

MAURITIUS

NATIONAL EXPORT STRATEGY

INSTITUTIONAL ALIGNMENT

CROSS-SECTOR 2017-2021



Republic of Mauritius



International
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This National Export Strategy (NES) is an official document of the Government of Mauritius. The NES was developed on the basis of the process, methodology and technical assistance of the International Trade Centre (ITC) within the framework of its Trade Development Strategy programme.

ITC is the joint agency of the World Trade Organization and the United Nations. As part of the ITC mandate of fostering sustainable development through increased trade opportunities, the Export Strategy section offers a suite of trade-related strategy solutions to maximize the development payoffs from trade. ITC-facilitated trade development strategies and road maps are oriented to the trade objectives of a country or region and can be tailored to high-level economic goals, specific development targets or particular sectors, allowing policymakers to choose their preferred level of engagement.

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ACRONYMS

AMM	Association of Mauritian Manufacturers	CCI	Mauritius Chamber of Commerce and Industry
BPML	FREEPORT SERVICES LTD	MCCI	Mauritius Chamber of Commerce and Industry
CRS	Common Reporting Standard	MITIA	Mauritius IT Industry Association
EM	Enterprise Mauritius	MQA	Mauritius Qualifications Authority
FSCC	Financial Services Consultative Council	MRC	Mauritius Research Council
GBC	Global Business Category	MRA	Mauritius Revenue Authority
HRDC	Human Resource Development Council	MoUs	Memorandums of Understanding
JCC	Joint Coordinating Committee	OTAM	Outsourcing and Telecommunication Association of Mauritius
JEC	Joint Economic Council	PPP	Public-Private-Partnership
APAMM	Mauritian Shipping Agents Association	SM	Statistics Mauritius
MAURITAS	Mauritius Accreditation Service	TSIs	Trade Support Institutions
MBGS	Mauritius Business Growth Scheme		

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INTRODUCTION



Photo: General Design, Photo 2.jpg

Institutions are fundamental building blocks for trade competitiveness given that they implement the recommendations and actions proposed by development plans and strategies. A strong institutional framework is indispensable for realizing the overall development agenda of the country and indeed, this has worked well in the past in Mauritius. The country has a successful history of leveraging institutional arrangements involving joint public and private sector collaboration towards solving issues and harvesting opportunities. Institutions such as Enterprise Mauritius, Board of Investment, Mauritius Chamber of Commerce and Industry (CCI) and the Joint Economic Council (JEC) have been in place and operating activity in tandem with the public sector since the early days of independence.

However, the institutional network in charge of providing support to trading firms suffers various coordination and capacity challenges. These translate into additional difficulties for enterprises that are exporting or wish to export goods and services. Therefore a comprehensive review of the institutional framework will be conducted to align and capacitate the TSN better. This particular strategy will cover all types of Trade Support Institutions including those providing policy support, trade services and business services support to enterprises.

As Mauritius progresses to a new paradigm involving re-invention of mature sectors and the emergence of new sectors, strong institutional coordination and individual TSN capacities will be especially relevant to develop a robust TSN.

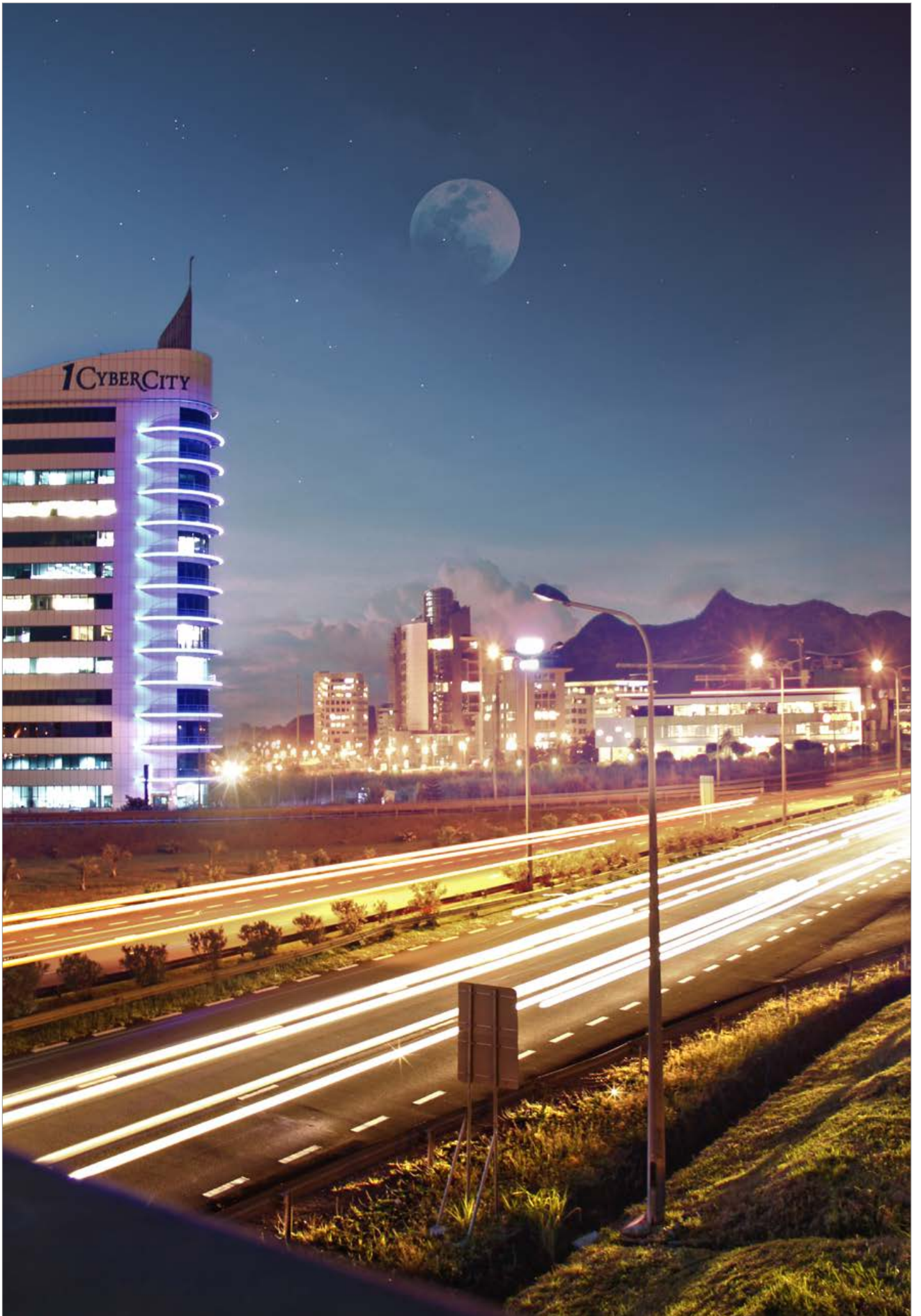


Photo: Software Development, Photo 1.jpg

TRADE-FOCUSED INSTITUTIONAL STRUCTURE IN MAURITIUS

In the context of trade competitiveness, the institutional support is provided by Trade Support Institutions (TSIs) that together constitute the aggregate TSN in the country.

Four types of TSIs are considered as indicated below:

POLICY SUPPORT NETWORK

These represent ministries and authorities responsible for influencing or implementing policies in the country. These include:

- Ministry of Industry, Commerce and Consumer Protection
- Ministry of Fisheries
- Ministry of Foreign Affairs
- Competent Authority Seafood
- Ministry of Tourism and Leisure
- Ministry of Finance
- Ministry Of Tertiary Education, Science, Research & Technology
- Ministry of Business, Enterprise and Cooperatives
- Ministry of Agro-Industry and Food Security
- Mauritius Revenue Authority (MRA)
- Local Government Authorities
- Mauritius Accreditation Service (MAURITAS)
- Division of Veterinary Services, Ministry of Agro-Industry and Food security
- Human Resource Development Council (HRDC)
- Mauritius Business Growth Scheme (MBGS) Unit
- National Productivity And Competitiveness Council

TRADE SERVICES NETWORK

These institutions or agencies provide a wide range of trade related services to both Government and enterprises. These include:

- OTAM (Outsourcing and Telecommunication Association of Mauritius)
- Board of Airlines Association
- Mauritius Chamber of Commerce and Industry (MCCI)
- Association Of Mauritian Manufacturers (AMM)
- Mauritian Shipping Agents Association (APAMM)
- Association des Hoteliers et Restaurateurs de l'Île Maurice

BUSINESS SERVICES NETWORK

These are associations, or major representatives, of commercial services providers used by exporters to effect international trade transactions. These include:

- Board of Investment
- Mauritius Ports Authority
- SMEDA
- Enterprise Mauritius
- Mauritius Cane Industry Authority
- Statistics Mauritius (SM)
- BPML FREEPORT SERVICES LTD
- Central Informatics Bureau
- Global Finance Mauritius
- Mauritius Standards Bureau
- Cargo Handling Corporation Ltd
- Bank of Mauritius
- Mauritius Telecom Ltd
- Mauritius Tourism Promotion Authority

CIVIL SOCIETY NETWORK

These institutions are not explicitly engaged in trade related activities. They are often opinion-leaders representing interests that have a bearing on the country's export potential and socio-economic development. *These include:*

- University of Technology
- Mauritius Qualifications Authority (MQA)
- Mauritius Research Council (MRC)
- University of Mauritius

ASSESSMENT OF COORDINATION WITHIN THE TSN

SELECT NODES ARE DRIVING COORDINATION

As indicated in the coordination map, a handful of TSIs are driving coordination activity and information flow within the TSN. These primarily include policy support and trade services support institutions such as BOI, Ministry of Agroindustry, Ministry of Finance, EM, MEXA, MCCI etc. The prominence (high level of interconnectedness) of these institutions stems from the diversity of services that they provide to enterprises, as well as the 'cooperation network' that has developed between specific institutions (such as ministries and parastatals, trade information providers such as EM, MEXA etc.). For instance, MEXA plays the role of a sectoral organization for several sectors including Textiles, Jewellery, and light industries.

HIGH DEGREE OF AD-HOC ACTIVITY VERSUS FORMALIZED RELATIONSHIPS

The vast majority of relationships indicated by institutions are ad-hoc – i.e. based on informal relationships rather than through formalized mechanisms such as Memorandums of Understanding (MoUs) and other institutional relationships. While the ad-hoc nature may not in itself be considered a weakness, there are implications on aspects such as institutional memory if officers involved in information flow were to leave the TSIs. Potential bottlenecks may appear if these linkages are disrupted, however this is to be investigated further. Efficiency gains could easily be achieved through the elaboration of collaboration protocol agreements that would define the way institutions interact in performing the chosen business collaboration.

EVIDENCE OF WEAK AND MISSING RELATIONSHIPS ESPECIALLY BETWEEN INDUSTRY AND ACADEMIA

There is evidence that some critical linkages are either weak or altogether missing. One instance is related to the weak links between the academic infrastructure, including Tertiary Education and TVET institutions. Survey results indicated that while universities such as the University of Mauritius and University of Technology are connected to their policy making and regulatory institutions such as the Ministry of Tertiary Education and the Tertiary Education Commission, neither groups reported connections with the main TSIs that provide direct trade services related support to the private sector, including EM, MEXA and MCCI. In the absence of such linkages, the feedback loop¹ between industry and academia is weak – and directly contributes to the skills mismatch issue.

Furthermore, there is evidence that tertiary education providers such as universities themselves are not coordinating with each other. There is significant duplication of academic programmes, especially in the case of institutions that have been set up recently. There is little focus on gauging the skills requirements for the future, and instead programmes are being established solely based on current demand.

OVERALL LACK OF COORDINATION IN THE SERVICES SECTOR

In general, the service delivery of policy support institutions towards SMEs is of concern, and is leading to slow policy and regulations development, especially for services. There is no overall coordination body spearheading development efforts for the services sector. Since 2012, BOI has been mandated with services promotion; however, it is not involved in policy and sector development. There is indeed no TSIs mandated with leading these aspects. In the absence of TSIs support, services firms in sectors such as ICT have forged ahead on their own, but an inflection point has been reached. To grow further, dedicated and concerted support is required for services.

EMERGENCE OF TSIs 'ISLANDS'

A number of TSIs islands – comprising 2-3 TSIs – exist without any direct connection (ad-hoc or formalized) with the TSN 'mainland' as indicated in the coordination map. This indicates that information is not being shared

1. To address this feedback issue, consultative committees have been set up at the university level to ensure collaboration between tertiary education institutions and the private sector. These are relatively new (2013) and the NES will further assess the work being undertaken and support required by these committees.

between these islands, and other TSIs that are relatively more linked. While information sharing naturally depends on the context, it is uncommon to view islands that are not linked at all to the majority of other TSIs. This suggests broken linkages – for instance, the Mauritius Research Council (MRC), an apex body that coordinates and promotes investment in research falls under the purview of the Ministry of Tertiary Education naturally indicating coordination flows that must exist between these institutions. However, neither institution reflected this in the survey. Additionally, the MRC is not connected to other TSIs involved in research such as universities etc. There are other such examples as well that will be the focus of further analysis.

PERCEPTION AMONG TSIS ON MUTUAL INFORMATION FLOW VARIES

Some incoherencies can be found on how TSIs perceive information flow between each other. For instance, while EM noted an ad-hoc relationship with MCCI with information primarily flowing inwards from MCCI to EM, MCCI noted a formalized bilateral relationship, with information flowing both ways. This and other examples point to disconnectedness between TSIs in terms of perception, and the type of collaboration that exists with their peers.

WEAK INTER-MINISTERIAL AND INTER-AGENCY COORDINATION LEADING TO WEAK SERVICE DELIVERY TO SMES

Scope exists to strengthen the coordination and information flow between ministries and their parastatals. In certain cases, parastatals are frequently delayed in responding to information requests from the private sector owing to delays on the part of related ministries. Client requests frequently require support from other ministries and in some cases ministries are either slow or not fully equipped to respond.

ANALYSIS OF TSIS CAPACITIES

OPTIMIZATION OF TSI MANDATES MAY BE REQUIRED TO CATER TO THE SERVICES SECTOR

There is an inadequate, though emerging focus on services throughout the TSN. The traditional focus of TSIs on goods has led to relatively robust service portfolios for sectors such as textiles and agro-products, whereas

support towards services – both emerging and relatively mature sectors – such as ICT and tourism remains limited.

As discussed earlier, services sector firms have been growing faster than available regulatory and institutional support. However, growth is now threatened across the board, whether in the case of nascent sectors such as medical tourism or emerging sectors such as ICT, as well as mature sectors, such as the spa and leisure sector, among others. There is no lead agency responsible for services sector development activity, and the gap extends to the policy level. Nevertheless, BOI has been given the mandate to oversee the development of the sector and a targeted approach has been adopted for the promotion and development of each sub sector. Neither the Ministry of Commerce and Consumer Protection nor the Ministry of Business Enterprise and Cooperatives is mandated or fully equipped in terms of capacities to accommodate the needs of services firms. Leading trade service providers to SMEs have limited, though evolving service-based focus. This includes leading TSIs such as SMEDA², MEXA, and EM.

Services sector associations only exist for the IT and financial services sectors, but there are gaps here as well. The master plan for services notes that while the ICT-BPO segment has two sector associations – Mauritius IT Industry Association (MITIA) and Outsourcing and Telecommunications Association of Mauritius (OTAM) – many small sector firms are not part of these associations.³

Given the severity of the institutional gap that services face, there is an urgent requirement to review and optimize the mandates of key institutions to include services. In addition, resources and technical expertise to cater to services must be injected in these institutions to assist them in executing the mandate.

INSUFFICIENT BRANDING, MARKETING AND COMMUNICATION OF PRODUCTS AND SERVICES

To an extent, TSIs are relatively weak in promoting their services and raising awareness on their range of services. For example, despite a range of SME financing schemes available in the country (ranging between 15-20 loan instruments), SMEs have complained of a lack of support relating to access to credit. In other areas also, there is disconnectedness between services available and awareness of consumers. TSIs must develop more robust external communications capabilities in this regard.

2. In the case of SMEDA, which focuses on providing a variety of services to SMEs, the definition of SME itself is limited to enterprises providing goods, and therefore automatically excludes services.

3. Services Master Plan Page 29

WEAK KNOWLEDGE MANAGEMENT OWING TO INSUFFICIENT INVESTMENT AND USE OF ICT

Use of best practices in terms of internal knowledge management is a weakness of Mauritian TSIs that has been documented through a variety of benchmarking studies (involving select institutions) and has also emerged as a key constraint through the TSN survey. This has implications on building and managing institutional memory, and also facilitating efficiency gains.

This challenge extends to ministries. The master plan for services notes that *there is no evidence of an institutional culture in all aspects of government ministries and agencies*.⁴ A number of weaknesses including non-functioning email addresses, lack of feedback forms, and low use of electronic forms have been cited.⁵

Improved use of Customer Relationship Management (CRM) systems and Computer Document Management Systems (CDMS)⁶ will improve knowledge management levels within the organizations and even streamline processes resulting in increased efficiency levels.

RESOURCE CONSTRAINTS AT TSIS HAMPER SERVICE DELIVERY

Mauritian TSIs are generally well resourced in terms of financial, technical and human capacity, but there are some areas of weaknesses that have been identified.

Financial: Some TSIs have noted that financial resource constraints have prevented them from implementing schemes that are launched by the government in support of SMEs. In some cases, these constraints prevent the TSIs from implementing their own strategic plans.

Technical: There is certainly a requirement for greater absorption of Results Based Management (RBM) within organizations. Internal processes need to be reviewed, linked to the key goals noted in the strategic plan, and results should be evaluated based on established metrics.

TSIs must also install feedback processes to read and forecast the evolving needs of their clients better, and tailor their processes and service offerings accordingly.

Human Capital: In terms of human capital, while TSIs generally have a strong management layer and a robust technical layer, the middle management layer is weak and

requires significant coaching and skills development. This challenge is partially the result of brain drain of qualified (and trained) staff to the private sector or international destinations, ultimately affecting TSIs capacity to respond to client needs.

Additionally, as the focus on services ramps up and TSIs adjust their service portfolios accordingly training needs for staff will also require attention. For instance, MSMEs (and especially services MSMEs) face access to finance challenges because frequently, loan officers are not trained to respond to the specific circumstances of small firms that have inadequate collateral and cannot demonstrate high creditworthiness. While specific loan instruments are to be developed to address this gap, training needs for the staff must accompany this.

COMPETITIVENESS CONSTRAINTS

QUALITY OF THE BUSINESS ENVIRONMENT

ABSENCE OF A LEAD AGENCY FOR THE SERVICES SECTOR

Specifically in regard to the services sector, there is a need to appoint a lead agency or ministry to spearhead the services sector development in Mauritius. BOI was tasked with leading the promotion of services related activities in 2012. However, it is not involved in policy formulation. Furthermore BOI's main mandate of investment promotion means that there is still a gap for an agency whose sole purpose is policy formulation and implementation for the services sector. Given the national goal of transitioning to a knowledge-based economy, the business case for such an entity is well made.

In general, the portfolio of assistance services available to the services sector by the TSN is poor, and the bulk of the focus of TSIs is centred on the manufacturing/agriculture sector. TSIs oriented towards the private sector such as EM, JEC, SMEDA, MCCI have a limited service portfolio available for the services sector, although there is recognition among the leadership of these organizations of these gaps, and efforts to address this are ongoing.

A regulatory gap regarding services has been pointed out ranging from unclear guidelines/lack of legal certainty to an altogether absence of the regulations.

One of the reasons why support services for enterprises in the services sector have been slow to emerge is their relative lack of participation in consultations aimed at the

4. Services Master Plan page 32

5. *ibid*

6. GoM is in the process of rolling out an e-Document Management System, and is in the bidding process stage, as noted in the Master Plan for Services. p. 32

private sector. As the master plan for Mauritian services sector points out, there is an unintended bias (p.17) relating to the involvement of the services sector firms in consultations with the private sector. Additionally, Mauritian services firms which do not belong to traditional service professions (such as tourism, ICT) do not belong to associations which prevents them from actively being invited to consultations and other modes for affecting policy making.

ACCESS TO FINANCE CHALLENGES

SMEs in particular face specific challenges in access to finance across sectors and value chains and these must be addressed to improve competitiveness. The private sector has noted that bank charges and interest rates are relatively high in general possibly owing to limited competition.

Awareness among SMEs on the availability of loan instruments is also a challenge. As an example, there are currently about 17-20 financing schemes available to exporters, including export credit guarantees, but there is a consistent refrain among exporters on the lack of financial instruments. This can possibly be attributed to weak marketing of these instruments by banks.

Services firms in particular face significant access to Finance Issues:

Firms in the services sector are mainly SMEs facing typical access to finance challenges as SMEs in other sectors. Despite a variety of SME financing schemes available in Mauritius, services firms are relatively unable to access capital. This may be attributed to a number of factors:

- Service firms face challenges in raising collateral – services are inherently tied to intellectual capital rather than physical assets that banks typically prefer to use as collateral. Also services firms are mainly SMEs affected by debt financing options.
- The Services master plan notes two additional reasons:
 - Lack of awareness among the SME community on existing loan instruments, and mismatch between the provisions/requirements of existing loan instruments with the needs/capabilities of sector firms.
 - Existing loan instruments may not be well aligned with the requirements of the services sector, and some adjustments are required within the scope of provisions, and eligibility criteria.

IMPORTANT COORDINATION – AND CAPACITY-BASED GAPS EXIST WITHIN THE TSN WHICH HAVE AFFECTED SERVICE DELIVERY TO THE TRADING SECTOR

The national TSN including TSIs involved in the policy making, trade support services, business services and civil society space has served the private sector well in the past, but is now exhibiting signs of fatigue and structural weaknesses. This is owing to both expansion in the SME sector (which is putting pressure on a stretched TSN and exposing capacity-and coordination-based weaknesses), and evolution of the exporting sector in the country (services diversification among others), which have exposed significant structural weaknesses in the TSN. Important challenges now exist which are constraining SMEs involved in trade from reaching their operational and strategic goals.

SECTOR-SPECIFIC COMPETITIVENESS CONSTRAINTS

FISHERIES & AQUACULTURE

Lack of synergies between institutions and departments of the Ministry of Ocean Economy and lack of usage of existing tools (Albion)

There is a lack of synergies reported between a number of key institutions responsible for the fisheries and aquaculture sectors. This is the case between the Ministry of Ocean Economy and the Albion Centre, which is affiliated to it.

FINANCIAL SERVICES

Inadequate coordination hinders growth

Coordination is lacking within the private sector, within the public sector, and between the two. In regard to all three, the lack of an appropriate umbrella organization is a key hindrance. While the Financial Services Consultative Council (FSCC) was established to be such a body for public-private coordination, it fell into disuse and was only recently revived. In addition, it is a council, and not a permanent body with fixed staff. As such, its effectiveness is limited with regard to performing a more permanent role providing coordination services, advocacy, and other services. Coordination is also impacted by the presence of numerous regulatory bodies whose mandates are at times unaligned. This is a particular challenge to the BoM and Financial Services Commission (FSC) although the Joint Coordinating Committee (JCC) has been formed to help the two organizations share information and collaborate. In reality, the FSC was established in 2001 as a first

step towards unifying all regulatory functions. The second step was supposed to involve merging the FSC and the regulatory arm of the BoM, but these efforts have stalled.

Limited alignment between institutions and industry restrict growth

Institutions have a limited understanding of the private sector and low motivation to respond to industry. The MRA for example collects data under the Common Reporting Standard (CRS), but the industry feels that the MRA is not aligned with its needs. It is perceived as being quite heavy on operators, and client queries take a very long time. In general, it should be noted that staff at the BoM, FSC, MRA, and other public support institutions lack adequate private sector experience, which makes it more difficult for them to understand industry needs. Staff training as well as more regular contact between the public and private sectors would help align needs and foster a more facilitative business environment.

Lack of strategic voice for the sector hinders development

The financial services sector lacks an effective umbrella organization that would allow for advocacy, strategy planning, and cooperation. This is complicated further by the prevalence of short-term and reactive thinking, as opposed to proactive long term-thinking. Indeed, individual entities tend to consider their own interests instead of the big picture. This limits opportunities for synergistic development of higher value added services.

Redundant procedures for due diligence and know-your-client reporting increase time and cost burdens.

Mauritius has no central, know-your-client database containing information on foreign entities and Global Business Category (GBC) licence holders, nor is there a centralized organ to handle all such requests. Instead, each financial service provider must make individual requests of the client in performing their own DD and KYC (and each client must run around to different agencies and institutions). The resulting duplication and inefficiencies place a significant time and cost burden on the client.

PROCESSED FOODS

The lack of coordination among TSIs

Large number of TSIs operating in the Mauritian agricultural sector has resulted in a scattering of resources and a duplication of efforts, an overlapping of functions, and to TSIs competing with one another. No common agenda and no long-term strategy to support the sector.

MEDICAL AND SCIENTIFIC DEVICES

Piecemeal consideration of the sector

There is a lack of coordination among institutions. Several organizations, including BOI, MCCI, SMEDA, EM, MEXA and the Ministry of Industry and the Ministry of Health, have resources directly or indirectly dedicated to the medical devices sector but efforts are not coordinated

Trade Support Network is lacking the specific expertise and skills required to support the industry efficiently

As the sector is relatively new in Mauritius, institutions do not understand fully the nature of the sector and lack information on the sector, both from a technical and regulatory point of view, making it difficult for industry's professionals to interact with qualified and knowledgeable counterparts at the institutional level.

No clear vision for the life science sector and no clear understanding of the industry's needs and requirements

So far, the logic which was relied upon in supporting the medical devices manufacturers was purely financial at the expense of a sustainable development strategy for Mauritius. The medical devices sector has not yet been considered a priority sector for TSIs and suffers from insufficient political will demonstrated by the Mauritian authorities.

NES ALIGNMENT

As discussed earlier, institutions are fundamental to the success of Mauritius' trade development agenda, as they are responsible to implementing the strategic recommendations put forward by individual development plans, including the NES. Improving the robustness of the TSN is therefore an important consideration of the NES.

The NES design will examine further the TSN's coordination linkages for strengths, weaknesses and gaps, and also continue to identify capacity-based challenges of TSIs. When combined with an assessment of the evolving and future requirements of SMEs in Mauritius, this analysis will serve to generate recommendations to be channelled into the NES strategic plans of action. These recommendations will improve coordination, and address capacity gaps of relevant TSIs along financial, technical and human capital dimensions.

THE WAY FORWARD

The country has a successful history of leveraging institutional arrangements involving joint public and private sector collaboration towards solving issues and harvesting opportunities. As Mauritius progresses to a new paradigm involving reinvention of mature sectors and the emergence of new ones, the TSN will need to realign on growing services sectors and a knowledge-based economy. Gaps such as poor coordination between industry and academia, and lack of a sector development agency for services will need to be tackled in the short term.

VISION

The NES consultations gave stakeholders the opportunity to come together and define their vision for the skills development sector. This statement embodies the ambition of the sector, and as such, can be used to rally stakeholders around a common goal.

“ Mauritius – Strategic hub for international trade ”

STRATEGIC OBJECTIVES

The NES vision for institutional alignment will be supported by three strategic objectives. These objectives provide a framework for addressing constraints, and they highlight key areas where action is required over the next five years.

Strategic Objective 1: Improve overall policy, regulatory and institutional coordination among TSIs

The first strategic objective will seek to establish mechanisms for enhanced coordination and alignment among TSIs and strengthening relations with educational institutions and the private sector. Furthermore, under this objective the strategy will aim at improving the policy and institutional framework to improve legal security and predictability for operators as well as transparency and access to trade information. This will be done through extended e-government solutions and removing non-tariff barriers, hence also improving the quality of the business environment for operators, notably the exporting enterprises. The following operational recommendations fall under this strategic objective:

- Enhance coordination among TSIs
- Foster industry-academia linkages
- Improve coordination and consultation with private sector related to standardization, technical regulations and conformity assessment procedures (TBT and SPS issues)
- Increase security and predictability of laws and regulations for operators
- Mainstream e-government solutions for trade
- Establish a national trade information network
- Foster cooperation of border agencies through a single window for trade
- Remove non-tariff barriers to trade

Strategic Objective 2: Strengthen the institutional framework for services

The second strategic objective aims at reinforcing the institutional set-up for services, which currently is heavily fragmented and ineffective in Mauritius. As Mauritius moves towards a knowledge-based and a services-oriented economy, the strategy will attempt to strengthen intra-sector coordination, policy and regulatory framework,

while enhancing export investment promotion and access to trade information. The centrepiece of the set-up will be the creation of a services coalition as a coordination and policy advocacy platform for the private sector and an improved institutional anchorage of policy-making and strategic development for services. The following operational recommendations fall under this strategic objective:

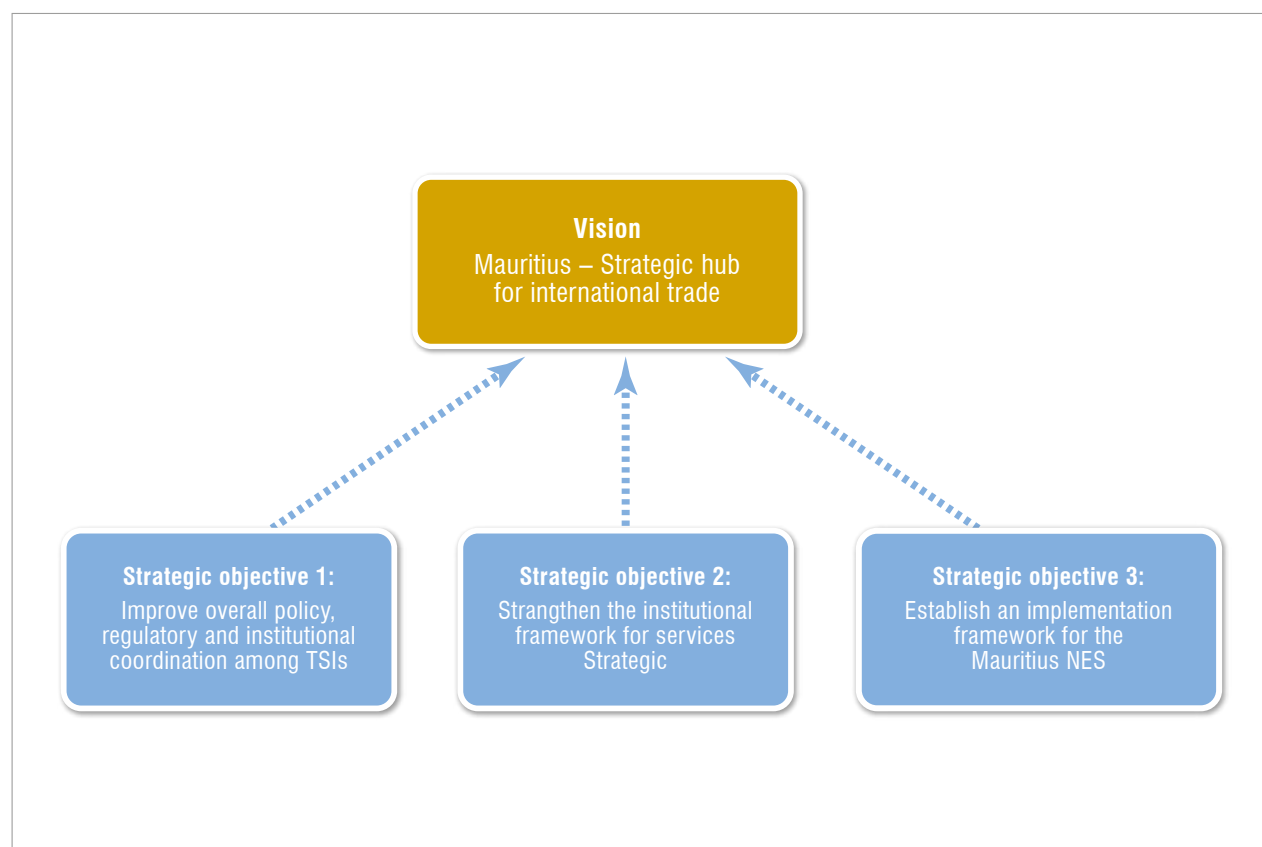
- Improve institutional coordination for services sector development
- Improve and consolidate policy and regulatory framework for services
- Improve export and investment promotion in services
- Improve availability of data and information on services

Strategic Objective 3: Establish an implementation framework for the Mauritius NES

The third strategic objective lays the plan for the establishment of the governance for the management and implementation of the National Export Strategy, providing it with required human and technical capabilities as well as resources. This will allow it to fulfil key functions for NES implementation such as project development and programme planning, budgeting, monitoring and reporting on progress in implementation, fundraising and donor relations as well as policy outreach and communication with external partners, the business community and the wider public. It also aims at ensuring that implementing partners and institutions play their respective roles and coordination accordingly during the 5 years of implementation lifespan of the NES, and beyond, both at the national and the sector level. The following operational recommendations fall under this strategic objective:

- Establish and operationalize the NES implementation framework
- Support NES implementation management functions

Figure 1 : *The Strategic Framework*



SECTOR-SPECIFIC RECOMMENDATIONS

ALL SERVICES

Establish a Coalition of Mauritian Services Industries

In keeping with the global trend on coalitions of service industries that have formed over the last decade to inform policymakers on challenges that services firms face as well as the opportunities facing services, it is recommended that a service coalition (Coalition of Mauritian Services Industries – CMSI) be established. This would include relatively mature sectors that already have associations (such as the ICT sector which has multiple associations), as well as nascent, emerging sectors for which associations do not exist yet. Essentially, the coalition will comprise services firms and associations that are involved in the services sphere in the country, and will be aimed at consolidating, linking and elaborating the current debate on developing the services sectors and especially the support structures in the form of policy, regulations, and institutional support for Mauritian services firms. It will serve as a consultative forum for envisioning the future of the sector and provide a unified voice for advising the Government and international partners on aspects of trade (alignment with regional and international trading blocs), sector development (regulatory and policy coherence, institutional support by TSIs), among other aspects. The formation of this coalition will also result in cross-fertilization of ideas and formation of common positions by the various services sectors in the country and will ultimately facilitate a unified voice for advocacy and development for the overall services sector.

FINANCIAL SERVICES

Enhance coordination and institutional support in financial services

The majority of Mauritian financial services are provided in isolation, and the various sub-segments and players operate in silos. To add value, particularly through the creation of synergies and cross-selling, these segments must work together. Coordination, particularly at the institutional level, will therefore be paramount to product development and promotion efforts. This will require the alignment (or fusion) of institutions, and the FSCC will play a particularly important role.

FISHERIES & AQUACULTURE

Reinforce the inter-ministerial collaboration for the fisheries sector

To centralize the management of the sector, develop a one-stop-shop system and streamline procedures.

AGRO-PROCESSED FOODS

Need for the establishment of a single authority, to act as a one-stop-shop, to promote and support the industry

The entity could take the form of an inter-branch organization under the aegis of the Ministries in charge and functioning on the basis of a Public-Private-Partnership (PPP) model.

MEDICAL DEVICES

Need for a dedicated “one stop partner” contact dealing with all existing institutions

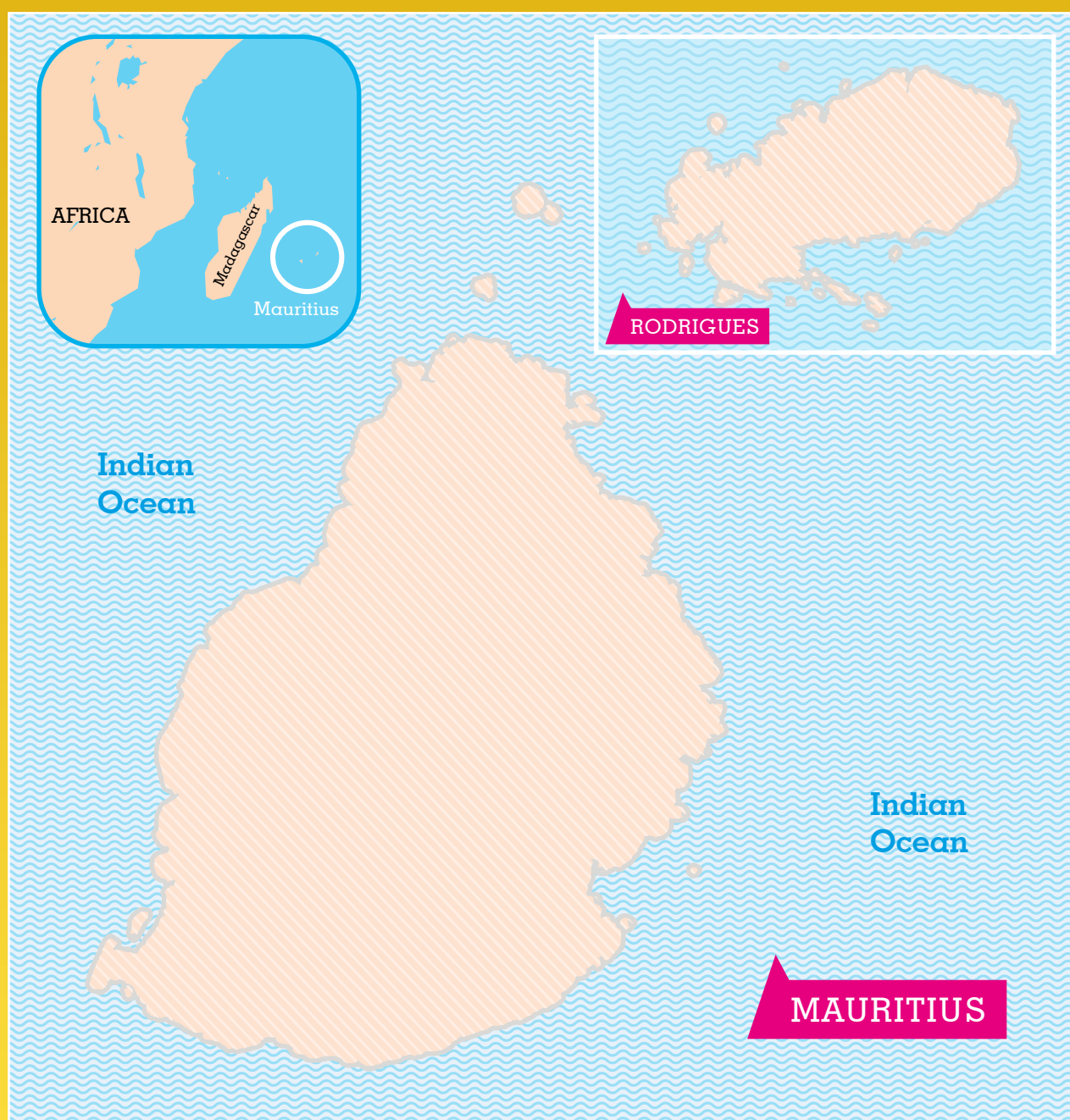
This entity could take the form of a steering committee that would play an advisory role to the Government and prepare proposals and projects for the industry. The committee could also help promote the industry and facilitate the establishment of new companies. It could comprise representatives from EM, BOI, Ministries, SMEDA, MCCI and MEXA, among others, with a view to generate synergies through improved collaboration and interaction between those actors to achieve greater coordination in the institutional response to the development needs of the industry.

Need for capacity building at institutional level

Institutional capacity building is required urgently for institutions to understand the fast-evolving sector of medical and scientific devices better and to improve the quality of the support provided, particularly in the field of research and development.

MAURITIUS
NATIONAL EXPORT STRATEGY
INSTITUTIONAL ALIGNMENT
CROSS-SECTOR

PLAN OF ACTION



Strategic objective 1 : Improve overall policy, regulatory and institutional coordination among TSIs

Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
1.1. Enhance Coordination among TSIs	<p>1.1.1. Establish a standing committee or unit for TSI coordination under the inter-agency strategy coordination committee (IASCC) for the coordination of all export-oriented TSIs with a clear work plan and monitoring and reporting mechanism.</p> <p>» The Standing Committee to establish its rules of procedures as per objectives of NES project.</p> <p>» To emphasise on broad/key activities for quick wins.</p>	1					All TSIs, Businesses	<p>» Standing committee established;</p> <p>» Progress on completion of work-plan registered</p>	PMO	Public, private and parastatal bodies Core Team involving: PMO, MOFA, Min. of Industry & Commerce, Min. Finance, MOBEC, EM, BOI/MCCI, MEXA, Business Mauritius		
	<p>1.1.2. Promote bilateral MoUs, partnerships and collaborations among TSIs to strengthen institutional partnerships and collaboration for service delivery.</p>	1					All TSIs, Businesses	<p>» Increased use of bilateral MoUs;</p> <p>» Improved coordination between TSIs</p>	IASCC	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
	<p>1.1.3. Promote sectoral level MoUs to enhance programming of interventions at the sector level with relevant sector TSIs. Conduct a pilot in one sector over one year, assess and roll out.</p>	2					Sector TSIs, Sector businesses	<p>» Increased use of sector-level MoUs;</p> <p>» Improved coordination among TSIs at sector level</p>	IASCC	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
	<p>1.1.4. Establish sector-level standing subcommittees/unit to coordinate and monitor sector-level MoUs. These subcommittees/units shall be embedded in existing leading sectoral organizations (public, private & parastatal bodies).</p>	2					Sector TSIs, Sector businesses	<p>» Sector standing committees established;</p> <p>» Increased coordination in services delivery registered</p>	IASCC	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
1.2. Foster industry academia linkages	<p>1.2.1. Promote permanent academia-industry interfaces at the universities and major technical schools to establish and maintain regular academia-industry collaboration through:</p> <p>» Services to enterprises (research, consultancy and advisory mandates) provided by students and researchers,</p> <p>» Internships for students in enterprises,</p> <p>» Support for entrepreneurship, innovation among students,</p> <p>» Events (job fairs, entrepreneurship awards, conferences) sponsored by enterprises.</p>	2					Academia, students, private sector, export-oriented enterprises, local manufacturing industry, services sector	<p>» Interfaces established,</p> <p>» Increased interaction between academia and private sector</p>	University of Mauritius; University of Technology of Mauritius	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
	<p>1.2.2. An appropriate mechanism to be established to encourage the development of partnerships between enterprises and academia to foster training, education and research in trade-related jobs and sectors most affected by skills-mismatch.</p>	2					Academia, students, private sector, export-oriented enterprises, local manufacturing industry, services sector	<p>» Policy adopted and implemented,</p> <p>» Skills mismatch reduced over time</p>	MoEHR	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		

Strategic objective 1 : Improve overall policy, regulatory and institutional coordination among TSIs

Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
1.5. Mainstream e-government solutions for trade	<p>1.5.1. Enhance use of IT in government services for the population and economic operators through the following steps:</p> <ul style="list-style-type: none"> » Adopt electronic data and document management and customer relation management systems for internal use and external user applications; » Train government staff; <p>Monitor, assess and modify services on periodic basis to ensure functionality and efficiency.</p>	1					All TSIs, operators, the general public	<ul style="list-style-type: none"> » Increased number of services and procedures for operators and population online » Reduced costs and time to operators 	Ministry of IT/ NCB	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors	On-going	
	1.5.2. Improve the uptake and use of IT by government agencies in the trade support network (TSN) as a means of enhancing internal knowledge management and institutional memory, streamlining business processes and improving coherence, coordination and efficiency of government service delivery.	2					All TSIs, operators, the general public	<ul style="list-style-type: none"> » Number of TSIs using EDMS/CRM. » Improved ITS service delivery 	Ministry of IT/ NCB	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
	1.5.3. Introduce or amend legislation on legal transparency and access to information for operators that will require publication, update and easy access to laws, regulations and services through the internet, consistent with commitments by Mauritius under the WTO Trade Facilitation Agreement.	1					All TSIs, operators, the general public	<ul style="list-style-type: none"> » Legislation amended » Increased transparency and legal predictability for operators 	IASCC	Relevant ministries, public, private and parastatal bodies in the seven NES priority sectors		
1.6. Establish a national trade information network	1.6.1. Establish one single trade, business and technology intelligence hub /web-portal for enterprises, hosted under IASCC (or institution to be determined) and linked to existing TSIs websites to enhance coordination among TSIs and enhance access to information for exporters, including about destination requirements.	2					All TSIs, private sector, export-oriented enterprises, local manufacturing industry, SMEs	<ul style="list-style-type: none"> » Intelligence and service portal established, » Improved ITS service delivery 	IASCC, Ministry of Industry	Public, private and parastatal bodies in the seven NES priority sectors		
	1.6.2. Create a strategic monitoring cell, hosted under IASCC (or institution to be determined), to gather up-to-date and trade information, and to detect early signals on targeted markets and products.	2					All TSIs, private sector, export-oriented enterprises, local manufacturing industry, SMEs	<ul style="list-style-type: none"> » Strategy monitoring cell established » Improved access to trade information 	IASCC, Ministry of Industry	Public, private and parastatal bodies in the seven NES priority sectors		
	1.6.3. Put in place a cooperation framework to promote the exchange and dissemination of trade information among government agencies, TSIs, media, academia, research organizations and the private sector.	2					All TSIs, private sector, export-oriented enterprises, local manufacturing industry, SMEs	<ul style="list-style-type: none"> » Cooperation framework among participating TSIs established » Improved coordination among participating TSIs. 	IASCC, Ministry of Industry	Public, private and parastatal bodies in the seven NES priority sectors		

Strategic objective 1 : Improve overall policy, regulatory and institutional coordination among TSIs

Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
1.7. Foster cooperation of border agencies through a single window for trade	1.7.1. Expand the current single window and single entry for import-export operations to include formalities with all the border agencies through one single channel for operators.	1					All border agencies, all trade operators	<ul style="list-style-type: none"> » Single window expanded, » Reduced costs and time to operators 	MOFED	Public, private and parastatal bodies in the seven NES priority sectors	Ongoing	
	1.7.2. Introduce formal cooperation and coordination among border agencies and related Ministries to streamline customs and trade formalities and procedures.	2					All border agencies, all trade operators	<ul style="list-style-type: none"> » Formal cooperation introduced, » Reduced costs and time to operators 	MOFED	Public, private and parastatal bodies in the seven NES priority sectors		
	1.7.3. Link border agencies IT systems to the single window.	2					All border agencies, all trade operators	<ul style="list-style-type: none"> » Single window expanded, » Reduced costs and time to operators 	MOFED	Public, private and parastatal bodies in the seven NES priority sectors		
1.8. Remove non-tariff barriers to trade	1.8.1. Ensure continued long-term sustainability and operation of the alert mechanism for non-tariff barriers (NTMs) and promote it among TSIs domestic and foreign operators.	1					Operators SMEs TSIs	<ul style="list-style-type: none"> » Increased use of alert mechanism, » Number of barriers lifted 	MCCI	Public, private and parastatal bodies in the seven NES priority sectors	Ongoing	
	1.8.2. Establish a formal mechanism to remove regulatory and procedural barriers and equivalent measures and to facilitate coordination among TSIs through the alert mechanism.	1					Operators SMEs TSIs	<ul style="list-style-type: none"> » Increased use of alert mechanism, » Number of barriers lifted 	MCCI	International Trade Division/ Public, private and parastatal bodies in the seven NES priority sectors	Ongoing	
	1.8.3. Conduct a systematic stocktaking of NTM issues to discuss internally, taking into consideration feedback from the stakeholder meeting to develop an action plan.	3					Operators SMEs TSIs	<ul style="list-style-type: none"> » Number of barriers lifted » Action Plan developed 	MCCI	Public, private and parastatal bodies in the seven NES priority sectors	Ongoing	

Strategic Objective 2: Strengthen the institutional framework for services												
Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
2.1. Improve institutional coordination for services sector development	2.1.1. Where appropriate, establish standing sub-committees in main services subsectors to chart out needs and requirements of each subsector, set objectives and monitor them. 2.1.2. Anchor the national policy-making and regulatory functions for services within the realm of one single institution (apex body) to oversee and steer the development of the services sector as a whole in close coordination with services hubs and to make recommendations to the Cabinet. 2.1.3. Under the identified services apex body establish a joint monitoring mechanism composed of representatives of all services related institutions and hubs to collect information from other ministries and agencies involved in services (services hubs), monitor their activities and report to Cabinet and Parliament. 2.1.4. Establish a joint private coalition of service industries (CSI) as an umbrella body and consultative forum for the service industry to coordinate subsector activities and service delivery, policy advocacy, trade intelligence and promotion.	1					All subsector TSIs businesses	<ul style="list-style-type: none"> » Standing committee established; » Progress on completion of work plan registered 	Respective TSIs, Ministries/ Ministry of Foreign Affairs	EM to lead Non- financial and non tourism, MTPA for tourism sector FSPA for financial services		
		1					All services TSIs, Businesses in the services sector	<ul style="list-style-type: none"> » Services Apex body appointed, » More efficient and effective regulation of the services sector over time 	Ministry of Finance and Economic Development (to be decided by IASCC)	MCCI, BOI, EM, MEXA, FSPA and other relevant institutions		
		1					All services TSIs, Businesses in the services sector	<ul style="list-style-type: none"> » Monitoring mechanism in place, » Regular reports and recommendations submitted to Cabinet/ Parliament 	Ministry of Finance and Economic Development (to be decided by IASCC)	MCCI, BOI, EM, MEXA, FSPA and other relevant institutions		
		1					Service subsector TSIs, operators in the services sectors	<ul style="list-style-type: none"> » Coalition of service industries established » Increased coordination and policy advocacy 	Business Mauritius and other private sector institution	MCCI, BOI, EM, MEXA, FSPA and other relevant institutions		
2.2. Improve and consolidate policy and regulatory framework for services	2.2.1. Assess regulatory gaps and areas of legal uncertainty in services sectors and clarify, complement or amend laws and regulations as necessary to remove ambiguity and seek precision in process and requirements. In particular, replace guidelines by regulations for all areas of regulatory authority. 2.2.2. Conduct a holistic review of laws and regulations pertaining to the services sector and its subsectors and to update, amend, repeal as appropriate, and consolidate them with a view of greater regulatory coherence and efficiency and in line with international best practice on services and regulatory impact assessment as appropriate.	2					All services TSIs, Businesses in the services sector	<ul style="list-style-type: none"> » Regulatory gap analysis conducted, » Number or % of guidelines replaced by regulations 	IASCC	Legal services of relevant ministries, public, private and parastatal bodies in three services sectors and five cross sector functions		
		2					All services TSIs, Businesses in the services sector	<ul style="list-style-type: none"> » Regulatory review conducted, » Number or % of laws and regulations in line with international best practice 	IASCC	Legal services of relevant ministries, public, private and parastatal bodies in three services sectors and five cross sector functions		
2.3. Improve export and investment promotion in services	2.3.1. Establish an export promotion programme for services in collaboration with different services hubs to coordinate subsector promotion activities and convey a common vision.	2					Operators in the services sector	<ul style="list-style-type: none"> » Services export promotion programme established, » Increased services exports 	Enterprise Mauritius	MCCI, BOI, EM, MEXA, FSPA and other relevant institutions		

Strategic Objective 3: Establish an implementation framework for the Mauritius NES

Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
3.1. Establish and operationalize the NES implementation framework	<p>3.1.1. Establish or identify a public-private NES governance and implementation structure (e.g. IASCC), including a technical secretariat to steer, manage and monitor the implementation of the National Export Strategy and to promote the NES among export-oriented operators.</p> <p>» This NES governance body to define the modalities of implementation of the NES</p> <p>» This central NES governance structure should work in close coordination with sector-level implementation structures as defined by priority sector strategies.</p> <p>3.1.2. Based on implementation responsibilities set out in the NES and the TSN mapping, establish a coordination mechanism under the NES governance structure to formally link implementing agencies (through MoJs or otherwise).</p>	1					All TSIs involved in NES implementation	<p>» Secretariat fully operational;</p> <p>» Number of activities / % of completion</p>	IASCC (decision to be made by Inter-Ministerial Committee for NES)	Public, private and parastatals identified in NES and its seven priority sectors and five cross sector functions (Trade Support Network)		
	<p>3.1.3. Based on the TSN mapping, develop a specialized capacity-building programme for eligible TSIs having NES implementation responsibilities at the national and the sector level to bring all eligible TSIs up to the same level through:</p> <p>» Period benchmarking,</p> <p>» Quality assurance,</p> <p>» Training and capacity building,</p> <p>» Monitoring and evaluation.</p>	2					All TSIs involved in NES implementation	<p>» Number of specific capacity-building initiatives implemented</p>	IASCC (decision to be made by Inter-Ministerial Committee for NES)	Public, private and parastatals identified in NES and its seven priority sectors and five cross sector functions (Trade Support Network)		
3.2. Support NES implementation management functions	<p>3.2.1. Strengthen the capacities of the NES implementation governing body and its executive secretariat in terms of human capital and financial resources to ensure adequate technical and operational capacity to manage effectively the overall NES implementation.</p> <p>3.2.2. Strengthen the capacities of the sector-level implementation structures in priority sectors in terms of human capital and financial resources to ensure adequate technical and operational capacity to manage effectively NES implementation at the sector-level.</p> <p>3.2.3. Assist the executive secretariat in performing key implementation management functions for the NES:</p> <p>» Project development,</p> <p>» Operational planning and budgeting;</p> <p>» Fund raising and donor relations;</p> <p>» Monitoring and reporting on implementation.</p>	1					All TSIs involved in NES implementation	<p>» Secretariat fully operational;</p> <p>» Operational budget allocated</p> <p>» Sector-level implementation structures fully operational;</p> <p>» Adequate resources allocated</p> <p>» Implementation management support in place,</p> <p>» Implementation progress</p> <p>» (number of activities and % of completion)</p>	IASCC (decision to be made by Inter-Ministerial Committee for NES)	Public, private and parastatals identified in NES and its 7 priority sectors and 5 cross sector functions (Trade Support Network)		

Strategic Objective 3: Establish an implementation framework for the Mauritius NES												
Operational objective	Activities	Priority 1=high 2=med 3=low	Implementation period					Beneficiaries	Targets	Lead implementer	Supporting implementers	Possible funding source
			2017	2018	2019	2020	2021					
3.2 Support NES implementation management functions	<p>3.2.4. Assist the executive secretariat in performing outreach, communication and policy advocacy to key stakeholders (Government, Parliament, private sector, TSIs, development partners and the general public), on a regular basis. Outreach activities include:</p> <ul style="list-style-type: none"> » NES communication and promotion plan; » Establishment and management of an NES website linked to existing major trade information platforms; » Reporting and making policy recommendations to Cabinet and Parliament; » Liaising with donors and development partners. 	1						All TSIs involved in NES implementation	<ul style="list-style-type: none"> » Implementation management support in place, » Implementation in progress » (number of activities and % of completion) 	IASCC (decision to be made by Inter-Ministerial Committee for NES)	Public, private and parastatals identified in NES and its seven priority sectors and five cross sector functions (Trade Support Network)	



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