



## 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."

**"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."**

**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 HNWIs — 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."



**“Africa 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.”**

Shamima Mallam-Hassam, MD of Trident Trust Company (Mauritius) Ltd and Chairperson of Mauritius Finance



### **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, Innpact (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.”

**“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.”**

Bilal Adam, President,  
South African Chamber of Commerce (SACC),  
and CEO, Stewards Investment Capital



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.