and world class talent. The Mauritius Africa Fund (MAF) is leading outward investment in Africa, providing strategic guidance, and the unique opportunity for businesses to access the Special Economic Zones (SEZs). These SEZs offer cutting edge infrastructure in investment hotspots in Ghana, Ivory Coast, Senegal, and Madagascar and allows businesses to regionalize and benefit from tax and trade incentives.

(vi) Robust regulatory environment

Mauritius has a robust banking regulatory environment which has been recognised by the Global Financial Central Banker’s Scorecard, achieving an “A” grade in 2023, improving from the “A-” grade in 2022.

In addition, Mauritius have developed strong regulations in various other areas such as telecommunications and innovation. Mauritius has also consistently been ranked first in the Ibrahim Index of African Governance, established by the independent Mo Ibrahim Foundation.

Navigation

4 Challenges in Investing in African continent

Investing in Africa can offer significant opportunities, but it also comes with a range of challenges that potential investors should be aware of. These challenges can vary from country and region within the continent.

4.1 Main risks to consider (1/2)

(i) Political and Regulatory Risks

Political instability, frequent changes in government policies, and inconsistent regulatory frameworks can pose risks to investments in Africa. Political tensions, corruption, and lack of transparency in some countries may impact business operations and the overall investment environment.

(ii) Economic Risks

Economic risks in Africa include factors such as foreign exchange volatility, inflation, and currency depreciation. Weak infrastructure, limited access to credit, and fluctuating commodity prices can also impact investment returns and profitability.

(iii) Legal Risks

Legal systems and enforcement mechanisms can vary across African countries. Inconsistent interpretation and application of laws, inadequate intellectual property protection, and limited contract enforcement can pose risks to investors who understand the legal landscape and ensure appropriate legal safeguards are in place. Special attention will have to be given towards those countries having their laws and regulations in a language other than English such as Portuguese in Mozambique.

(iv) Operational Risks

Challenges related to infrastructure, logistics, and supply chain management can affect business operations. Power outages, inadequate transportation networks, and inefficient customs procedures may result in additional costs and operational disruptions.

(v) Security Risks

Some regions in Africa may face security concerns such as political unrest, terrorism, and civil unrest. These risks can affect the safety of personnel, assets, and operations, leading to potential disruptions and losses.

4 Challenges in Investing in African continent (continued)

4.1 Main risks to consider (2/2)

(vi) Socio-cultural Risks

Differences in cultural norms, local business practices, and labour relations can pose challenges for investors. Understanding local customs, building relationships, and managing cultural differences are crucial for successful business operations.

(vii) Market Risks

Market risks include factors such as market size, consumer behaviour, and competition. Understanding the local market dynamics, conducting market research, and adapting business strategies accordingly are important for navigating market risks.

(viii) Environmental Risks

Climate-related risks, natural disasters, and environmental regulations can impact certain sectors and investments on the continent . Understanding the environmental context and implementing sustainable practices are increasingly important considerations for investors.

(ix) Governance Risks

Africa is a diverse continent such that specific governance risks can vary from country to country. Corruption is a significant challenge in many African countries, affecting various sectors such as public administration, law enforcement, and business. It undermines effective governance, hinders economic development, and erodes public trust in institutions.

In Mauritius the National Code of Corporate Governance (the Code) emphasises transparency in business operations, including financial reporting and disclosure. This investors and the public, better understand the financial health and operations of companies, reducing the risk of hidden agendas, fraud, or mismanagement.

Navigation

4 Challenges in Investing in African continent (continued)

4.2 Liabilities attached to directors (1/2)

The liability of directors doing business in Africa, like in any other region, can vary depending on a multitude of factors, the place of business and the legal structure of the company. However, some general considerations include:

(i) Corporate Laws and Regulations

Directors are typically subject to the corporate laws and regulations of the country where the business is registered or operates. These laws can vary significantly, so directors to have must have a clear understanding of the legal framework in place.

(ii) Fiduciary Duties

Directors owe fiduciary duties to the company and its shareholders. This means they must act in the best interests of the company, exercise due care and diligence, avoid conflicts of interest, and make informed decisions.

(iii) Compliance and Governance

Compliance with local laws and regulations, including tax laws, labour laws, and environmental regulations, is crucial. Directors may be held personally liable for violations if they are found to have breached their duties or knowingly engaged in unlawful activities.

(iv) Financial Mismanagement

Directors may be held personally liable for financial mismanagement or fraudulent activities within the company. This may include issues such as embezzlement, financial fraud, or misappropriation of funds.

(v) Environmental and Social Responsibility

In some African countries, there is a growing emphasis on environmental and social responsibility. Directors may be held accountable for environmental damage or violations of labour rights, particularly if they were aware of such issues and failed to take appropriate action.

(vi) Third-Party Claims

Directors may also face liability from third parties, such as creditors, suppliers, or employees, if they believe that the directors' actions or decisions have harmed their interests.

Navigation

4 Challenges in Investing in African continent (continued)

4.2 Liabilities attached to directors (2/2)

(vii) Insurance and Indemnification

Many companies provide insurance and indemnification to their directors to protect them from personal liability to some extent. However, the availability and scope of such protection can vary.

To mitigate potential liability risks, directors should:

- Stay informed about the legal and regulatory environment in the specific African country of operation.
- Maintain transparent and ethical business practices
- Seek legal counsel and advice when necessary.
- Consider Directors and Officers (D&O) liability insurance.
- Regularly review and update corporate governance policies.

Directors should be proactive in understanding and managing their legal responsibilities and liabilities when doing business in Africa or any other region to ensure they are in compliance with local laws and best practices. Legal advice from professionals with expertise in the relevant jurisdiction is highly recommended.

Navigation

4 Challenges in Investing in African continent (continued)

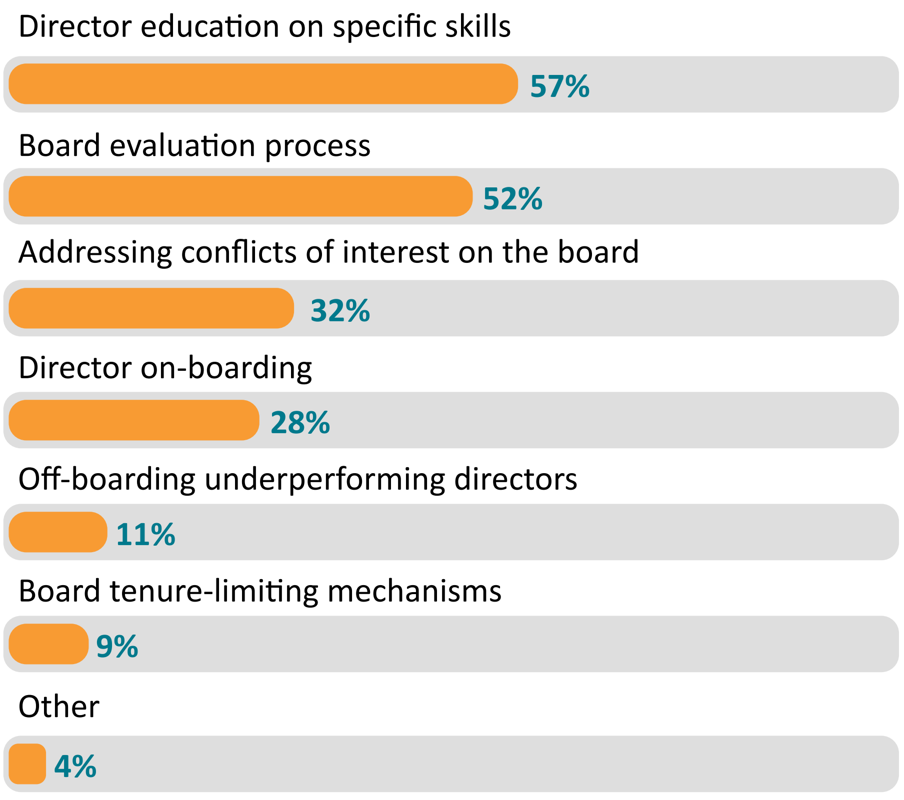
4.3 Finding and Leveraging on Local Talents and Skills (1/2)

As per the PwC Global Investor Survey 2022, a potential impediment in Africa is the lack of opportunities for workers to acquire new skills needed for rapid technology adoption resulting in anxiety and fear. Most CEOs understand the importance of allaying fears by formally introducing programmes aimed at upskilling their workforce to be equipped to work in this tech-enabled environment.

The impact of digitalization on business performance is significant and organisations must leverage digital tools to improve productivity. However, the success of any digital transformation strategy hinges on performance management, employee upskilling and a people-first approach. Furthermore, in Africa, digitalization must be approached carefully, considering the limitations of the market. By doing so, organisations can achieve better results and improve overall business performance.

It is advisable to use the knowledge of the people already present on ground and to consider looking for suitable Africans candidates to be part of the Board/Leadership/execution team, and use media to engage locals to expand the pool of potential candidates at different levels.

The Global Network of Director Institutes 2022-2023 Survey Report indicates that the top two priorities for improving board performance are director education on specific skills (57%) and board evaluation process (52%) (Exhibit 3 below).



Navigation

4 Challenges in Investing in African continent (continued)

4.3 Finding and Leveraging on Local Talents and Skills (2/2)

Investors, insurers, and regulatory bodies are placing greater emphasis on particular competencies within corporate boardrooms, which encompass aspects such as climate change, the natural environment (land, air, water), technology, and cybersecurity. Additionally, there is growing attention on how boards are adapting to meet evolving customer and community expectations

In addition to a skills matrix, there's a requirement for periodic board assessments. These assessments, when conducted effectively, offer a structured approach for boards, committees, and individual directors to impartially evaluate their personal and collective strengths and areas for improvement, enabling them to devise strategies for ongoing enhancement.

Navigation

4 Challenges in Investing in African continent (continued)

4.4 Technology (1/2)

The PwC Global Investor Survey 2022 ranked data security and privacy as third top priority for investors across the world. In contrast to this, cybersecurity remains a challenging concept in Africa. The Global Cybersecurity Index (2021) has shown that out of the 54 assessed, only 29 had effectively introduced cybersecurity legislations.

In 2022, 52% of the companies in Africa believed that they were unprepared to handle a large - scale cyber-attack. To support this, the PwC Africa Business Agenda: Technology Perspective 2023 showed that 87% of African CEOs claim having witnessed significant technology disruptions to their business models, disruptions that would make them more attractive to cybercriminals.

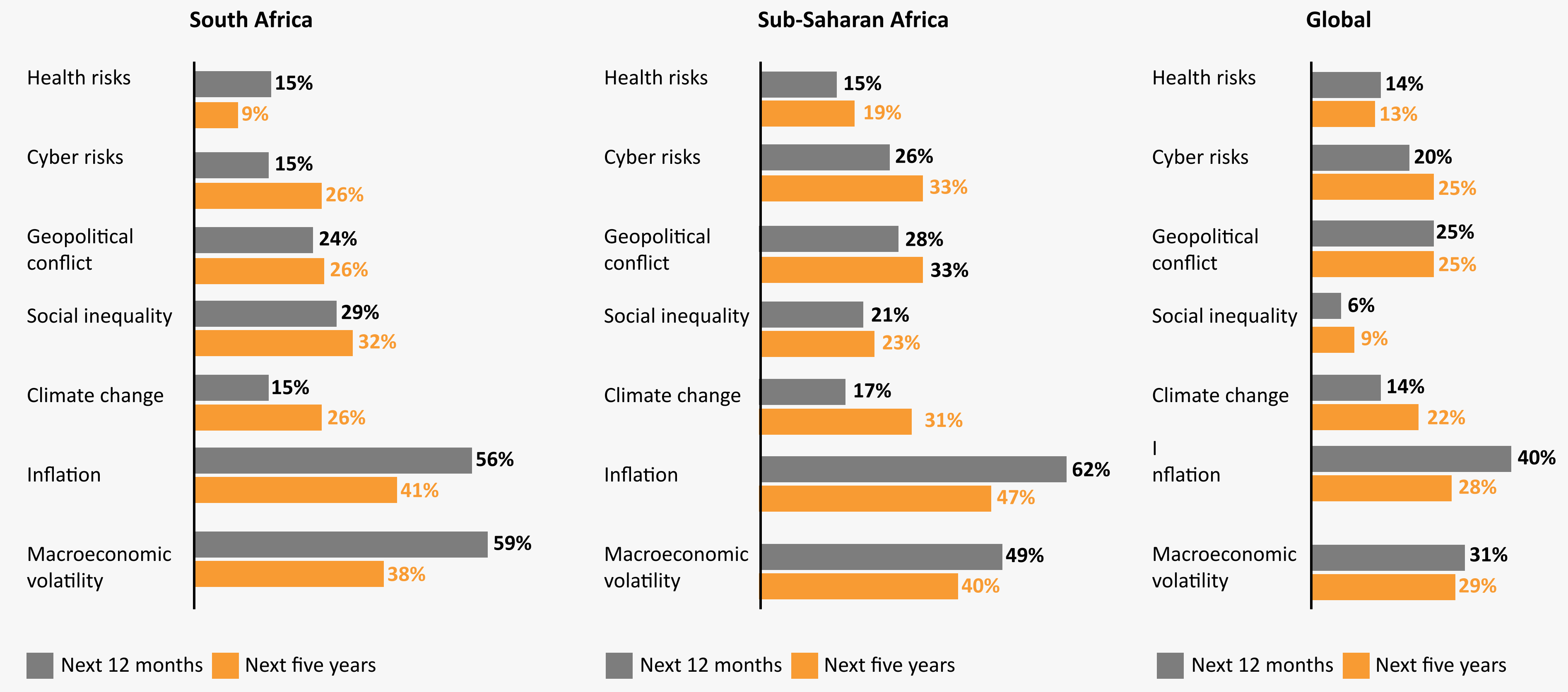
The key skill gaps identified as pivotal for managing risks and seizing opportunities in the coming three to five years include cyber-risk, digital information, global economics, geopolitical matters, and Environment, Social, and Governance (ESG) concerns. Notably, cyber-risk and digital innovation emerge as the areas where a majority of directors perceive their boards to be lacking adequate expertise.

Specifically, as per The Global Network of Director Institutes 2022-2023 Survey Report 55% and 54% of directors, respectively, expressed concerns about insufficient expertise or skills in these domains for effective governance in the next 3 to 5 years.

4 Challenges in Investing in African continent (continued)

4.4 Technology (2/2)

How exposed do you believe your company to be to the following key threats in the next 12 months and 5 years?
(Social inequality: including those stemming from income, gender, race and ethnicity)



Source: PwC's 26th Global CEO Survey

Effectively overseeing technology adoption offers a chance to reduce the risk of safeguarding operations from potential cyberattacks. CEOs must demonstrate a commitment to giving cybersecurity its due importance, even amid the challenges they may perceive as more immediate, such as challenging economic and operational conditions, and for those in South Africa, load shedding.

Despite these challenges, it is important to recognise that Africa also offers substantial growth potential, a young and dynamic workforce, untapped resources, and a growing consumer market. Many of these challenges are being addressed by governments, international organisations, and private sector initiatives aimed at fostering a more conducive investment environment. Conducting thorough research, seeking local partners, understanding the regulatory landscape, and developing a long-term perspective can help mitigate some of the challenges associated with investing in Africa.

Navigation

4 Challenges in Investing in African continent (continued)

4.5 Sustainability as a challenge and opportunity

Based on data available by the world bank dated 2019, it is noted that African countries have the lowest amount of Carbon dioxide (CO_2) emission globally. However African countries are also the most affected environmentally and socially.

The African continent has been desperate for many years now for funding to meet its sustainability goals as it has experienced low private sector investments mainly due to high costs of capital. This is probably why a growing number of African countries trying to reform their financial market policies in order to attract investments related to sustainability. Being discussed at COP27 is the contribution in climate financing from developed to developing countries. A total of USD 100 billion a year is being mentioned.

There thus is an increasing recognition of the broader scope of board structures, encompassing technology and sustainability which can potentially be addressed by appointing directors possessing specialised skills who can assume leadership roles in technology and sustainability matters. Additionally, the regulatory requirements for a board committee tasked with overseeing sustainability and ESG assurance obligations, driven by investor demands, encourage the necessity for such action.

Moreover a trusted environment for sustainable financing needs to be created, and for this a recognised national framework on sustainability is required. Significant work has to be done at policy level to design this framework which will bring all stakeholders on the same page. After being scattered and inconsistent for many years, sustainability reporting is being streamlined globally.

5 Valuable Insights gained by past experience of Mauritian Investors

5.1 Some of the Key Lessons learnt (1/2)

While Mauritius has a strong economy and has been successful in various sectors, there have been cases where Mauritian businesses faced challenges or failed to succeed when expanding into other African countries:

(i) Aviation

The national airline, Air Mauritius faced difficulties when expanding its operations into African markets. In 2017, the airline suspended its flights to African destinations such as Dar es Salaam and Maputo due to low passenger numbers and financial losses.

(ii) Retail

A prominent supermarket chain in Mauritius, faced challenges when expanding into African countries such as Madagascar. The company encountered difficulties in adapting its business model to local market dynamics, competition, and consumer preferences. As a result, some of its ventures in these markets did not achieve the expected success.

(iii) Banking

Mauritian banks have experienced challenges when expanding their operations into African markets. Factors such as differences in regulatory environments, competition from local banks, and cultural nuances have posed obstacles for their success. Some banks faced setbacks or chose to exit certain African markets after encountering difficulties.

(iv) Tourism-related ventures

Some Mauritian businesses in the tourism sector have faced challenges in expanding their operations into other African countries. Factors such as infrastructure limitations, political instability, and low tourist demand have affected the success of these ventures. It is challenging to replicate the success achieved in Mauritius, given its unique attributes as a tourist destination.

Navigation

5 Valuable Insights gained by past experience of Mauritian Investors (continued)

5.1 Some of the Key Lessons learnt (2/2)

While these examples highlight some instances of Mauritian businesses struggling in the African continent, they do not represent their overall success or failure across the continent.

Many Mauritian companies have successfully expanded into African markets, leveraging their expertise and knowledge in various sectors, like financial services, hospitality, and real estate. Each case should be examined individually, considering factors such as market dynamics, competition, and the ability to adapt to local conditions.

6 Preparing Mauritian Companies

6.1 Steps to prepare Mauritian Companies for investment in other African countries (1/3)

To prepare themselves for investing in other African countries, it is recommended that Mauritian companies take the following steps:

(i) Research and understand the African market

Start by conducting thorough market research on the target countries or regions in Africa. Understand the business environment, market dynamics, consumer behaviour, regulatory frameworks, and potential challenges and opportunities.

(ii) Identify strategic partnerships

Seek out potential local partners or collaborators who have experience and knowledge of the African market. Establishing partnerships with reputable companies or individuals can provide valuable insights, networks, and access to local resources.

(iii) Develop a tailored market entry strategy

Based on the research and analysis, develop a well-defined market entry strategy that aligns with the company's goals and resources. Consider factors such as target market segments, competitive positioning, pricing strategies, distribution channels, and marketing approaches.

(iv) Ensure sufficient funding

Sufficient funding provides flexibility to seize opportunities that may arise. Investments often come with hidden or unforeseen costs. Having extra funding can cover these costs without derailing the investment. When seeking investment partners, lenders, or stakeholders, demonstrating that there is secured sufficient funding showing the commitment and seriousness.

For example, the Africa Import - Export Bank stimulates a consistent expansion and diversification of African trade so as to rapidly increase Africa’s share of global trade. Its shares are listed through deposit receipts on the Stock Exchange of Mauritius and there is a subsidiary for its insurance services.

(v) Adapt products and services

Consider adapting products or services to suit the specific needs and preferences of the target market. Conduct market surveys, focus groups, or pilot projects to validate product-market fit and make necessary modifications.

6 Preparing Mauritian Companies (continued)

6.1 Steps to prepare Mauritian Companies for investment in other African countries (2/3)

(vi) Understand regulatory and legal frameworks

Familiarise yourself with the legal and regulatory requirements of the target countries in Africa. Engage with local legal advisors to ensure compliance with local laws, regulations, licensing, taxation, and any other relevant legal considerations.

(vii) Mitigate operational risks

Operational risks associated with investing in Africa need to be identified and mitigated. These include understanding political stability, security risks, infrastructure limitations, logistics challenges, and currency fluctuations. Implement robust risk management and contingency plans.

(viii) Develop local talent and partnerships

Invest in local talent development by offering training programs and knowledge transfer initiatives. Hire local employees who understand the local culture, market nuances, and have strong networks. Exchange programmes of youths, sports and students are ways to build capacity needed.

Build relationships with local suppliers, distributors, and service providers to establish a strong local presence. Directors are not required to be digital experts, but they should possess a certain level of digital literacy to comprehend, oversee, and provide guidance to the business.

(ix) Engage with local communities

Develop a strong understanding of the local communities in the target markets and engage in corporate social responsibility (CSR) initiatives. Demonstrating a commitment to the local community can help build trust, goodwill, and a positive brand image.

(x) Leverage regional trade agreements

Take advantage of regional trade agreements that Mauritius has with African countries, including the African Continental Free Trade Area (AfCFTA), DTAs. Understand the tariff structures, market access benefits, and trade facilitation measures available under these agreements.

Navigation

6 Preparing Mauritian Companies (continued)

6.1 Steps to prepare Mauritian Companies for investment in other African countries (3/3)

(xi) Stay informed and agile

Continuously monitor and adapt to the evolving business landscape in Africa. Keep abreast of economic, political, and social developments that may impact your investment decisions. Stay flexible and adjust strategies based on market feedback and changing circumstances.

It is important for Mauritian companies to approach African markets with cultural sensitivity, adaptability, and a long-term perspective. Building strong relationships, understanding local dynamics, and investing in market research and planning are key to successful expansion into Africa.

6 Preparing Mauritian Companies (continued)

6.2 Ease of doing business in Africa (1/2)

The ease of doing business in Africa can vary significantly across countries and regions. While some countries have made significant progress in improving their business environment, others still face various challenges. Factors such as government policies, legal frameworks, infrastructure, corruption levels, bureaucracy, and access to finance can impact the ease of doing business.

According to the World Bank's Doing Business Report 2020, which assessed the business environment in various countries globally, Sub-Saharan Africa's average ease of doing business score was lower compared to other regions. However, there are individual countries within Africa that have made substantial improvements and are considered relatively business-friendly.

Some countries in Africa have undertaken reforms to enhance their business environment. For instance, Rwanda, often cited as one of the top reformers in the region, streamlined administrative processes, reduced the time and cost of starting a business, and implemented electronic systems to facilitate business operations.

Other countries like Seychelles, Botswana, and South Africa also have relatively favourable business environments compared to the regional average. They have implemented reforms to simplify business regulations, protect investor rights, and improve infrastructure.

However, many African countries still face challenges that can hinder the ease of doing business. These challenges may include bureaucratic hurdles, corruption, inadequate infrastructure, limited access to finance, cumbersome tax systems, and weak legal frameworks.

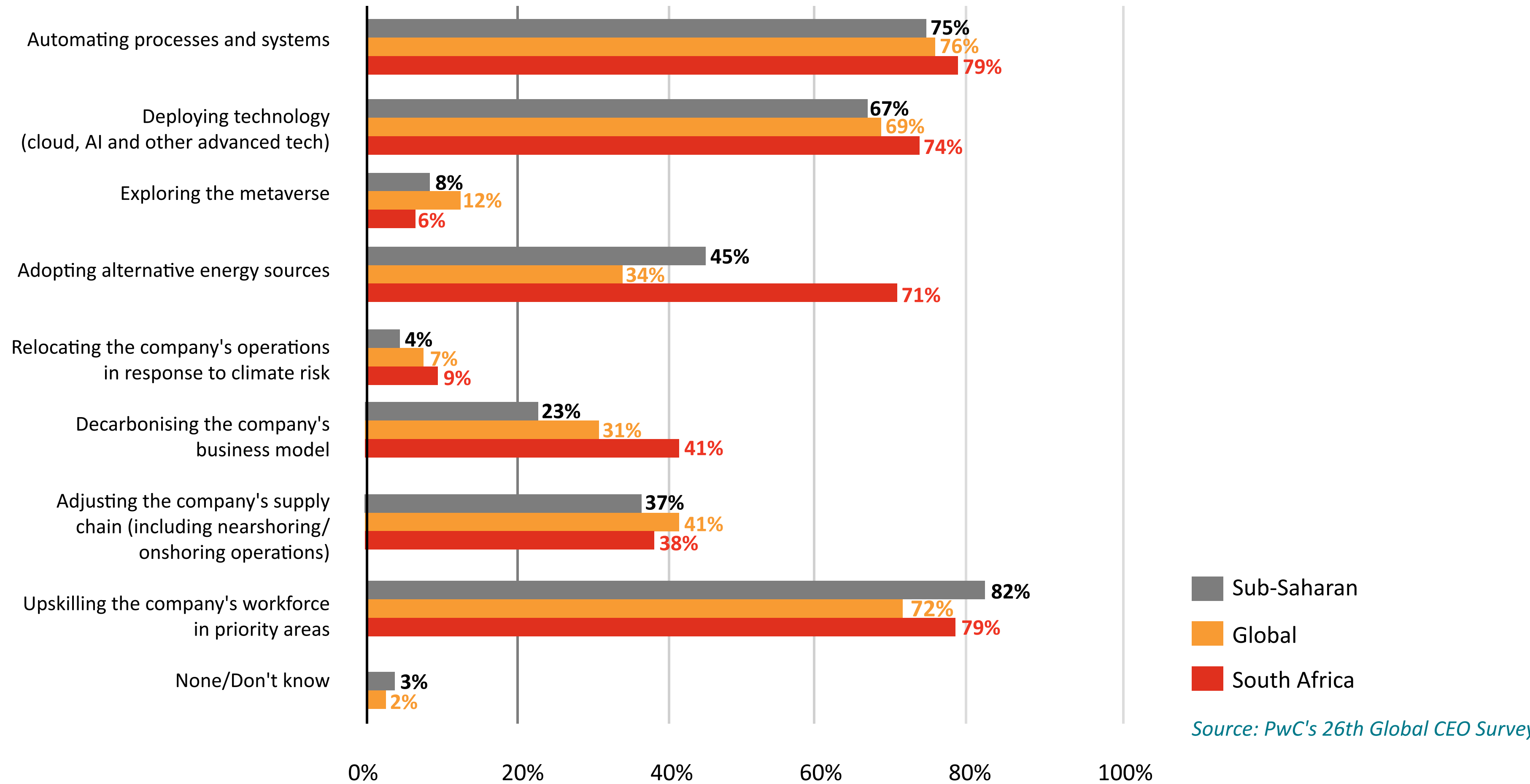
To overcome these challenges, various initiatives are being undertaken at both regional and national levels. Regional organisations such as the African Union (AU) and regional economic communities are working towards harmonising policies, promoting investment, and improving the business climate. Additionally, individual countries are implementing reforms, establishing one-stop shops for business registration, and strengthening institutions responsible for business regulation and governance.

6 Preparing Mauritian Companies (continued)

6.2 Ease of doing business in Africa (2/2)

The PwC Africa Business Agenda: Technology Perspective 2023 illustrated the following areas CEOs in the African continent would consider investing.

Which of the following investments, if any, is your company making in the next 12 months?



Source: PwC's 26th Global CEO Survey

Organisations can benefit from digital transformation, particularly when they comprehend how technology and data can enhance their business value, and when they implement this process in a sustainable, well-managed, and controlled manner.

It is crucial for businesses interested in operating in Africa to conduct thorough market research, understand the specific challenges and opportunities in their target countries, and engage with local partners or consultants who have experience in navigating the local business environment. This can help mitigate risks and ensure a smoother entry and operation in African markets.

Navigation

6 Preparing Mauritian Companies (continued)

6.3 Training of Directors

Special training programs specifically designed for directors in Africa to focus on enhancing their leadership skills, strategic thinking, decision-making abilities, and industry-specific knowledge. Mentorship and coaching programs could also be established to connect experienced directors with emerging directors in Africa. This can provide valuable guidance, support, and knowledge sharing opportunities to help directors develop their skills and navigate challenges in their respective industries.

The development of a skilled workforce, promotion of industry-academia collaboration, and playing a role in shaping the future talent pool that aligns with an organisation's needs and industry trends.Through networking opportunities directors from different sectors and countries in Africa can come together to exchange ideas, build connections, and learn from each other's experiences. There should be encouragement to participation from both local and international directors to foster a diverse and collaborative learning environment.

Collaboration with industry associations and professional bodies in Africa to develop certification programs or professional development initiatives specifically for directors. This can help establish recognized standards and promote continuous learning and development among directors in the region. Regularly evaluating the effectiveness of upskilling programs through feedback surveys, assessments, and follow-up sessions could help to refine and improve the programs, ensuring they remain relevant and impactful for directors in Africa.

It is important to tailor these strategies to the specific needs and context of directors in Africa, considering factors such as cultural diversity, industry requirements, and local challenges. Collaboration between various stakeholders, including government, educational institutions, industry associations, and experienced directors, is crucial for the success of these upskilling initiatives. With more than 1300 members, the Mauritius Institute of Director (MIoD) is a growing community of directors.

MIoD offers the opportunity to participate in our themed breakfast forums, keep up to date on topics of business, make valuable connections through the networking and hear from some influential speakers and business leaders. MIoD is a platform where members can connect to share their experiences.

6 Preparing Mauritian Companies (continued)

6.4 Testimonials from Directors of Mauritian companies having a footprint on African continent (1/3)

" Omnicane is present in Africa in Kenya and Rwanda for the time being. In Kenya, Omnicane has a minority stake in the 3000 TCD KISCOL sugar complex in the region of Kwale that originated from a greenfield project.The company produces plantation white sugar and electricity from bagasse. In Rwanda, Omnicane holds the quasi totality of the ownership of its subsidiary, Omnihydro, a special purpose vehicle set up to develop, construct and operate a hydropower plant over 25 years under the terms and conditions of a Power Purchase Agreement. Omnihydro is operating its first segment since May 2019 and has reached full commercial operations date in March 2022.

The outcome of the business activities in Africa as of date

Omnicane's investment in Kenya has not performed due to various issues related to squatters, absence of a 'sugarcane culture' in this region of Kenya, delay from Government to allocate the totality of land to be put under cultivation and finally an accidental fire outbreak at the factory.

In Rwanda, Omnicane has invested some USD 30.4 M. In terms of operation, the hydropower plant is working well and the results are good whilst exceeding the operational and financial KPI targets with a turnover of 10% higher than the business plan and an increase of some 11% of the EBITDA margin. In line with the UN SDGs, this project will avoid some 16,000 Tons of carbon emissions corresponding to a yearly tree plantation of slightly over 1000 ha, whilst powering some 175,000 homes with clean energy based on the average energy per capita of the country. Omnicane is envisaging to capitalise on the learning curve to develop similar other projects on the African Continent.

Navigation

6 Preparing Mauritian Companies (continued)

6.4 Testimonials from Directors of Mauritian companies having a footprint on African continent (2/3)

Potential pitfalls to avoid and safeguards that can be put in place

Understanding the business culture of the country is fundamental prior to engaging with institutional and private sector stakeholders at large. We could have learned this a bit at our expense during the negotiations of the power purchase agreement. Given many of the African countries have a tax regime that tend to protect the domestic economy, conducting a profound analysis of the fiscal regime is of paramount importance to be able to set up the right project structure. Having an equitable sharing of risks is crucial in any offtake agreement with the utility companies, especially in the field of energy and infrastructure investments.

To that effect, it is important to have a government guarantee mechanism that would mitigate the counterparty /utility risks especially at a time when businesses globally are operating in a VUCA world. Depending on the country, having a specialised insurance broker on board at an early stage is recommended to tailor made the right Political Risk Insurance. On the other hand, with the unavailability of foreign currencies, working with DFI lenders that can work directly with the local central banks would be a strategy that could be envisaged.

Recommendation/personal message

Ideally, if the opportunity presents itself, I would prefer to have a business model where one holds the majority of the Special Purpose Vehicle / Project Company such decisions are implemented in a more efficient manner."

Jacques D'Unienville
CEO of Omnicane

6 Preparing Mauritian Companies (continued)

6.4 Testimonials from Directors of Mauritian companies having a footprint on African continent (3/3)

"Setting foot in Kenya in 2018 was primordial in expanding IBL Group's presence in East Africa. In building IBL International Ltd as the advisory office in business development, a lot of effort went into deep market research to understand the local business practices, identifying the right pathway to entry and further communication with the investment community to make IBL known in the region.

The African business community in East Africa is driven by relationship, and through focusing on this aspect, the Group became known as a strategic investor in the region.

Any investment we consider must fulfil some key criteria:

- *Strategic fit. Investments are considered only in areas where the know how is present.*
- *Growth and value creation. The Group looks at synergies in terms of vertical and horizontal integration, to maximise benefits in terms of economies of scale and operational efficiencies.*
- *Caring about people behind these businesses. It is important for values, ethics and governance practices to be aligned for growth*

Through investment, the Group relies on the exchange of capabilities, expertise and experiences to further expand its operations, while making sure that the investee companies are competitive and continue to grow. This ensure that the acquisition becomes a win – win scenario."

An overview on the business being operated in Africa by:
Michel Pilot (Right), COO – IBL East Africa Investments
Jorsen M. Patten (Left), COO – East Africa Operations

Navigation

7 Way Forward

The Africa Risk – Reward Index 2022 indicates the evolution of the investment landscape in major African markets and offers a competitive snapshot of market opportunities and risks across the continent which allow organisations to develop an informed strategy for growing and/or investing in Africa.

There is an opportunity for Africa to play a more central role in the global energy system, as both a source of energy and as a continent with the potential to leapfrog the fossil fuels era and go directly to a green energy economy.

Agriculture and trade infrastructure sectors are at the centre of debates on solutions. They will open up new opportunities – and risks – for investors in the coming years. Cash-strapped governments navigating a wave of discontent. Political stability will likely be the biggest challenge in realising the continent's energy transition and food security ambitions.

Navigation

7 Way Forward (continued)

Other areas of focus should be as follows:

7.1 Key markets Private sector led and supported by EDB visits to African countries

Africa is not a homogeneous entity but a diverse continent consisting of 54 markets, each with distinct political dynamics and economic climates; the Africa of today and of the future is a region of diverse nations. Therefore, Africa cannot be treated uniformly, and acknowledging and understanding the complexities of this is crucial to enabling a powerhouse of inclusive impact – across the region. The projections from the African Economic Outlook 2023 - Highlights show that 18 African countries will experience growth rates surpassing 5 percent in 2023, a number expected to increase to 22 in 2024.

Mauritian companies should prioritise in identifying the key region to target in the African market depending on the investment opportunities available and the business model formulation. Refer to Annex 9.4 for an overview of some of the key markets in Africa. In line with the Africa Strategy of the Economic Development Board (EDB), the following countries have been identified as priority countries in Africa for Mauritian operators wishing to expand their operations on the continent, increase exports and boost export of services: South Africa, Kenya, Tanzania, Zambia, Botswana, Madagascar, Côte d'Ivoire, Ghana, and Egypt. Given the dynamics of the African market, EDB will consider other countries depending on the new opportunities emerging.

Roadshows and conferences are ways to enable networking and together with onshore offices, they can help to build a reputation on land. Embassies and commercial units (private industry) supported by EDB help to establish a regular presence in the African continent and act as a liaison between Mauritian companies and African opportunities.

7.2 First Ten Year Implementation Plan

The First Ten Year Implementation Plan (FTYIP) of Agenda 2063 (2013 – 2023) is the first in a series of five ten year plans over the fifty year horizon of Agenda 2063's 50 time frame.

To ensure that Agenda 2063 is not only implemented but that it has measurable results, the FTYIP enumerates 20 Agenda 2063 Goals linked to the 7 Aspiration and each of these goals identifies the priority areas to be implemented at a national level to ensure that collectively Africa will attain its developmental objectives.

Mauritian companies can leverage on the FTYIP to establish a road map.

7 Way Forward (continued)

7.3 Business Model Formulation

There are various investment models that can be pursued in Africa, depending on factors such as the industry, market conditions, risk appetite, and investor objectives. Some common investment models that can be considered are Direct investment, Joint ventures, Franchising, Mergers and Acquisition, Greenfield investments, infrastructure investments, Portfolio investments, Real Estate Investments, Impact Investments, Private Equity and Venture Capital, Resource Extraction and Mining, Agribusiness, Technology and Innovation investments, Tourism and Hospitality investments and Renewable Energy Investments.

It's essential to conduct thorough market research, understand the regulatory environment, assess risks, and tailor your investment model to align with your goals and the specific opportunities and challenges of the African market you're targeting. Consulting with local experts and forming partnerships with reputable local entities can also enhance your investment strategy's success.

7.4 Engaging the African Talent and Mauritian Diaspora

When looking for a pool of talent, it is advisable to look into the local African talents available who can provide insights into the nuances of the local market, navigate complex legal and regulatory environments ensuring compliance. A local board member can help build and nurture these relationships effectively. Different cultures have distinct communication styles, etiquette, and ways of doing business. A local board member can bridge cultural gaps, facilitate effective communication, and foster understanding among diverse stakeholders. Having a local board member can enhance the organisation's reputation as being committed to local engagement and understanding. This can foster goodwill and positive relationships with local communities and customers. The Mauritian diaspora can be brought together to provide insights on previous experience and pitfalls to avoid.

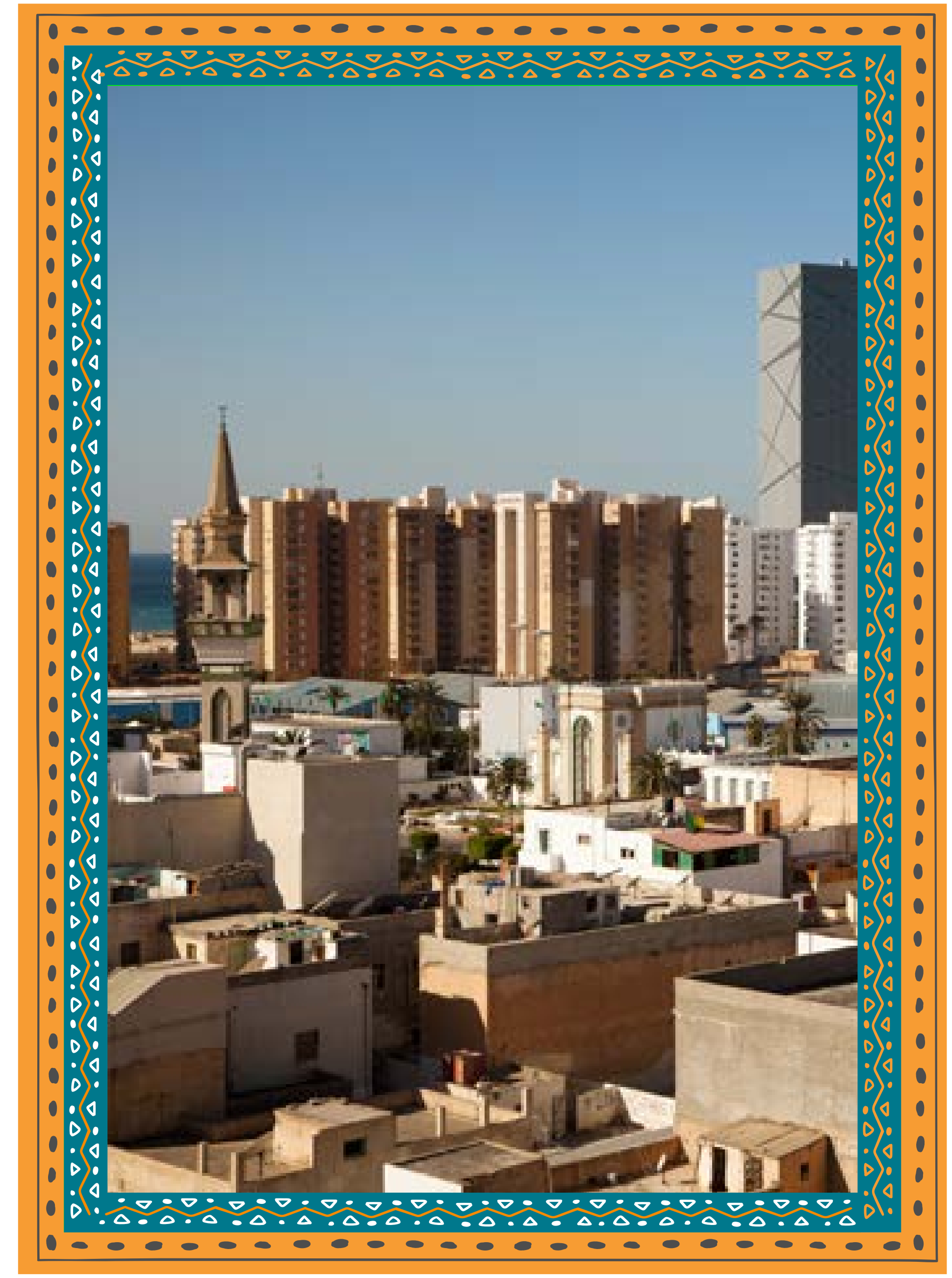
7.5 Develop an understanding of mainland Africa

The cornerstone of investing in Africa lies in the education of potential investors on the market opportunities. Such education would include knowledge on mainstream African markets, risks associated with specific countries, and success stories. This can be done through investment seminars, and workshops with local experts.

8 Summary of key takeaways

The African continent is an attractive prospect for Mauritian investors, with both regulatory and strategic opportunities for growth of Mauritians. At the same time, such investments would benefit the communities in Mainland Africa, and would give access to African investors to a stable jurisdiction to raise capital. Our continent is risky, owing to its political instability which can still exist in some countries, sub par infrastructures and less optimal regulations.

Hence, the vision for the partnerships between Mauritius and Mainland Africa includes more government support in furthering such integration. It would include prioritising investment in sea and air connectivity to allow for the seamless movement of the people between these two points. It would also include more visibility of the investors on both sides, through representative offices and embassies.



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9 Annexes

9.1 Visa requirements for Key African Countries

A visa is an official acknowledgement issued by the Immigration Office/Embassy/Consular of Mauritius, indicating that your application to enter Mauritius has been reviewed by an Immigration Officer and that the officer has determined you are eligible to enter or transit in Mauritius for a specific purpose.

Some of the Visa free countries to Mauritius include: Angola, Botswana, Burundi, Gabon, Jamaica, Kenya, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe.

Refer to link below for more details:
https://passport.govmu.org/passport/?page_id=605

Some Visa free countries for Mauritians include: Botswana, Eswatini, Mozambique, Namibia, South Africa, Zimbabwe

9.2 Top 10 highest-ranking ports in Africa May 2023

https://africa.businessinsider.com/local/markets/top-ten-highest-ranking-ports-in-africa/vmfggx3

9.3 Mauritian Diplomatic Missions Overseas

Refer to link below for Mauritius embassies:
https://foreign.govmu.org/Pages/Embassies%20and%20Consulates/Mauritius%20Diplomatic%20Missions%20Overseas/Mauritius-Diplomatic-Missions-Overseas-Main-Page.aspx

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9 Annexes (continued)

9.4 An overview of some of the key markets in Africa (1/2)

Africa is a diverse continent with various emerging and established markets. The key markets in Africa can vary based on factors such as economic size, growth potential, investment attractiveness, and industry focus. Here are some of the key markets in Africa:

(i) Nigeria:
With its large population and growing economy, Nigeria is often considered one of Africa's most significant markets. It has a diverse economy that includes oil and gas, agriculture, telecommunications, and financial services.

(ii) South Africa:
As one of the continent's most developed economies, South Africa is a major player in industries such as mining, finance, manufacturing, and technology. It also serves as a regional hub for multinational companies.

(iii) Mozambique:
Mozambique relies on its weather to produce sugar through sugar cane. As one of the main agricultural products from the country, 380 000 tonnes of sugar are produced annually.

(iv) Egypt:
Egypt has a strategic location at the crossroads of Africa and the Middle East. Its economy is diverse, with sectors like tourism, agriculture, manufacturing, and services contributing significantly.

(v) Kenya:
Kenya is known for its innovation in technology and financial services, often referred to as "Silicon Savannah." It's also a regional hub for East Africa and has a growing middle class.

(vi) Ethiopia:
Ethiopia's large population and growing economy make it an attractive market for consumer goods, manufacturing, and infrastructure development.

(vii) Morocco:
Morocco has a well-developed manufacturing sector, including automotive and aerospace industries. It's also a key player in agriculture, tourism, and renewable energy.

(viii) Ghana:
Ghana has been experiencing steady economic growth and is known for its stable political environment. It's a hub for West African trade and has significant natural resources.

Navigation

9 Annexes (continued)

9.4 An overview of some of the key markets in Africa (2/2)

(ix) Côte d'Ivoire (Ivory Coast):
Côte d'Ivoire is a major player in the cocoa industry and has been diversifying its economy into sectors like telecommunications, finance, and energy.

(x) Algeria:
Algeria possesses significant oil and gas reserves, making it a key player in the energy sector. It also has a strong focus on manufacturing and heavy industry.

(xi) Tanzania:
Tanzania has been attracting investment in sectors such as mining, agriculture, and tourism. Its strategic location in East Africa contributes to its importance as a regional market.

(xii) Uganda:
Uganda has a growing population and is rich in natural resources. It's an emerging market for agriculture, manufacturing, and services.

(xiii) Senegal:
Senegal is working to establish itself as a hub for West African trade and investment. It has been investing in infrastructure and energy to support its economic growth.

These markets represent just a portion of the diverse and evolving business landscape in Africa. It's important to note that economic conditions, political stability, and industry trends can change over time, so thorough market research and up-to-date information are essential when considering investments or business operations in African countries.

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