

MAURITIUS

Ambitious island nation is Indian Ocean investment hotspot

Strategically located between fast-growing continents, the country's economy is performing strongly as international investors and businesses tap into its huge potential.

As a tropical island nation, Mauritius's famous scenery and stunning natural assets are second to none and sustain a high-profile tourism industry focused on upscale vacations. What is less well known is the country's ambitious strategy to upgrade key infrastructure and embrace economic diversification with the support of private investment from allies in mainland Africa and other major international development partners like Germany.

According to data compiled by the United Nations Conference on Trade and Development (UNCTAD), foreign direct investment (FDI) in Mauritius surged by nearly \$375 million in 2018. That figure took the island nation's total FDI stock to an impressive \$5.3 billion.

"The emphasis in Mauritius has been to capitalise on the assets we have: our resources, our system of law and the ability to connect easily to African business," explains Ivan Collendavelloo, Deputy Prime Minister and Minister of Energy and Public Utilities.



Ivan Leslie Collendavelloo
Deputy Prime Minister

"We have moved away from being a pebble in the Indian Ocean with a mono-crop economy dependent on oil prices. Our global aim is to reach the bracket of the high economy countries. Statistically, we are 97.4% of the way there, but we need to keep on working."

The minister says he dislikes the phrase "Gateway to Africa", as Mauritius is instead a "safe and reliable financial facilitator for investments in Anglophone and

"Mauritius is a safe and reliable financial facilitator for investments in Anglophone and Francophone countries in Africa. Above all, we have the rule of law that protects investment and investors."

Ivan Collendavelloo, Deputy Prime Minister



Sun-kissed Mauritius' banking and financial services sector is one of the best in all of Africa.

Francophone countries in Africa. "We have one the best insurance and banking sectors and above all we have the rule of law that protects investments and investors," he adds. "Not only the rights of the person, but also the rights to their property. This gives German investors a unique platform from which to diversify operations.

"For instance, we are fast developing our mining sector. Although we have no mines at all, many Australian undertakings are using Mauritius for their operations in other countries. They keep their

families here in a good environment while they work in other African countries."

Germany and more than 100 other countries continue to provide valuable support to Mauritius in its attempts to regain the Chagos Islands from the UK. Despite overwhelming backing from the UN General Assembly, the islands have yet to be handed back.

Mauritius' determination to right that ancient wrong is typical of its approach to matters in the international arena, with its persistence one of the reasons for its lauded

success in raising living standards for its 1.3 million citizens.

"Our ultimate challenge is air connectivity with Africa and this is where we need to make significant advances to turn Mauritius into a hub to do business in Africa," Minister Collendavelloo says. "We were the first country in the southern hemisphere to have electricity. We have good solar irradiance and one of our main solar farms is predominantly German investment. As such, we encourage German investors to bring new technology to this sector, among others."

The Central Electricity Board: Powering socioeconomic progress

Parastatal is energising the economy by generating electricity from renewables.

Efficient energy infrastructure is often a catalyst for socioeconomic development and economic growth. Developing countries that lack such power generation capacity and associated transmission and distribution networks and facilities struggle to attract FDI.

So it is Mauritius' good fortune that at the heart of its energy industry is award-winning, experienced parastatal the Central Electricity Board (CEB). Wholly owned by the government and operating under the aegis of the Ministry of Energy and Public Utilities, the CEB produces nearly half of the island nation's total power requirements from four

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Shamshir Mukoon, CEB General Manager

thermal power station and 10 hydroelectric plants, with the balance purchased from independent power producers.

With more than 2,200 workers and as one of the country's largest employers, the CEB is the sole organisation responsible for the transmission, distribution and supply of electricity to the population, and at the core of the Renewable Energy Roadmap 2030. Now approaching its 70th anniversary, the CEB's

core aim has hardly changed over those decades, as it seeks to "prepare and carry out development schemes with the general object of promoting, coordinating and improving the generation, transmission, distribution and sale of electricity".

By spearheading the switch to renewable energies as part of the continental — and global — battle against climate change, the CEB is a central figure in the government's drive to generate 35% of its annual electricity requirement from renewable sources by 2025. The organisation is heavily involved in initiatives surrounding the forward-thinking Renewable Energy Generation Schemes (REGS). The schemes were launched to encourage smart cities, small- and medium-scale power producers and public sector entities to generate electricity from solar power.

"The role of the CEB must be viewed in the context of the aspirations of a rapidly growing nation. The utility has a much wider role to play in addition to the supply of electricity. It has to support the country's growth and development aspirations while taking on board its sustainability concerns. It must equally ensure that nation remains an attractive investment destination," explains CEB General Manager, Shamshir Mukoon.

"While the government is the policy maker, we are the technical experts. They set the target and we take up the daily challenge of investing in technology and human capital to fulfill our mandate. We are implementing technology that uses fibre optic communication and the Global System for Mobile (GSM)

Communications to manage thousands of small systems on the distribution networks. We are going into smart metering to monitor the performance of these systems through communications intelligence added into the networks to achieve our objective of having a 'smart grid'."

The senior executive highlights CEB's strong relationships with German companies like Siemens, and is eager to forge new part-

nerships: "German technology is one of the most advanced in the renewables sector and power generation business. We need such technology to move forward and are already working on a battery storage system with Siemens, and need to upgrade the power network with gas-insulated switchgear from outdoor to indoor. This is an area where German companies have great expertise and will be areas of huge investment in the future."

CENTRAL ELECTRICITY BOARD

Enabling vulnerable customers to produce their own electricity from renewable energy sources

Home Solar Project



Web: <https://ceb.mu> - P.O. Box134, Rue du Savoir, Cybercity, Ebène, Mauritius -