MAURITIUS FINANCE

Mauritius International Financial Centre

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Interview
Terry Smith, Chief Executive and Chief Investment Officer, Fundsmith LLP

Building Africa
Mauritius and ESG investment opportunities in Africa

Taxation
Rethinking international taxation

Mauritius IFC
Trailblazing the global funds landscape

Mauritius has always been more than just a bridge between continents,

it is a place where ambition meets opportunity, and where global capital elects abode before finding trusted route to the high-growth markets of Africa and Asia. For over three decades, Mauritius has not only played a pivotal role for cross-border investments into emerging markets, but has also weathered change with determination and foresight, holding fast to the highest international standards. This resilience is not just a hallmark of our financial centre; it is a reflection of the collective spirit of our people, our industry, and our policymakers.

Today, the global funds landscape is serving as a key driver for sophistication, value addition, investment flows, and financial innovation. As a trusted jurisdiction, Mauritius has established itself as a gold standard for funds, standing as a recognised hub for Africa and Asia, enabling cross-border capital flows that are shaping some of the world's most dynamic growth markets.

With the introduction of innovative structures such as the Variable Capital Company, coupled with strong supervisory practices and a culture of adaptability, we provide investors and fund managers with both stability and agility. Beyond traditional markets, Mauritius is also embracing new frontiers, from virtual assets to FinTech and RegTech, widening the horizons for investors who seek future-ready solutions.

What makes Mauritius truly stand out, however, is not only our competitiveness as a domicile of choice, but the deeper promise we offer: certainty, credibility, and long-term partnership. The Mastercard Foundation 2024 Report reaffirmed Mauritius' position as Africa's sole established domicile and premier destination for Fund Domiciliation. It recognised our role as a trusted jurisdiction for international capital into Africa, a natural bridge to India, and a versatile hub for diverse funds - from private equity and venture capital to infrastructure and impact finance. The growing figures in our funds industry speak not only to the confidence placed in our jurisdiction, but also to the responsibility we carry.

Because ultimately, capital is not an end in itself - it is a force to create meaningful change. The Capital Economics Report 2021, commissioned by the EDB Mauritius, underscored Mauritius' unique value in this story, showing how our jurisdiction has become the preferred home for over 450 private equity funds, channeling more than US$82 billion of investments into Africa (nearly 9% of the continent's total FDI), creating 4.2 million jobs and generating US$6 billion annually in tax revenues for African governments.

Behind these figures are powerful examples: over US$25 billion mobilised into renewable energy in Kenya, Morocco, and South Africa, with 85% of impact funds targeting clean energy; climate-smart agriculture and water technologies helping vulnerable nations like Burkina Faso and Senegal adapt to climate change; investments in healthcare reducing import dependence and saving lives; digital platforms giving millions of out-of-school children a chance to learn; and capital flowing into agriculture, modernising the sector that employs 60% of Africa's workforce but has long been underfunded.

These are investments which empower lives, power homes, and create opportunities in classrooms. They are proof that finance, when channelled with purpose, can uplift entire communities. Impactful funds and DFIS domiciled in the Mauritius jurisdiction are pioneering this approach, showing the world that funds can deliver both competitive returns and measurable societal outcomes, and Mauritius is proud to be at the heart of this transformation.

As we chart the next chapter of our journey, our commitment remains clear: integrity in action, innovation with purpose, and growth that leaves no one behind. The progress we celebrate today is the result of shared ambition – regulators, policymakers and private-sector partners working side by side.

The Mauritius financial services industry and ecosystem will strive to not only remain a trusted hub for global funds, but also contribute to being socially impactful, globally relevant, and meticulously responsible.

Faraz Rojid,
CEO, Mauritius Finance

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Mauritius IFC: Trailblazing the global funds landscape

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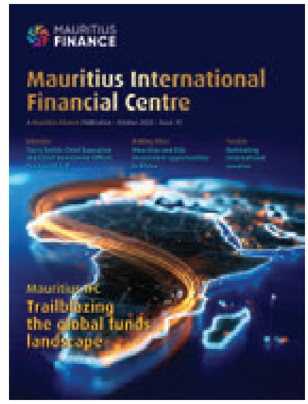

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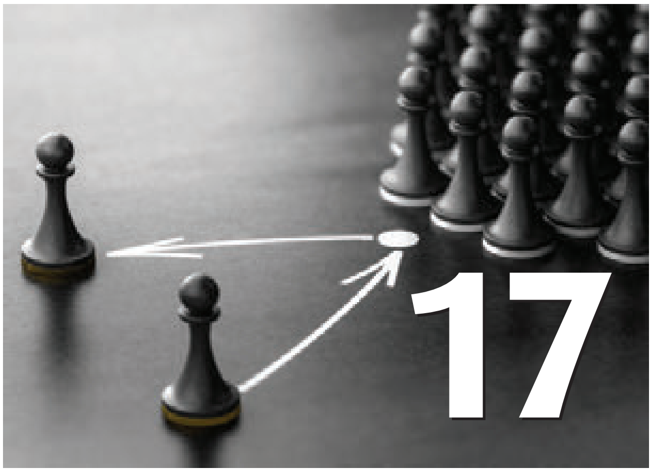
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Mauritius IFC: Trailblazing the Global Funds Landscape

As Mauritius makes its mark in successive rankings for global fund jurisdictions of note, be it the Global Financial Centres Index 38 or the Africa Wealth Report 2025, it is clear that the Mauritius International Financial Centre (IFC) comes up high in international investor searches as a domicile of substance. We speak to industry experts to understand the reasons behind Mauritius' appeal for fund management and administration, including innovative structures such as the Variable Capital Company (VCC), FinTech-friendly legislation such as the Virtual Assets and Initial Token Offering Services (VAITOS) Act, and forward-looking government mandates such as the recently released Strategy Report for the Financial Services Sector (2025-30) which highlights key focus areas for the IFC.

Traditionally, the Mauritius IFC has played a crucial role in providing structuring solutions for investors targeting Africa. The Economic Development Board notes that the island economy boasts over a thousand funds and a collective AUM in excess of USD 80 billion, with a sizeable number of them from development finance institutions and sovereign wealth funds. No wonder that Mauritius is noted as the gold standard for fund management and administration.

Sangeetha Ramkelawon, CEO, BCP Bank (Mauritius) Ltd, notes: "Mauritius has been putting in the work to reinforce its role as a trusted IFC. This effort has been constant, with ongoing alignment to international best practices and a commitment to innovation, ensuring that the jurisdiction remains relevant and competitive in areas such as sustainable finance and wealth management."

Excitingly for global investors eying the island economy, Mauritius has been ranked 52nd globally in the Global Financial Centres Index 38 (GFCI 38), released in September 2025. This marks another improvement from the previous ranking of 58, reflecting the country's ongoing commitment to enhancing its financial services sector. Slowly but steadily rising in the top 5 for the Middle East and North Africa, Mauritius has improved its ranking to 3rd place among the leading financial centres in the region, following Dubai and Abu Dhabi. Significantly, Mauritius is now the best performing IFC in Africa.

GFCI 38 also identifies financial centres that are expected to grow in prominence over the next two to three years. Mauritius features 8th among the top 15 centres globally likely to become more significant, with 29 mentions over the past 24 months, underscoring Mauritius' increasing appeal as a financial hub. Finally, in the FinTech space, Mauritius ranks 56th globally and 1st in Africa.

Against this backdrop, we turn to industry experts to understand how the jurisdiction has been leveraging path-breaking legislation and innovative fund structures alike to woo investors.

VAITOS: driving virtual transformation

The Mauritius IFC, as a growing FinTech hub, is amongst the first countries in the Eastern and Southern African region to adopt a comprehensive legislation on virtual assets and initial token offerings. The VAITOS Act, which came into force in 2022, sets out a comprehensive legislative framework to

regulate the business activities of virtual asset service providers and initial token offerings. It has been developed in accordance with international standards established by the FATF to manage, mitigate and prevent anti-money laundering and countering the financing of terrorism (AML/CFT) risks associated with these emerging and innovative business activities.

Priscilla Balgobin-Bhoyrul, Senior Partner, Dentons (Mauritius) LLP, elaborates: "Mauritius is actively laying the groundwork to become a hub for digital finance and innovation through a series of targeted legislative and regulatory initiatives. Key milestones include the Virtual Asset and Initial Token Offerings Services Act 2021, the Peer-to-Peer Lending Rules 2020, and the Crowdfunding Rules 2021. In addition, the Payment Intermediary Services (PIS) licence category under the Financial Services Act enables regulated entities to offer payment solutions, while the regulatory sandbox licence has been used to authorise novel models such as robo-advisory and AI-driven financial services."

She explains that the next step for Mauritius will be to consolidate these measures and adopt principles that balance innovation with protection, as follows:

- Proportionate, risk-based regulation that supports startups and innovation while ensuring financial stability.
- Consumer safeguards and transparency in AI-driven decision-making, including effective redress mechanisms.
- Digital identity tools (e-KYC, digital ID) to strengthen AML/CFT compliance and enhance ease of doing business.
- Digital literacy and upskilling, as highlighted in the ICT Blueprint 2025, to address the skills gap and build trust in digital adoption.
- RegTech and SupTech solutions to modernise supervision and reduce compliance burdens.

For his part, Aziz Mebarek, co-founder and co-Managing Partner of AfricInvest, states: "Mauritius has been a good example of a forward-leaning regulatory stack, catalysing innovation through a dedicated regulatory sandbox, while protecting users with a suitable licensing environment."

He goes on to add that innovation within digital finance has evolved differently across markets, largely dependent on funding access, affordable digital inclusion and data collection – creating opportunities for data analytics and AI – and the level of support through respective regulatory and licensing frameworks. He also cautions that, to balance the rapid growth in digital finance, their experience at AfricInvest has shown that in tandem with a proportionate, risk-based regulation, companies need to embed consumer protection early on through appropriate risk management, suitable disclosures, segregation of client assets and data protection – thus, safeguarding consumers without stifling innovation.

With these innovations at their disposal, he explains that AfricInvest's portfolio companies have connected more than 500m people across countries, often unbanked, to essential financial services by taking advantage of technology to improve risk assessments, lower costs and increase remittance flows – thus creating more job opportunities for both men and women.

VCC: Efficiency and protection under one umbrella

The VCC Act 2022 was a major milestone for the Mauritius IFC, offering a flexible, cost-effective corporate structure that is highly attractive to fund promoters, investors and family offices.

Rubina Toorawa, Country Head, Mauritius & Regional Head of India, Apex Group, states: "The VCC launched in 2022, is a flexible, efficient structure attracting over 150 authorised sub-funds across private equity, digital assets, and ESG portfolios. Its umbrella framework allows multiple segregated sub-funds under one legal entity, enabling tailored strategies and streamlined governance. To elevate its role, Mauritius could position the VCC as a core platform for family offices, integrating digital asset and sustainable finance capabilities, and aligning it with the broader wealth ecosystem."

On the tax implications, Rubina explains that while global business licence entities benefit from an 80% partial exemption on qualifying foreign income, this is not specific to family offices and may be impacted by the Qualified Domestic Minimum Top-up Tax (QDMTT). A five-year tax holiday exists for certain asset managers, but no dedicated incentive applies to licensed family offices, she clarifies.

"Legislative clarity, targeted reforms, and ecosystem enhancements will be key to transforming the VCC into a strategic differentiator—reinforcing Mauritius's position as a trusted, future-ready hub for global private wealth, attracting significant family office and private wealth flows from grey-listed or departing jurisdictions," explains Rubina.

Meanwhile, Shamima Mallam-Hassam, Managing Director, Trident Trust, and Chairperson, Mauritius Finance, adds: "Mauritius' VCC structure is a transformative innovation in the region's financial landscape. It offers High Net Worth Individuals (HNWIs) and Ultra High Net Worth Individuals (UHNWIs) a flexible, efficient, and cost-effective vehicle for wealth management, fund structuring, and estate planning."

"The Strategy Report 2025-30 rightly underlines the need to diversify target markets through an ambitious Africa Strategy, and this is an area where we are deeply engaged."

Sangeetha Ramkelawon,
CEO, BCP Bank (Mauritius) Ltd

"Mauritius is actively laying the groundwork to become a hub for digital finance and innovation through a series of targeted legislative and regulatory initiatives."

Priscilla Balgobin-Bhoyrul,
Senior Partner,
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She notes that a VCC can operate as a single fund or an umbrella entity with multiple sub-funds and special purpose vehicles (SPVs). With each sub-fund or SPV having the option to elect to have a distinct legal personality, this allows for ring-fencing of assets and liabilities, she explains. This also ensures creditor protection—liabilities of one sub-fund/SPV cannot affect others or the parent VCC, Shamima adds.

"A VCC structure can be suitable for HNWIs and UHNWIs as it allows for asset protection through legal segregation but also allows for cost efficiency via shared licensing and administration costs. In addition, it allows for tailored investment vehicles under one umbrella as well as tax optimisation with treaty access. Finally, the VCC will enable a better estate planning and intergenerational wealth transfer flexibility," elaborates Shamima.

The ESG Edge: Creating impact with wealth

Next, as the global affluent increasingly prioritise sustainability and impact investing, Environmental, Social, and Governance (ESG) and impact investing services are becoming indispensable. The Financial Services Commission (FSC) of Mauritius accordingly introduced new Disclosure and Reporting Guidelines for ESG Funds in March 2025, underscoring the island's commitment to integrate ESG principles throughout its financial services ecosystem. These guidelines are set to reshape how management companies, fund administrators, and corporate service providers structure and report on the funds they oversee, with 1st August 2025 being the deadline for existing ESG Schemes to submit their applications and revised offering documents to the FSC.

Sangeetha Ramkelawon emphasises: "On the wealth management side, Mauritius combines a stable economy, strong regulation, and international connectivity, making it attractive to high-net-worth individuals and family offices from Africa, Europe and Asia. Equally, sustainable finance is no longer a niche – it has become central to how Mauritius positions itself. By developing frameworks for green bonds, sustainability-linked loans, and ESG-compliant funds, our IFC is setting the stage to channel long-term capital into Africa's development priorities, from infrastructure and renewable energy to inclusive finance."

She notes in parting that BCP Bank sees this evolution as fully aligned with their ambition to be an active contributor to Africa's growth story, ensuring that finance not only supports business expansion but also delivers lasting economic and social impact.

Finally, Priscilla adds that Mauritius holds a unique position in Africa's sustainable finance landscape. "As a respected IFC with robust regulation, strong rule of law, and an extensive treaty network, the island serves as a gateway for investment into Africa. It combines political stability, investor protection, and cross-border structuring expertise — qualities that enhance its role as a platform for channelling ESG capital. On the market side, the Stock Exchange of Mauritius (SEM) is a member of the UN Sustainable Stock Exchanges Initiative and has established a Sustainability Segment for the listing and trading of instruments such as Green Bonds, Blue Bonds, Climate Bonds, Social Bonds. The Bank of Mauritius has issued a Guide for the Issue of Sustainable Bonds, aligned with international best practices, and such bonds have already been listed on the SEM. The FSC has introduced guidelines for Green and Sustainable Bonds, enhancing transparency and accountability within this market segment."

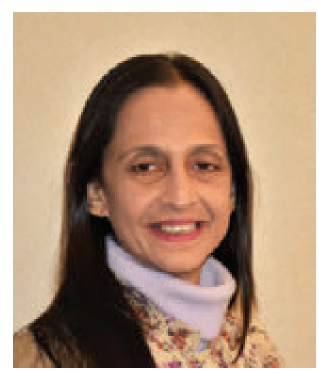
She explains that Mauritius therefore already offers one of the most credible platforms in Africa for sustainable securities. To further increase the jurisdiction's attractiveness, she suggests policy measures such as fast-tracked approvals, reduced listing fees, and targeted tax incentives, alongside expansion into sustainability-linked and transition finance instruments that reflect Africa's financing realities.

However, she cautions that while global investors are eager to deploy capital into ESG assets, viable pipelines are limited and Africa continues to face the greatest of gaps when it comes to the availability of bankable projects in this space. "Mauritius can play a pivotal role as a structuring and financing hub, combining its trusted platform with networks for project identification and capital raising. In this way, Mauritius can position itself as Africa's sustainable finance bridge — connecting international ESG investors with the continent's pressing climate and development priorities," she comments.

For his part, Aziz Mebarek explains: "The ESG and impact agenda is not reversing, it is accelerating. The impact dimension is key as ESG is defensive and mitigates risks whereas impact centres on

"Our IFC's blend of regulatory sophistication, tax efficiency, strategic location, and professional depth makes it well-placed to capture a growing share of the global wealth management market."

Shamima Mallam-Hassam, Managing Director, Trident Trust, and Chairperson, Mauritius Finance



"Legislative clarity, targeted reforms, and ecosystem enhancements will be key to transforming the VCC into a strategic differentiator."

Rubina Toorawa, Country Head, Mauritius & Regional Head of India, Apex Group measurable value creation from climate resilience to quality job creation. As climate experts say, 'Managing the inevitable and avoiding the unmanageable' captures the challenge ahead. There is an opportunity now for the Mauritius IFC (already aligned with leading standards) to evolve into Africa's go-to sustainable finance hub, and preempt the impact space using a '3Ps' approach."

He explains how the first pillar, partnerships, consists of using the new guidelines as a common language to partner with global impact investors such as GCF, DFIs, institutional investors, asset managers, and global disclosures standard-setters (SFDR, ISSB). He recommends that instead of creating frameworks from scratch, Mauritius can align with these global norms and adapt them to Africa's development priorities, ensuring credibility while maintaining local relevance.

On the second pillar, he explains that pragmatic policies must be arrived at, through implementing clear disclosure requirements that raise data quality and transparency without being overly prescriptive on investment choices initially. This allows fund managers to progressively raise ESG standards across their portfolios. Mauritius can strengthen investor confidence by standardising impact and ESG metrics and encourage open-access data platforms with granular, tranche-level information, he explains, adding that such transparency dismantles misperceptions, enabling investors to assess risk and impact more accurately.

"Leveraging methodology such as the Multiple of Impact (MOI) which AfricInvest contributed to develop jointly with the US impact consultancy firm Bridgespan, helps reveal the true economic value of investments, addressing the common imbalance where risk in Africa is overpriced and impact undervalued. Transparent, accessible data and disclosures create the proof investors need to confidently deploy capital into sustainable African projects via Mauritius," Aziz unfolds.

Finally, he highlights the importance of capacity building through the final pillar of practitioners, noting that impact and ESG financing including blended finance is complex and requires skilled practitioners.

"Just as the FSC's 2025 ICT blueprint emphasises digital skills for all to support innovation and inclusion, Mauritius should also prioritise building ESG and impact expertise. Training and attracting specialist talent to design, measure, and manage sustainable finance will enhance Mauritius's value proposition as a hub for credible, scalable, and investable sustainability solutions," he underlines.

How Mauritius is coming into its own as a global fund jurisdiction

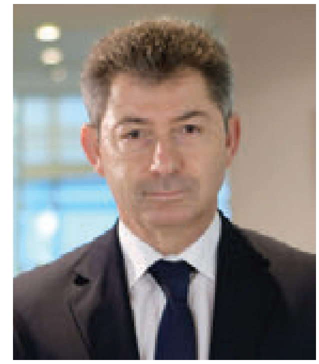
For the way forward, Sangeetha elaborates: "The Strategy Report 2025-30 rightly underlines the need to diversify target markets through an ambitious Africa Strategy, and this is an area where we are deeply engaged. Africa's pressing needs in infrastructure, healthcare, housing, and renewable energy call for long-term financing solutions, and capital markets can play a pivotal role in mobilising these resources."

For his part, Aziz explains that 'further enhancements could focus on regional coordination, continuous adoption of technologies like AI and blockchain, targeted skills development, and regular stakeholder consultations' setting the stage for Mauritius to truly take on the mantle of a regional FinTech hub of note.

From a legal paradigm, Priscilla explains that while AI presents unprecedented challenges, examples from abroad — such as the EU AI Act — show how complex it is to align innovation, consumer protection, and fundamental freedoms. "Mauritius will need to adopt a pragmatic approach that fosters technological development without stifling innovation," she adds.

On a parting note, Shamima emphasises that Mauritius is not just an alternative – but significantly for global investors – a complementary hub for global family offices, especially those with ties to Africa and India. "The Mauritius IFC's blend of regulatory sophistication, tax efficiency, strategic location, and professional depth makes it well-placed to capture a growing share of the global wealth management market," she concludes.

Finally, Rubina stresses that to fully capture its potential as a fund management hub for the region, Mauritius must enact dedicated family office legislation, offer tax and residency incentives, and build a robust ecosystem of legal, fiduciary, banking, FinTech, and ESG services. "With supportive government infrastructure and high-quality lifestyle offerings, Mauritius is well-placed to become a trusted, future-ready hub for global and regional wealth holders," she concludes.



"There is an opportunity now for the Mauritius IFC (already aligned with leading standards) to evolve into Africa's go-to sustainable finance hub."

Aziz Mebarek,
co-founder and co-Managing Partner of AfricInvest

MR PAUL BRUMMELL CMG,

BRITISH HIGH COMMISSIONER TO MAURITIUS

The UK's Strategic Vision for Mauritius's Financial Future

Paul Brummell CMG, His Majesty's High Commissioner to the Republic of Mauritius, discusses how the UK's Strategic Partnership Framework will support Mauritius's financial hub ambitions. He highlights collaboration on sustainable finance, wealth management, and capital markets.

Mr. Paul Brummell CMG was officially appointed as His Majesty's High Commissioner to the Republic of Mauritius in July 2025, marking a new and significant chapter in his distinguished diplomatic career. He brings to this role an extensive and diverse background, forged over three decades in key postings around the globe.

His impressive career has seen him serve as British Ambassador to a range of nations, including Latvia from 2021 to 2025 and Romania from 2014 to 2018. Before that, his experience as High Commissioner to Barbados and the Eastern Caribbean, and as Ambassador to Turkmenistan, Kazakhstan, and Kyrgyzstan, equipped him with a unique and comprehensive understanding of global affairs. This rich portfolio demonstrates his adaptability and a deep comprehension of the intricate political and economic landscapes across Europe, Central Asia, and the Caribbean.

In his capacity as the UK Government's most senior representative in a Commonwealth nation, Mr. Brummell is responsible for the full range of work carried out by the High Commission. This includes fostering political and economic relations, promoting trade and investment, and overseeing cultural affairs. For Mauritius, the appointment of a diplomat of his calibre is particularly significant. His proven track record in promoting economic ties and his experience in a variety of diplomatic roles suggest a keen focus on leveraging the diplomatic framework for mutual benefit.

His leadership is expected to be instrumental in shaping the future of this bilateral relationship, building on shared values and historical ties. We now turn to our conversation with Mr. Brummell to gain his unique insights on the journey that led him here and his strategic outlook for the future of the UK-Mauritius partnership. Excerpts:

Mauritius recently unveiled a five-year strategy aimed at future-proofing its International Financial Centre. Can you specify which elements of this strategy, such as its focus on sustainable finance or wealth management, are of highest priority for UK collaboration?

The five-year strategy is part of the ambitious vision of the Mauritian Government to reinforce its position as a regional financial hub – and this is a vision that the UK will continue to support through the new UK-Mauritius Strategic Partnership Framework. We are doing so by sharing our expertise in areas where the UK is leading globally. Take sustainable finance as an example – the UK has expertise in areas such as green bonds (which help fund green projects), Environmental Social Governance standards (which guide responsible business practices), and climate-related financial reporting.

We can help other countries build systems for identifying green investments, adhere to all the related rules and regulations, and set up investment funds and legal structures that work across different countries. This makes it easier for investors to manage their assets internationally while meeting the legal and tax requirements of multiple jurisdictions. Plus, with today's cutting-edge technology, we can co-develop new digital tools to make wealth management more efficient. In addition, we have a leading financial technology

sector which enables collaboration on digital banking, payments, cybersecurity, and digital identity solutions.

These are substantial opportunities for partnership, and we are eager to explore how our combined expertise can deliver tangible results for both the UK and Mauritius, as well as the broader region.

We have a leading financial technology sector which enables collaboration on digital banking

Mauritius has made notable progress in its AML/CFT framework, and the UK's support for the upcoming FATF review is a key part of your framework. What are the main challenges you foresee in this new review, and how can Mauritius proactively address them to maintain its reputation as a trusted jurisdiction?

There are common approaches to navigating the FATF review which are always worth bearing in mind. It is a demanding, technical process that every country, including the UK, struggles with. So, like all good exams, it is best to start preparing early.

Firstly, establishing responsive and comprehensive coordination mechanisms between ministries and law enforcement agencies is essential. Secondly, the private sector are particularly valuable partners who are here to help us understand the real-world situation beyond the raw statistics. Thirdly, the standards themselves are regularly updated. So, adapting and responding to the current standards is also a good tip. Finally, a well-coordinated conversation with the international community on technical assistance really helps everyone.

The Stock Exchange of Mauritius is working to attract more foreign listings and investment. How can the UK, with its deep and liquid capital markets, facilitate greater cross-border investment flows between London and Port Louis?

As you know, London is home to a significant number of international investors - approximately 60% of listed shares are foreign-owned. As a result, a London listing enables companies to interact with global market participants, which can facilitate access to global capital, support business expansion, and provide liquidity.

African companies should leverage this strategic positioning of the UK and engage in dual listings between the London Stock Exchange (LSE) and African exchanges. This approach can provide access to a broader base of global investors, enhance liquidity, and offer opportunities for strategic acquisitions. The track record speaks for itself - in the past decade, more than 114 African companies raised over £16 billion on the LSE. Noteworthy recent transactions include Africa Finance Corporation, an infrastructure investor headquartered in Lagos, which listed a $500 million Eurobond in March.

> The financial services industry can only grow through stronger collaboration

There are also opportunities for smaller enterprises within the London market. The Alternative Investment Market (AIM), for example, offers a platform for smaller companies to raise capital under a lighter regulatory framework, supported by nominated advisers known as Nomads.

The London market continues to evolve to better serve international companies. The UK's recent Leeds Reforms (which streamline the Senior Managers and Certification Regime, speeds up regulatory approvals, and modernises the redress system) have created additional pathways and opportunities for African high-growth companies within the London/UK market.

Looking at the long-term, what do you believe is the single most important action Mauritius and the UK can take together to ensure the sustained growth and competitiveness of the Mauritian financial services sector?

The financial services industry can only grow through stronger collaboration. We would encourage African capital markets to integrate more closely with those of the UK and establish robust market fundamentals. For instance, reducing settlement times in Mauritius from the current T+3 to align with the UK standard of T+1 would be a significant step forward. However, enhancements to local infrastructure and regulatory environments are critical, and a thorough assessment of the Mauritian context should be the initial focus.

UK companies and advisors can play an instrumental role here as they offer extensive expertise in regulatory frameworks, risk management, and financial innovation. This expertise is being strengthened through the UK's Modern Industrial Strategy 2025, which identifies financial services as one of eight key growth sectors, and the Financial Services Growth & Competitiveness Strategy - a ten-year plan to reinforce the UK's position as a leading global hub while driving innovation. African countries, like Mauritius, can greatly benefit from this wide-ranging expertise to better align with global best practices and compliance standards in financial services.

Post-colonial evolution of private wealth in Africa: succession, risk, and diversification

Henry Brandts-Giesen and Priscilla Balgobin-Bhoyrul of Dentons dive deep into the wealth landscape in Africa and explore how Mauritius is helping the continent's affluent in building legacies for tomorrow through professional planning and international strategy.

Africa's post-colonial era has witnessed seismic shifts in its economic, social, and cultural landscapes. At the heart of these changes is the remarkable rise of private wealth, fuelled by the emergence of dynamic middle classes across many African nations. As families accumulate wealth and consider the future, the imperative for expert-led, professional succession planning becomes ever more pressing.

This article explores the forces driving the evolution of private wealth in Africa, the necessity of structured inter-generational transition, and the strategic benefits of diversification, particularly the establishment of satellite family offices in neutral jurisdictions such as Mauritius.

Drivers of private wealth and the rise of the middle class

The post-colonial period in Africa set the stage for a transformative economic journey. Historically, colonial systems concentrated wealth and stifled local entrepreneurship. Following independence, newly empowered governments pursued policies aimed at economic liberalisation, regional integration, and infrastructure development. The resulting environment fostered innovation, investment, and the rapid growth of indigenous businesses.

In the past two decades, Africa's middle class has expanded at an unprecedented pace. According to the African Development Bank, over 350 million Africans now fall within the middle-income bracket. This demographic shift is propelled by urbanisation, improved education, access to technology, and diversified employment opportunities, moving the locus of economic power from state actors and multinationals to locally owned enterprises and professionals. Families that once relied solely on agriculture or government employment now own businesses, invest in real estate, and participate in global markets.

Challenges to inter-generational wealth transfer

Despite its promise, African private wealth faces unique challenges. Among these is the complexity surrounding succession planning. Many first-generation wealth creators lack experience in transitioning assets and leadership roles to the next generation. Cultural norms sometimes deter open discussion about inheritance, while legal and regulatory frameworks for trusts and estates are often fragmented or underdeveloped.

Neglecting professional succession planning can have profound consequences. Without a clear roadmap, family businesses risk fragmentation, disputes, and even dissolution. Assets may be eroded by taxation, legal challenges, or mismanagement. In contrast, expert-led succession planning, which includes legal structuring, governance frameworks, and leadership development, ensures the continuity of family legacy and business resilience.

The value of expert-led succession planning

A professional approach to succession planning brings several benefits:

- **Objectivity and experience:** External advisers provide impartial guidance informed by international best practices and local realities.
- **Legal and tax optimisation:** Structuring wealth through trusts and holding companies can minimise risks and enhance asset protection.

By Henry Brandts-Giesen, Dentons

Priscilla Balgobin-Bhoyrul, Dentons

- **Governance:** Establishing clear governance mechanisms fosters trust and collaboration among family members.
- **Leadership development:** Structured plans include education and mentoring for successors, preparing them for future stewardship.

Risk-based perspectives in wealth management

In an increasingly complex world, risk management is central to preserving and growing family wealth. African economies, while dynamic, sometimes present political, regulatory, and currency risks. Concentrating assets within a single jurisdiction exposes families to unforeseen shocks, such as expropriation, policy changes, or conflict.

A risk-based approach encourages diversification — not only of asset classes but also of jurisdictions. Families should regularly assess exposure to local risks and consider strategies that enhance agility and resilience.

Diversification and the satellite family office model

One powerful way to achieve diversification is by setting up a satellite family office in a neutral third country. Mauritius, for example, has emerged as a premier jurisdiction for African families seeking global reach and stability. Its robust legal framework, advanced financial infrastructure, and reputation for political neutrality make it an attractive base for wealth management.

Key merits of establishing a family office in Mauritius include:

- **Regulatory clarity:** Mauritius offers transparent and investor-friendly laws. It has a hybrid system, with common and civil law influences, and a well-developed Trust and Foundation regime suitable for estate planning and asset protection.
- **Compliance and Governance:** Mauritius has built a robust and internationally recognised AML-CFT framework, with well-developed laws, strong regulatory oversight and a commitment to global best practices. This is reassuring for Family Offices that strive for compliant jurisdictions and that seek reputational safety.
- **Tax efficiency:** The absence of capital gains and inheritance tax in Mauritius as well as free repatriation of capital and a large network of DTAAs and IPPAs with other African countries also contribute to the country's attractiveness.
- **Geopolitical neutrality:** As a politically stable nation, Mauritius acts as a safe harbour during regional turbulence.

- **Access to expertise:** The country boasts a pool of skilled professionals in law, finance, and wealth management, with most of them speaking at least two languages.
- **A great place to relocate:** Mauritius consistently features as a great place to live and recent reports[1] list Mauritius as an incoming destination for millionaires, with a projected growth of 95% in the number of millionaires in Mauritius over the coming decade.

> The post-colonial period in Africa set the stage for a transformative economic journey

Conclusion

Africa's post-colonial evolution of private wealth is a story of opportunity, transformation, and growing sophistication. As families accumulate wealth and strive to preserve it for future generations, the need for expert-led succession planning is paramount. Coupled with a risk-based approach and strategic diversification — such as the establishment of satellite family offices in Mauritius — African families can secure their legacies, empower the next generation, and continue to shape the continent's future prosperity.

1. henleyglobal.com

Unlocking Global Wealth: Mauritius as an Emerging Hub for Wealth Management and Family Offices

Avikesh Loday of Trive Financial Services Ltd explains how Mauritius is poised to support the African affluent with a compelling platform for wealth management and family office structuring, offering a sophisticated and comprehensive suite of services, innovative wealth management structures, a strong professional talent pool, and a business-friendly environment.

Over the past two decades, the global wealth management industry has undergone a profound transformation. Rapid economic growth in emerging markets, the rise of new wealth in technology and entrepreneurship, and shifting priorities among affluent families toward sustainability, impact, and intergenerational legacy have all played a role. Family offices — once discreet entities catering to old-world wealth in Europe and North America — are now among the fastest-growing segments of the private wealth ecosystem. They provide bespoke services far beyond investment management, encompassing governance, succession planning, philanthropy, and lifestyle management.

According to recent global wealth reports, the African continent has experienced a significant increase in high-net-worth individuals (HNWIs) and ultra-high-net-worth individuals (UHNWIs). African families are increasingly turning to family offices and International Financial Centres (IFCs) to safeguard capital, professionalise wealth management, and implement robust governance structures capable of spanning generations.

In this environment, where HNWIs, UHNWIs, and global family enterprises seek safe, strategic, and efficient ways to preserve and grow their wealth, Mauritius is rapidly emerging as a preferred IFC. Combining tax efficiency, political stability, regulatory sophistication, and strategic connectivity, Mauritius is positioning itself as a compelling platform for wealth management and family office structuring.

Purpose and Governance: The Cornerstones of a Successful Family Office

At the core of every enduring family office lies a clearly defined and intentional purpose. This purpose serves as a strategic compass, guiding governance, shaping investment philosophy, and fostering meaningful family engagement. High-performing families articulate a clear vision of what they want their wealth to achieve. By centralising decision-making, they ensure investment strategies, estate planning, and tax considerations are managed cohesively. This integrated approach supports generational continuity, safeguarding wealth while enabling effective stewardship over time.

Wealth without governance is inherently fragile. Establishing professional boards, investment committees, and family councils is essential to building resilience and sustaining success. Clear succession plans, well-defined roles, and formalised conflict resolution frameworks further strengthen the structure. Strong governance promotes accountability, reduces emotional decision-making, and ensures efficient management, growth, and seamless transfer of wealth across generations.

Mauritius IFC: A Growing Role in Wealth Management

Mauritius has evolved into one of the most respected financial hubs in the region, offering a strong legal and regulatory framework, a diversified services range, and deep global connectivity. Historically a regional offshore centre, it has provided tax-efficient structures for global investors.

According to the Africa Wealth Report 2025, Mauritius is home to 4,800 millionaires (USD), many of whom choose the jurisdiction for its stability, certainty, and security when structuring their investments. Affluent African families increasingly aspire to preserve wealth and protect their legacies through long-term capital preservation. Mauritius provides value as a trusted partner, offering flexible, cost-efficient, and internationally compliant structures.

Traditionally, jurisdictions such as Switzerland, Singapore, Dubai, Hong Kong, and London have been the preferred destinations for domiciling family offices. Mauritius, however, has the potential to emerge as a strong contender for African families seeking to establish their family offices. Over the years, the financial services have evolved from providing administrative support to a sophisticated and comprehensive suite of services, including strategic advisory, tax planning, legal guidance, and investment management.

Wealth Management Structures in Mauritius

Mauritius stands at the forefront of global wealth management evolution, offering a suite of investment vehicles which includes Trusts, Foundations, Protected Cell Companies (PCCs), and Variable Capital Companies (VCCs), tailored to the needs of wealthy families, entrepreneurs, and private clients. The Mauritius VCC, introduced in recent years, provides a flexible and compelling option for optimising investment structures. Its benefits include investor protection, segregation of Sub-Funds and Special Purpose Vehicles, cost-effectiveness, and tax efficiency.

Affluent families seeking a stable, compliant base for managing their global affairs can also leverage the Mauritius Family Office Scheme. This framework provides dedicated licences for both Single Family Offices (SFOs) and Multi-Family Offices (MFOs). The regulatory structure offers credibility, certainty, and a 10-year tax holiday (subject to eligibility), making it ideal for entities servicing multiple families or managing substantial family wealth. Family offices in Mauritius function as centralised platforms to oversee investments, estate planning, governance, philanthropy, and other aspects of family wealth management.

> High-performing families articulate a clear vision of what they want their wealth to achieve

Conclusion

Mauritius is no longer simply a tax-efficient holding jurisdiction. It is transforming into a holistic platform for global families to manage, preserve, and grow wealth across generations. As family wealth becomes increasingly global, multi-generational, and purpose-driven, Mauritius is adapting its ecosystem to meet emerging needs:

- Digital wealth platforms and fintech integration are evolving rapidly.
- Impact investing and sustainable finance are gaining traction among family offices.
- Family governance and next-gen engagement are becoming central to structuring solutions.

With world-class legal frameworks, flexible wealth structuring tools, a strong professional talent pool, and a business-friendly environment, Mauritius is well-positioned to unlock global wealth. It offers families more than a place to safeguard capital — it provides a platform to plan, protect, and grow their legacy for generations to come.

By Avikesh Loday,
Director,
Trive Financial Services Ltd

Powering Africa Through Mauritius IFC

By Aslam Taher, Head of Wholesale Banking; Corporate and Investment Banking (CIB), Absa Mauritius

The next surge of capital into Africa will not arrive by accident. It will move through trusted gateways that combine legal certainty, market access and execution depth. Mauritius has been building precisely that proposition over the past three decades, positioning its International Financial Centre (IFC) as a leading hub for Africa-focused funds and sustainable finance.

Today, Mauritius is home to more than 450 private equity funds investing across the continent, with nearly USD 40 billion already structured through its IFC. This is not a coincidence. It reflects the fact that investors prefer platforms where cross-border rules are clear, enforcement is predictable, and capital can move freely.

One of the strongest differentiators of the Mauritius IFC today is its growing reputation as an ESG and impact investment hub for Africa. The country's regulators and market institutions are actively aligning with global standards on sustainability, disclosure and governance. This shift resonates with the priorities of long-term investment fund managers looking to finance renewable energy, sustainable agriculture, digital infrastructure and food security projects that deliver both returns and measurable impact. In 2025, Absa Bank Mauritius secured a USD 75 million funding line for sustainable finance from Proparco, a development finance institution supporting private investment in fast-growing markets. The funds will be allocated to climate co-benefit projects, including large-scale solar energy developments, certified green buildings and innovative waste-to-resource initiatives.

The Mauritius IFC has consistently innovated its fund structures to attract international investors. Among its most notable offerings is the Variable Capital Company (VCC) framework, which provides fund managers with flexibility in structuring sub-funds, ring-fencing liabilities, and scaling operations. The VCC model has become particularly attractive for private equity, venture capital and impact funds targeting Africa. Such structures give Mauritius a comparative advantage over other jurisdictions, especially for fund managers seeking a cost-effective, credible and investor-friendly base to channel capital into African opportunities.

Mauritius' role as a financial hub is reinforced by its status as host to key multilateral and development finance institutions (DFI), which use Mauritius as a strategic base to strengthen financing capacity across the continent. The presence of these institutions signals confidence in Mauritius as a jurisdiction, while also giving investors access to trusted co-financing partners for their African strategies.

Mauritius also stands out for its strong network of bilateral agreements, DTAAs and IPPAs with African and major international partners.

It is the only African country with a trade pact in force with China and the first African partner to sign India's Comprehensive Economic Cooperation and Partnership Agreement (CECPA). Together, these corridors anchor Mauritius as a bridge that links Asian capital to African opportunity. This web of agreements makes it easier for investors to structure cross-border transactions, repatriate capital and mitigate risks in complex jurisdictions.

Unlike many African markets, Mauritius imposes no exchange controls, enabling the free flow of capital, reducing friction for investors deploying capital across multiple jurisdictions. This efficiency strengthens its position as the most reliable entry point for funds targeting Africa.

With a Pan-African footprint and international offices in key hubs such as Beijing, London and New York, Absa Bank Mauritius can provide the financing tools to help funds deploy capital faster, manage liquidity and deliver stronger outcomes for investors. Absa is at the forefront of this evolution with a comprehensive suite of fund financing solutions designed to support funds across their lifecycle.

At the outset, during the capital raise period, Absa provides facilities to fund managers, known as GP (General Partner) lines that allow them to meet their own commitments alongside investors. In the investment period, Absa offers subscription line facilities which act as short-term bridge loans, giving funds immediate access to liquidity rather than waiting for investor capital to be drawn. The result is quicker deal execution, smoother working capital management, and greater flexibility, all of which enhance performance and investor returns. As funds move towards the realisation phase, Absa provides net asset value (NAV) facilities secured against the fund's portfolio. These allow managers to return capital to investors earlier, finance follow-on investments or manage roll-overs into new funds.

Alongside financing solutions, Absa also provides a robust custody offering that supports funds in managing their investments securely and efficiently. Through our custody platform, funds can benefit from safekeeping of assets, efficient settlement, and comprehensive reporting. Together, these solutions ensure that Mauritius-domiciled funds benefit from greater flexibility, efficiency and resilience in their operations.

By partnering with Absa, investment managers not only gain access to capital but also on-the-ground expertise across Africa to transform commitments into sustainable growth stories, a reflection of how we are invested in your stories.

Economic Diplomacy as a De-Risking Strategy and the Critical Role of IPPAs in Africa-Bound Investments

Mr. A. Kundasamy of the Economic Development Board explains how Mauritius is leveraging its network of Investment Promotion and Protection Agreements (IPPAs) to inspire confidence and trust in the jurisdiction, by showcasing to investors its innate ability to negotiate a sovereign shield over global investment capital.

The global investment landscape is defined by two constants: the search for higher returns and the demand for risk mitigation. For decades, the flow of capital, particularly into dynamic emerging markets across Africa, has been hampered, not by a lack of opportunity, but by perceived political and legal uncertainties.

The Government's new strategic vision for the Mauritius International Financial Centre (IFC) seeks to address this head-on, leveraging economic diplomacy as a powerful tool to de-risk investment and secure a new level of confidence for global fund managers.

My professional experience, from diplomatic postings at the Joint Monitoring and Evaluation Commission (JMEC) for the implementation of the Agreement on the Resolution of the Conflict in the Republic of South Sudan, and as High Commissioner in South Africa and the United Kingdom, has repeatedly highlighted one truth: economic stability is inseparable from political stability. The Government of Mauritius is deeply committed to expanding this principle, viewing the protection of cross-border investment as a diplomatic imperative that underpins our national financial strategy. We recognise that, to be a truly trusted global financial centre, we must offer a unique competitive advantage rooted in sovereign assurances and compliance. This advantage is codified in our extensive network of IPPAs.

Investment Protection Moving Beyond Tax Efficiency

For many years, Mauritius was primarily known to international investors for its essential network of Double Taxation Avoidance Agreements (DTAAs). While necessary for fiscal efficiency, a DTAA focuses mainly on tax residency and preventing income from being taxed twice. It is a vital framework, but it does not directly address the fundamental security concerns of an investor whose capital is deployed into a new, complex jurisdiction.

This is where the network of IPPAs comes to the front. These are bilateral treaties signed by Mauritius with numerous countries, many of them key African and regional partners. Unlike tax treaties, IPPAs focus exclusively on creating a legally secure environment for investment. They act as a binding sovereign guarantee, established by international law, and provide investors with clear, actionable rights. By routing an investment through Mauritius, the IPPA framework is activated, effectively adding an essential layer of protection and certainty, and providing a clear signal of jurisdictional safety.

Jurisdictional Protection through our IPPAs

One of the core value propositions of Mauritius is the provision of a robust jurisdictional protection against risk. IPPAs are powerful de-risking tools that translate diplomatic commitment into measurable investor confidence, particularly for private equity funds, development finance institutions, and large corporate entities.

The IPPA guarantees can be summarised into four protections:

Guarantee Against Expropriation

The agreements strictly mandate that investments cannot be nationalised or seized by the host state except for public purposes, under due process, and only against prompt, adequate, and effective compensation. This is the ultimate backstop against political risk and arbitrary state action.

> IPPAs focus exclusively on creating a legally secure environment for investment

Fair and Equitable Treatment (FET)

This clause ensures that foreign investors are treated fairly in accordance with international legal standards. It prevents arbitrary or discriminatory actions by the host government that could unfairly damage the investment, requiring the host state to maintain a stable, predictable business climate.

Most-Favoured-Nation (MFN) Treatment

This provision ensures that Mauritius-based investors are treated no less favourably than investors from any other country when it comes to the management, maintenance, use, and enjoyment of their investments. It prevents discriminatory policies that could target specific foreign capital flows.

Access to International Arbitration

Most importantly, if a dispute arises between the investor and the host state, the IPPAs provide the right to move beyond local courts and refer the matter to an independent third-party forum, such as the International Centre for Settlement of Investment Disputes (ICSID) or the Permanent Court of Arbitration (PCA). This removes the risk of local judicial bias and ensures an impartial, internationally recognised resolution mechanism for critical situations.

This robust legal architecture demonstrates Mauritius' commitment not only to compliance but to juridical integrity, a cornerstone of the new government's vision.

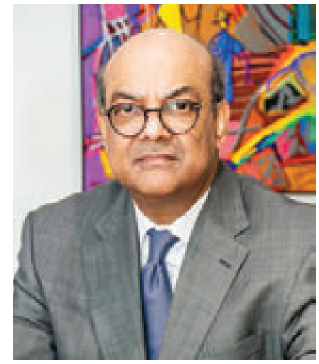
Economic Diplomacy

The expansion and proactive promotion of our IPPA network represent the new government's focus on sophisticated economic diplomacy. This is not passive rulemaking; it is the strategic use of international law and state-to-state relations to create a more secure ecosystem for investment. Our diplomatic efforts are now centred on reinforcing this framework, ensuring our partner nations recognise and honour the protections afforded by these treaties, thereby elevating the overall protection of the capital we channel.

Furthermore, we are actively strengthening the domestic legal environment, maintaining the right of appeal to the UK Privy Council, a historical link that provides a final layer of legal certainty independent of local political cycles. This move is part of a strategy to position the Mauritius IFC not merely for convenience, but as a prime and protected platform for long-term, sustainable investment across the African continent and the Indian Ocean rim.

For the international business community, this translates into a powerful and compelling message:

By choosing Mauritius as your platform for Africa-bound investment, you are choosing a jurisdiction that has used its diplomatic goodwill and embodying a sophisticated, tried and tested legal network to negotiate a sovereign shield over your capital. This strategic focus ensures that Mauritius remains a global leader in responsible, sustainable, and protected cross-border finance, delivering confidence and capital where they are needed most.



By Mr. A. Kundasamy, CEO, Economic Development Board

Mauritius–UAE: A Strategic Bridge to Africa

AfrAsia Bank's Nadeem A Carrim explains how the synergy between the Mauritius International Financial Centre (IFC) and the Dubai International Financial Centre (DIFC) creates unique opportunities for value creation across both ecosystems.

In today's competitive global marketplace, few cities rival Dubai's ability to attract world-class businesses and investors. Its continued momentum has enabled the UAE to emerge as one of the most influential financial and commercial hubs across the Middle East, Africa, and South Asia.

This success is underpinned by the UAE's forward-looking diversification strategy, with financial services at its core. The DIFC, supported by a robust regulatory framework and a business-friendly tax regime, has become a magnet for global firms and sovereign investment funds. By mid-2025, the number of hedge funds in DIFC had risen by 72% year-on-year from 50 to 85, underscoring Dubai's growing financial magnetism.

As a global transit point linking Asia, Europe, and Africa, Dubai is playing a catalytic role in unlocking African potential. Over USD 50 billion of UAE capital is already deployed in Africa's key sectors: energy, infrastructure, logistics, and agribusiness, reinforcing its influence on the continent's development trajectory.

Mauritius and Dubai: Strategic Partners in Growth

Though geographically distant, Mauritius and the UAE share a strong alignment in economic vision.

Dubai stands as a premier hub for global commodity trading and corporate structuring, while Mauritius serves as a trusted platform for trade and finance into Africa, a continent rich in both hard and soft commodities.

Mauritius's investment-grade sovereign rating of Baa3, reaffirmed by Moody's in July 2025, highlights its legal certainty, economic stability, and fiscal appeal — qualities that make it a natural partner for DIFC-based firms scaling into Africa.

The Comprehensive Economic Partnership Agreement (CEPA), signed between the UAE and Mauritius in July 2024, has formalised this strategic bridge, enabling capital, expertise, and opportunity to flow more freely between the two jurisdictions. While Mauritius channels significant Foreign Direct Investment into Africa, an increasing number of African entrepreneurs and funds are now leveraging Dubai as a cross-border investment and financing hub. This synergy between the Mauritius IFC and the DIFC creates unique opportunities for value creation across both ecosystems.

Bridging Purpose and Performance: ESG and Green Finance

Dubai brings scale, speed, and global reach; Mauritius complements this with a strong focus on Environmental, Social, and Governance (ESG) principles, and on Green and Sustainable Finance. Evolving international ESG regulations are shaping local initiatives, including new mandatory ESG disclosures for financial institutions in Mauritius. These measures help align local frameworks with global green strategies and meet rising investor demands for transparency.

The challenge lies in tailoring sustainable finance taxonomies to local realities while maintaining flexibility to attract foreign investment. With Capital Economics estimating that 9% (USD 82 billion) of investment into Africa flows through Mauritius — and with the continent requiring USD 350 billion for SDG-aligned projects — Mauritius is positioned as a key driver of impactful, sustainable investment.

By Nadeem A Carrim, Head of Global Business & Senior Executive Officer for the DIFC branch office of AfrAsia Bank

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AfrAsia Bank: Connecting the Dots Across Africa and Asia

Guided by its vision for the Africa–Gulf corridor, AfrAsia Bank marked a major milestone in June 2025 with the launch of its branch office in the DIFC, its first foothold in the Middle East. Under a DFSA Category 4 license, the Bank is expanding its suite of cross-border financial services and strengthening the strategic link between Mauritius and the UAE.

This development aligns with another significant milestone: the entry of The Access Bank UK Ltd as a new majority shareholder for AfrAsia Bank Limited. As part of Access Bank Plc, one of Africa's largest banking groups with over 60 million customers, The Access Bank UK Ltd brings deep expertise and a global footprint spanning London, Paris, Malta, Dubai, and Hong Kong. This partnership broadens AfrAsia Bank's reach and reinforces its mission to serve clients with ambitions across Africa, Asia, and the Gulf.

From its Dubai base, AfrAsia Bank is committed to building deeper connections across the UAE, Saudi Arabia, Qatar, and Egypt. The Bank delivers bespoke cross-border solutions to High-Net-Worth Individuals, institutional investors, and family offices from wealth structuring and trade facilitation to multi-currency transactional banking, customised treasury management, and private banking services.

By strengthening its pan-African reach and fortifying its presence in the UAE, AfrAsia Bank reaffirms its commitment to serving clients and stakeholders with solutions that span continents. The Mauritius–UAE corridor stands as a vital, stable, and well-connected gateway for global investors seeking to tap into Africa's potential.

Leveraging Mauritius to build Africa's growth ecosystem

Nousrath Bhugeloo of Nexus Global Financial Services Ltd explains how the African Continental Free Trade Area is creating opportunities for Mauritius to act as a bridge for the continent's diverse markets to meet AfCFTA trade rules, handle compliance in one place, and connect more easily to regional supply chains.

By Nousrath Bhugeloo, Executive Director and Chairperson, Nexus Global Financial Services Ltd

Africa is on the cusp of an economic transformation. With 1.4 billion people across 55 countries, abundant natural resources, and a youthful workforce of 10–12 million new entrants each year, the continent's potential is vast. But scale alone is not enough — unlocking it requires infrastructure, strategic policy, and platforms that connect markets, capital, and opportunity.

The African Continental Free Trade Area (AfCFTA) is the continent's boldest step in that direction. Once fully operational, it will create the world's largest single market by the number of countries, with a combined GDP of over US $3.4 trillion.

AfCFTA: A New Era for African trade and investment

Africa has 55 AU member states. The AfCFTA has 54 signatories, all except Eritrea, and 48 ratifications as of early 2025. More importantly, the number of countries actively trading under AfCFTA provisions has expanded from just seven in 2023 to 24 in July 2025, including regional economic leaders such as Nigeria, South Africa, and Egypt.

This gradual but steady uptake is starting to have measurable effects. According to Afreximbank, intra-African trade grew by 12.4% in 2024, reflecting the early benefits of tariff reductions, harmonised rules of origin (now agreed for 88% of goods), and streamlined customs procedures. The Guided Trade Initiative, a pilot programme involving early-mover countries including Mauritius, has shown how goods and services can flow more efficiently under the AfCFTA framework.

The barriers businesses still face across African markets

While the AfCFTA promises to dismantle tariff walls, the reality on the ground is that non-tariff and regulatory barriers still slow down the flow of trade. Businesses face a patchwork of legal systems, differing licensing requirements, and varied compliance norms that make cross-border expansion complex and costly. Rules of origin, customs processes, and technical standards often diverge from one jurisdiction to another, creating delays and uncertainty. Infrastructure shortfalls compound the problem. Congested ports, poor road and rail connectivity, and limited logistics capacity can undermine the cost and time advantages the agreement is meant to deliver. Currency volatility and the reliance on foreign exchange for settlement further add to operational risk, particularly for SMEs with tight margins. The Afreximbank Band introduced the Pan-African Payment and Settlement System (PAPPS) which is designed to help solve this problem.

Legal certainty is another hurdle. While the AfCFTA has a dispute settlement mechanism, its practical use remains limited, leaving businesses without a proven track record for cross-border conflict resolution. Uneven economic capacity among member states also fuels protectionist pressures, with some governments hesitant to liberalise fully for fear of revenue loss or local industry disruption. In this fragmented environment, even digital trade, a growth driver for many African economies, is held back by inconsistent data regulations and uneven digital infrastructure. For companies without the resources to navigate this regulatory mosaic, these obstacles can erode first-mover advantage; for those with the right base and advisory support, they become navigable challenges on the path to continental growth.

Mauritius: Africa's Trusted Gateway

Mauritius has built a track record as one of Africa's most stable and credible international financial centres (IFCs), underpinned by political stability, a

hybrid legal system blending English common law and French civil law, and a commitment to international standards. Its network of double-taxation treaties and investment protection agreements offers practical advantages for structuring cross-border operations. As per Capital Economics, the Mauritius International Financial Centre channels over USD 82 billion in foreign direct investment into Africa each year, supporting an estimated 4.2 million jobs and generating USD 6 billion in tax revenue.

More than a jurisdiction of convenience, Mauritius functions as a genuine enabler of African trade and investment. It was part of the initial cohort of eight countries selected for the AfCFTA's Guided Trade Initiative in October 2022, demonstrating its practical commitment to advancing the continent's integration goals.

Structuring for cross-border growth under AfCFTA

The AfCFTA framework reduces tariffs, simplifies customs processes, and harmonises certain trade standards. But taking full advantage requires a structure that satisfies both commercial needs and compliance requirements. In some sectors, preferential tariff treatment under AfCFTA depends on meeting rules of origin, which are criteria that prove goods are produced or sufficiently processed within member states.

A Mauritius-registered entity, whether a Global Business Company (GBC) or an Authorised Company (AC), can help coordinate and document such compliance by centralising procurement contracts, maintaining transparent supply-chain records, and housing value-adding activities (e.g., processing, assembly, or services) within AfCFTA jurisdictions. These entities also give businesses access to Mauritius' treaty network, which can reduce withholding taxes and improve legal protections when operating in multiple African markets.

Positioning today for the next decade of opportunity

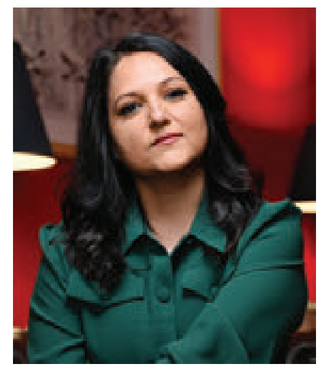
AfCFTA's full benefits will unfold over time, but the direction is already set: by 2035, the integrated African market could reach US $7 trillion in value, with intra-continental trade volumes projected to be more than 80% higher than today. Businesses that establish a foothold now, while the framework and its supporting institutions are still evolving, are best placed to shape supply chains, influence standards, and build early market share.

Mauritius offers direct access to African markets, backed by stable governance, solid infrastructure, and clear regulations. Its location between Africa and Asia makes it a practical base for managing operations in multiple countries. Setting up in Mauritius allows businesses to meet AfCFTA trade rules, handle compliance in one place, and connect more easily to regional supply chains.

> Mauritius has built a track record as one of Africa's most stable and credible IFCs

A Continental effort towards shared prosperity

As Africa's growth narrative is shaped by its dynamic people, Tarishma Damry Kundomal of Aurevya Wealth Ltd explains how Mauritius can support by not just building connections but contributing efforts towards crafting a continent of opportunity.



By Tarishma Damry Kundomal, Deputy CEO, Aurevya Wealth Ltd

Africa is not waiting to be built. It is building itself. Across the continent, governments, institutions and communities are working together to shape a future that is inclusive, resilient and globally connected. From Dakar to Dar es Salaam, Lusaka to Lomé, the momentum is unmistakable. The continent's transformation is being driven by Africans, supported by regional allies and strengthened by international collaboration.

Mauritius, as part of this wider network, contributes its expertise and resources in alignment with continental goals. But the story of Africa's rise is not about any one nation. It is about a shared journey built on trust, innovation and mutual respect.

Finance and Investment: Connecting Capital to Opportunity

Africa's financial landscape is evolving rapidly. Regional development banks, sovereign wealth funds and pan African investment platforms are pooling resources to finance infrastructure, agriculture and clean energy. These efforts are supported by cross-border agreements that reduce investment risk and promote transparency.

Mauritius participates in these frameworks, offering financial structuring expertise and regulatory support. But the real engine of growth lies in partnerships between African financial institutions, public agencies and private investors who are co-designing instruments tailored to local needs. Blended finance models, diaspora bonds and sustainability linked loans are helping unlock capital for projects that matter.

Efforts to harmonise financial regulations across regions are also gaining traction. Initiatives promoting inclusive banking, mobile finance and transparent governance are creating a more integrated and accessible financial ecosystem for African entrepreneurs and communities.

Technology and Digital Transformation: Building Digital Ecosystems

Africa's digital economy is expanding at an unprecedented pace. Mobile penetration, ecommerce and fintech are reshaping how people live and work. This transformation is being led by African innovators, supported by regional alliances that promote digital inclusion and policy alignment.

Collaborative initiatives such as Smart Africa and the African Union Digital Transformation Strategy are helping countries develop shared frameworks for data governance, cybersecurity and infrastructure. Mauritius contributes technical expertise and participates in joint platforms, but the momentum is driven by African tech ecosystems working together to build scalable solutions from mobile banking in West Africa to e-learning in the Horn of Africa.

Digital public infrastructure, including interoperable payment systems and digital identity programmes, is being developed through regional cooperation. These tools are essential for expanding access to services and enabling cross-border commerce.

Agriculture and Food Security: Advancing resilience together

Africa's agricultural potential is vast, yet food insecurity remains a challenge. Climate smart farming, regional value chains and shared research are helping countries address these issues and build more resilient food systems.

Joint programmes between African research institutes, farmer cooperatives and agribusiness networks are improving yields, reducing waste and expanding access to markets. Mauritius supports these efforts through knowledge exchange and investment partnerships, but the leadership comes from African communities and institutions working together to transform agriculture.

Efforts to reduce post-harvest losses, improve irrigation and promote agro-processing are creating new opportunities for rural development and regional trade.

Education and Skills: A pan-African vision for learning

Africa's demographic dividend will only be realised through coordinated investment in education and skills. Regional universities, vocational centres and digital learning platforms are collaborating to expand access, improve quality and align curricula with the demands of a changing economy.

Mauritius engages in these networks through academic partnerships and regional education initiatives, but the driving force is the continent-wide commitment to empowering youth. From coding bootcamps in Nairobi to leadership academies in Accra, Africa is cultivating the talent that will shape its future.

Digital learning tools are being deployed in remote areas, supported by regional education funds and public private partnerships. These efforts are helping bridge the education gap and prepare students for the jobs of tomorrow.

Health Systems and Innovation: Strengthening capacity across borders

The COVID-19 pandemic underscored the importance of regional health cooperation. Africa responded with joint procurement mechanisms, shared research and coordinated public health strategies. These efforts continue today, with countries working together to build vaccine manufacturing hubs, improve disease surveillance and expand access to care.

Mauritius contributes through training programmes and telemedicine partnerships, but the broader movement is continental. African health ministries, universities and innovation clusters are leading the charge to build robust, equitable health systems.

Collaborative efforts in biotechnology, diagnostics and health data are helping improve outcomes and prepare for future health emergencies.

Urban Development and Infrastructure: Designing the cities of tomorrow

Africa's urbanisation is among the fastest in the world. Regional planning bodies, municipal alliances and infrastructure funds are collaborating to design cities that are inclusive, sustainable and digitally connected.

Mauritius shares its experience in smart city development and climate adaptive planning, but the vision is African led. From green housing projects in Kigali to integrated transport systems in Addis Ababa, cities across the continent are reimagining urban life through shared innovation and community engagement.

Efforts to improve waste management, expand public transport and promote renewable energy are creating healthier and more liveable urban environments.

Climate Action and Sustainability: A united response

Africa is disproportionately affected by climate change, yet it is also leading in climate innovation. Regional coalitions are advancing renewable energy, carbon markets and climate finance strategies that reflect African priorities.

Mauritius participates in these efforts through green finance and environmental diplomacy, but the leadership is shared. African nations are co-developing climate policies, investing in clean technologies and advocating for fair climate financing on the global stage.

Collaborative projects in solar energy, reforestation and coastal protection are helping communities adapt and thrive.

Building Africa is a shared endeavour

Africa's development is not being shaped by any single actor. It is being built through collaboration, solidarity and shared purpose. Mauritius, like many others, plays a role in this journey, contributing where it can and learning from its partners.

The future of Africa will be defined by how well its nations work together, how they pool resources, exchange knowledge and align their visions. In this collective effort, every contribution matters. And Mauritius, as part of the African family, remains committed to building not just connections but a continent of opportunity.

> Africa's development is being built through collaboration, solidarity and shared purpose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Unlocking Africa's Capital Flows: Why Partnerships Matter More Than Ever

MauBank's Officer in Charge of International Banking, Mahanand (Rajesh) Shamboo explains how Mauritius is well poised to host the partnerships that will define the future of cross-border payments, trade and remittances across the continent.

Africa's economic growth is outpacing that of other parts of the world. According to the United Nations Economic Commission for Africa, the continent's GDP is projected to expand by 3.8% in 2025 and 4.1% in 2026. This trajectory keeps the continent among the world's fastest-growing regions, second only to Asia. With its young population, vast resources and 54 diverse markets, Africa should be a natural magnet for investment.

While the opportunities are vast, the challenge of access remains – fragmented regulations, uneven financial systems, and a shortage of trusted local partners mean that cross-border capital still struggles to flow at scale.

Partnerships are central to turning Africa's growth momentum into sustained capital flows. Governments, banks, development financial institutions, law firms and service providers each bring a vital piece to the ecosystem. International investors contribute scale and funding capacity, while African institutions contribute deep market knowledge and on-the-ground networks. When these strengths converge, capital can move with greater confidence, opportunities are unlocked more quickly, and investments are better positioned to deliver long-term value across the continent.

Mauritius IFC: Bridging global finance and African opportunity

Mauritius has established itself as one of the most effective bridges between global finance and African opportunity. Its strength lies not only in geography but in the institutions it has built. The island operates under a hybrid legal system that blends common and civil law, offering investors both certainty and protection. A network of 46 double taxation agreements and a series of investment protection treaties has made it a reliable conduit for cross-border structuring. Political stability, transparent regulation and adherence to international standards further reinforce its reputation as a trusted jurisdiction.

> Mauritius has positioned itself as a platform for ESG, impact investment and climate finance

Geography still matters. Located at the crossroads of Africa and Asia, and sharing overlapping time zones with Europe, Asia and the Middle East, Mauritius has become a natural base for regional headquarters, fund domiciliation and financial transactions.

How the Mauritius IFC is connecting the dots for investors

Today, the country is extending its role into the priorities shaping global finance. It has positioned itself as a platform for ESG, impact investment and climate finance. Green bonds, blended finance and climate-adaptation projects are already being routed through Mauritius, taking advantage of its governance standards and transparency. At the same time, significant investment in digital infrastructure and fintech innovation is equipping the island to host the partnerships that will define the future of cross-border payments, trade and remittances across the continent.

At MauBank, we see the role of the banking system in the Mauritius IFC as more than simply moving capital across borders. For international investors, entering African markets often involves setting up corporate structures, meeting due diligence requirements and ensuring that banking infrastructure can support operations efficiently.

The close cooperation between Mauritian banks and other stakeholders such as management companies, law firms and corporate service providers helps streamline this process. The advantages for investors are clear: access to multi-currency accounts, treasury and forex solutions, trade finance facilities and faster turnaround times.

Partnerships do more than streamline investment; they also create safeguards. Regulated management companies and professional advisors oversee entity structuring and compliance, while corporate service providers engage with regulators to ensure transparency and accountability.

Promoting partnerships, beckoning a future of greater collaboration

Africa's financial ecosystem is also evolving. The next decade is likely to bring greater collaboration between traditional players and new entrants: FinTech innovators, development finance institutions, ESG certifiers and impact investors. Development finance institutions will continue to play a catalytic role, using blended finance, guarantees and technical assistance to draw in private capital that might otherwise stay on the sidelines. FinTechs are expected to widen access, especially among younger populations, while digital platforms will channel investment more efficiently into priority areas such as SME growth, infrastructure and climate resilience.

Unlocking Africa's capital flows is not about a single institution or product. It depends on building ecosystems of trust. Partnerships, rather than silos, will shape the continent's financial future, and collaboration will determine how far that future can go.

By Mahanand (Rajesh) Shamboo, Officer in Charge of International Banking at MauBank

The next phase: Mauritius and ESG investment opportunities in Africa

In this article, Tania Li of Orison Legal explains how Mauritius is well poised to pivot from a platform for domiciled funds to a dynamic sustainable investment hub that can channel diverse forms of capital – from blended finance to sustainable bonds – into Africa.

As global capital increasingly aligns with sustainable development goals, international financial centres (IFCs) have evolved beyond their traditional roles. Whilst historically recognised as fund domiciliation hubs, these IFCs are becoming active enablers of climate and environmental progress and Mauritius has the potential to lead the broader agenda of becoming the ESG capital gateway into Africa.

The Study on Africa as a Jurisdiction for Domiciliation of Investment Vehicles[1] published in November 2024 highlights the jurisdiction's position as a leading fund domicile, distinguished by its enabling environment through regulatory stability, operational efficiency, and a robust legal and financial infrastructure. However, the report also points to a deeper opportunity: fund domiciliation is not the only way to attract capital to Africa and driving investment capital of all types remains critical[2].

Mauritius is well positioned to pivot from a platform for domiciled funds to a dynamic sustainable investment hub that channels diverse forms of capital (for example from blended finance to sustainable bonds) into Africa. This evolution can empower African fund managers, asset managers, and other financial intermediaries to expand their reach beyond borders and support the expansion of entrepreneurial ventures as well as the continent's dynamic micro, small and medium enterprise (MSME) ecosystems.

Mauritius regulators take proactive steps to align with ESG best practices

Indeed, Mauritian regulators in the recent years have taken deliberate steps to shift into this direction to align with global sustainability trends and encourage the growth of these varied capital flows, notably through the publication by:

- the Bank of Mauritius (BOM) of the "Guide for the Issue of Sustainable Bonds in Mauritius" in 2021, aimed at providing a framework for environmentally focused debt issuance aligned with international best practices;
- the Financial Services Commission (FSC) of the "Guidelines on the Issue of Corporate and Green Bonds" in 2021, detailing regulatory requirements (including eligibility thresholds, minimum issue size, and disclosure obligations amongst others) to reinforce market integrity and support the BOM's Guide; and
- the FSC of the "Disclosure and Reporting Guidelines for ESG Funds" earlier this year, concerning disclosure and accountability standards for funds incorporating ESG criteria.

Whilst these regulatory foundations reflect the intent and commitment of Mauritius to laying the groundwork, the question remains whether additional steps can be taken to develop a more comprehensive ecosystem and strengthen the jurisdiction's leadership in this area.

> Mauritius must regulate potential greenwashing risks and factor in the high cost of ESG reporting

By Tania Li, Partner, Orison Legal

How Mauritius can take additional measures to strengthen its ESG credentials

Existing frameworks focus heavily on attracting funds and promoting bond issuance[3], and can be expanded to support other ESG-related financial products and services.

Beyond those current measures and campaigns promoting Mauritius as an IFC, one potential strategy worth exploring would be to take advantage of the current FinTech landscape to: (a) launch a digital platform in Mauritius connecting MSMEs seeking ESG-aligned funding with capital sources such as impact banks, development finance institutions, and venture funds; and (b) create an ESG-focused database of stakeholders operating from Mauritius with the aim of enhancing transparency and building trust among investors and prospective fund managers.

The platform and database can also serve as a repository for verified ESG data. Mauritius may further leverage its capabilities both for sustainable finance and inclusive FinTech innovation by developing a regional incubator network with a central platform hosted in Mauritius similar to the Monetary Authority of Singapore's (MAS) ESG Impact Hub, which can be designed with a dedicated focus on MSME development and support. Capital flows through Mauritius into Africa can be channelled not only via traditional vehicles (such as funds) or through bonds, but also by alternative mechanisms such as digital financing instruments, blended finance structures, or crowdfunding platforms. By anchoring these initiatives in Mauritius, the jurisdiction could strengthen its value proposition as an IFC focused on sustainability, governance, and inclusive growth. Over time, this ecosystem has the potential to attract a critical mass of ESG-aligned investors and FinTech innovators, driving greater capital inflows through Mauritius into Africa.

Mauritius can develop a regional incubator network with a central platform hosted in the economy

Other measures may include extending tax incentives to other key players (such as impact verifiers and auditors) willing to establish operations in Mauritius; offering financial support to eligible entities to cover the expenses of obtaining ESG reports or certifications (akin to the initiatives of the MAS); and facilitating fund passporting initiatives (as seen in Singapore and Abu Dhabi) with key markets and IFCs (such as Rwanda, Nigeria and South Africa) to enable investment vehicles domiciled in Mauritius to market to African investors.

On the flip side, Mauritius must also prepare to navigate challenges such as regulating potential greenwashing risks and the high cost of ESG reporting particularly for MSMEs. Balancing innovation with investor protection will be key to maintaining credibility and attracting long-term capital.

By building on existing strengths and embracing new strategies, Mauritius can redefine its IFC identity by anchoring transparency, sustainability and inclusion through those ESG-driven indicatives.

1. Commissioned by the Mastercard Foundation in partnership with Mennonite Economic Development Associates.]
2. Page 13 of the Study.
3. Such as income tax exemptions on interest derived by individuals and companies from sustainability bonds or sustainability-linked bonds, creating attractive incentives.

TERRY SMITH
CHIEF EXECUTIVE AND CHIEF INVESTMENT OFFICER, FUNDSMITH LLP

"Mauritius should concentrate on the basics which are needed to attract and retain financial services"

International fund manager Terry Smith shares his views on the current global environment and what needs to be done to strengthen the financial services sector in Mauritius, based on his experience since moving his fund management business to the island over a decade ago.

How do you perceive the current global environment for international fund managers?

If you are involved in finance and investment you cannot fail to notice the daily torrent of headlines on world events and the accompanying "analysis". The wars in the Ukraine and Gaza, the attack on Iran plus the Trump Tariffs. There is plenty to comment on and worry about. How to approach this? I would suggest it should mostly be ignored because the outcomes are mostly unknowable and markets are second order systems.

What do I mean by a second order system? In order to make a good investment decision you would need to know not only what is about to happen but also what the market is expecting so that you can anticipate its reaction. Take a specific example - the Trump Tariffs and Nike, the world's largest trainer brand. Nike makes all of its trainers outside the United States, mostly in Vietnam. Tariffs on Vietnam were originally mooted at 63%, and then 46%, but a deal has been struck at 20%. Could you have predicted that? Unlikely, but even if you could, can you tell how the burden of tariffs will be spread between the manufacturers, Nike itself, the retailers and the consumer? How will Nike's competitors, such as Adidas and Puma, react and how will the consumers react? Hopefully by now you may have gained the impression that being able to predict these events with any accuracy, let alone the Nike share price reaction, then is unlikely. So my view is that you should make up your mind whether or not you want to own shares in the world's largest trainer company and then ignore the ~~news~~ noise.

Despite dismissing attempts to predict the impact of geopolitics and macroeconomics I will make one observation. The Trump administration clearly wishes to reduce the US trade deficit and he is also vociferous about his desire to see the Fed lower interest rates. These aims are incompatible with a strong Dollar and in fact the USD Trade Weighted Index declined by 7.5% in the first half of 2025. This has significant impacts on investments in America and in companies which derive revenues in Dollars. And in my view that is not the end of the move.

How do you see the position of the Mauritius International Financial Centre today?

I have been involved in financial services in Mauritius for over ten years since I moved here and based my fund management business Fundsmith here. We manage some $40 billion of assets for investors worldwide.

Financial services is the single largest sector of the Mauritian economy and much there has been a lot of discussion during my time here about how to arrest the decline in this important sector of the economy.

What steps can be taken to reinforce the financial services sector on the island?

Let me start with what has been tried and has not worked and will never work:

- Solutions which involve buzzword bingo. There is plenty of research which shows that company managements which involve in corporate gobbledegook fail. CEO's who waffle about "agility", "leveraging their positions", "reaching out" and "circling back" are doomed to failure. Similarly, Mauritius will not find a solution to the problems of the financial services sector in "workshops" which produce "Blueprints" or "roadmaps". Workshops and blueprints are used by people in engineering. Roadmaps are for use in cars. Solutions which have a chance of success do not rely on buzzwords. They result from meetings from which a plan emerges. Simple language without buzzwords is indicative of clarity of thought rather than gimmickry.

Solutions which have a chance of success do not rely on buzzwords

- Never, ever, ever rely on consultants.

- There are no magic bullets. There seems to be an assumption that if we pass a law to allow captive insurers, Family offices, Variable Capital Companies ("VCCs") or blockchain or crypto then somehow magically they will arrive in Mauritius. For example, since the law to allow captive insurers was passed I am not aware of a single one which has moved to Mauritius.

- Sectors which are under pressure cannot rescue us. Banking is under pressure from private credit and peer-to peer lending, payment processors like Mastercard and Visa and disruptive entrants - that have none of the physical assets or overheads of traditional banks - like Revolut. Plus of course the regulatory pressure for more capital, less risk and greater focus on non-financial goals like so-called sustainability. A sector under such pressure is not going to provide an engine of growth.

- It's NOT all about communication. How many times must we hear that "It's all about communication" and "Mauritius needs a PR campaign". To say what exactly? Until you have a clear and compelling message, communication is useless.

  As an analogy I often cite to demonstrate the correct order of priorities is a mid-air emergency. Pilots are taught that the order of priorities is "Aviate, navigate, communicate". First fly the plane. Then work out where you are so that you don't hit anything and can make it to a landing site. Only then should you bother communicating. An exemplary demonstration of this is Captain Sullenberger's successful emergency landing in the Hudson River in New York. At one point all he says to air traffic control is "Unable". He was busy flying the plane and looking for somewhere to land it, aviating and navigating. Communicating with air traffic control could not save him any more than a PR campaign can save financial services in Mauritius.

So apart from avoiding repetition of those mistakes, what should Mauritius do about the financial services sector? I would take my cue from some of the best sports team coaches. There are many analogies between sports and business which both seem to ignore. When a team is performing poorly a good coach will often ask them to concentrate on getting the basics right - running fast and hard, passing accurately and tackling hard. The issues will not be solved by importing new players or innovative tactics, those have to wait until the basics are good enough.

Mauritius has historically performed well in ease of doing business indices. What advice would you have in terms of improving the overall business environment in the country?
Mauritius should concentrate on the basics which are needed to attract and retain financial services and indeed many other businesses.

Mauritius used to trumpet its high ranking in the World Bank's Ease of Doing Business Survey. This was discontinued in 2020 and has been replaced by the B-Ready (B for Business) survey which ranks countries on a wider range of factors. A couple of these are instructive. On Utility Services, Mauritius ranks behind Chad, the Gambia, Madagascar and West Bank and Gaza (fortunately before it was bombed)! How exactly do we expect to attract financial services businesses like fund management and wealth management which are quintessential people businesses or even stop the brain drain of staff from Ebene to Luxembourg if we cannot provide access to potable water and electricity for them?

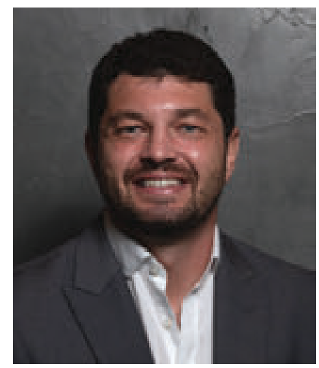
There are no magic bullets

In the 2024 B-Ready report Financial Services in Mauritius was ranked below Pakistan and the Philippines and that's just from countries that begin with P. The ranking on Dispute Resolution is similarly lamentable, ranking behind Ghana, for example. But at least we have an Attorney General who seems to recognise the need to reform the judicial system.

Another adage of good sports coaches is to build on your strengths. The standout strength of Mauritius in the B-Ready report is its competitiveness on taxation where it ranks close to Hong Kong and Singapore. This is the foundation stone of the Mauritian financial services sector and destroying it could be terminal, which makes the recent Budget all the more worrying.

FinTech as the new financial universal language

Taras Kushnirenko of MAGMA Finance explains how FinTech is globally reshaping how capital flows, how firms operate, and how economies connect, becoming the universal language of finance in the process.



By Taras Kushnirenko,
Head of Client Services,
MAGMA Finance

Not so long ago, English became the language of business, travel, and diplomacy. Today, money is learning to speak its own global tongue – and that language is FinTech. Imagine a street vendor in Nairobi accepting payment with a quick scan, or a student in Paris splitting rent through an app. No jargon, no forms, no borders – just tap, send, done.

FinTech has reduced finance to simple, universal gestures: pay, save, invest. It replaces queues with clicks and turns once-exclusive services into daily routines. More importantly, it opens doors for people who were never invited to the traditional banking table. This isn't just technology; it's a universal financial conversation already underway.

Origins and Evolution: From Local Banks to Borderless Apps

The story of FinTech stretches further back than many realise. Its roots lie in the innovations of the twentieth century: the first ATMs of the 1960s, the expansion of electronic money transfers in the 1970s, and the global card networks that connected continents. These systems did not exist to disrupt banks. They were designed to extend banking's reach, to make institutions more efficient and accessible.

For decades, financial technology lived in the shadows of traditional institutions, an invisible support system rather than an independent force. That began to change in the early 2000s. As the internet spread and mobile devices became ubiquitous, technology broke free from the walls of the bank branch. Peer-to-peer lending, mobile wallets, and online platforms revealed a new possibility: finance could be delivered directly, without traditional gatekeepers. What had been "banking technology" evolved into something broader – a sector in its own right.

For most of the twentieth century, financial services were tied to geography. Opening an account required

FinTech has reduced finance to simple, universal gestures: pay, save, invest

a branch visit. Sending money abroad meant signatures, intermediaries, and patience. Access to money was shaped by where you lived and which institutions operated nearby.

FinTech has dismantled that geography. With a smartphone, a migrant worker in Europe can send wages home instantly, bypassing the queues and fees that once defined remittances. Platforms such as Wise or Revolut make it possible to hold multiple currencies at once, while PayPal has become a default tool for millions of small businesses. The experience is consistent across borders: open the app, confirm, complete.

The consequence is profound. Finance is no longer anchored in place; it is a network in motion. By replacing distance with immediacy, FinTech has transformed money from a local service into a global utility – accessible, portable, and recognisably the same wherever it is used.

B2B FinTech: The Hidden Backbone - Companies at the Frontier

While consumer apps capture the headlines, much of FinTech's most transformative work unfolds behind the scenes. Business-to-business, or B2B, FinTech rarely appears in newsfeeds, yet it quietly rewires the foundations of commerce.

Payment processors and gateways have become the arteries of global trade, allowing merchants to accept payments from customers anywhere in the world. Application programming interfaces (APIs) now let start-ups plug in services such as identity verification, compliance checks, or lending without building complex systems from scratch. For corporations, FinTech tools streamline cross-border payments, payroll, and treasury management.

This shift reflects a deeper change in financial architecture. Instead of competing with banks, many FinTech firms supply them with the tools they need: fraud detection, cloud-native infrastructure, or data analytics. What was once an industry is becoming infrastructure – a modular system where traditional institutions and technology companies operate in partnership.

To the casual observer, B2B FinTech may be invisible. To the historian of finance, it is the quiet revolution making the modern economy possible.

If FinTech is both mature and unfinished, its evolution can be traced through the companies shaping its trajectory. Stripe, for instance, has grown into the backbone of online commerce. By offering simple APIs, it allows millions of businesses – from global retailers to garage start-ups – to trade seamlessly across borders. Wise has redefined the costly, opaque world of international transfers, setting a new standard for transparency and speed.

Alongside these giants, newer players are emerging to define the future. Magma Finance illustrates this next wave. Positioned at the intersection of technology and finance, it reflects the broader industry shift from serving only consumers to building platforms for businesses and entire markets. Companies like Magma Finance demonstrate that FinTech is not just about apps on a smartphone. It is about reshaping how capital flows internationally, how firms operate, and how economies connect.

Together, these examples highlight an important truth: FinTech is not a single industry but a network of innovations. Some firms have already achieved global scale, while others are just beginning their journey. Collectively, they make FinTech both established and unfinished – anchored in the present yet constantly reaching for the future.

Conclusion

So, is FinTech mature or still emerging? The answer is both. On the surface, it has already become part of everyday life. Payments, transfers, and investments that once felt novel are now routine. Companies such as PayPal, Stripe, and Wise prove that FinTech can operate at the scale of traditional institutions.

Yet beneath this maturity lies constant reinvention. Financial inclusion remains incomplete, business infrastructure is still evolving, and innovators like Magma Finance show how new energy continues to push the boundaries. FinTech is not a static product but an ongoing process – an ecosystem that adapts to technologies, regulations, and expectations.

Just as English became the shared language of global exchange, FinTech is emerging as the universal tongue of finance. It connects strangers across continents, bridges economic divides, and turns everyday transactions into part of a worldwide conversation. That conversation is only just beginning.

> FinTech is not a single industry but a network of innovations

How Mauritius is becoming Africa's digital finance launchpad

With global-grade regulation, deep capital market expertise, and a blockchain-ready legal framework, Claude Harvey of Apex Group explains how the island nation is setting the pace for Africa's FinTech future.

A New Chapter for Africa's Financial Gateway

In the race to define Africa's digital finance future, Mauritius is quietly but decisively pulling ahead. Long trusted as a conduit for investment into African markets, the island is now positioning itself as a launchpad for FinTech and blockchain ventures that need both credibility and agility.

For decades, Mauritius has played a critical role in channelling global capital into Africa's most promising sectors – energy, infrastructure, telecommunications, and beyond. Its reputation is built on political stability, sound governance, and a legal system rooted in a hybrid of English and French law. This foundation has earned the trust of institutional investors and multinational corporations alike.

Now, with the rise of digital assets and FinTech innovation across Africa, Mauritius is leveraging this reputation to capture a new wave of economic activity. By combining its well-established fund management expertise with a forward-thinking approach to virtual assets, the jurisdiction is bridging the gap between traditional finance and the fast-moving digital economy.

An Infrastructure Built for Cross-Border Growth

Mauritius's competitive edge is underpinned by its

By Claude Harvey, Head of Business Development, Apex Group

robust financial infrastructure. The country maintains 46 double taxation agreements with major trading partners, ensuring that cross-border investments are structured efficiently. It also boasts a sophisticated network of banks, law firms, accounting practices, and corporate service providers – many with decades of experience in complex, multi-jurisdictional transactions.

According to the FSC, as of January 2025, Mauritius is home to 942 active investment funds – spanning private equity, real estate, infrastructure, and development finance – are domiciled in Mauritius. These funds collectively manage billions of dollars in assets, much of it targeted at African growth markets. This established ecosystem is now being adapted to support the needs of FinTech start-ups, digital asset exchanges, tokenisation projects, and blockchain-based financial services.

Crucially, the country's workforce is not only highly educated but also financially literate and multilingual – fluent in English and French, and conversant in regional African and Asian business cultures. This cultural agility makes Mauritius an ideal base for ventures serving both Africa and Asia, particularly given its strategic location in the Indian Ocean.

> A key strength of Mauritius is its ability to integrate blockchain-based solutions into traditional finance

The VAITOS Act: A Regulatory Turning Point

The transformation of Mauritius into a digital finance hub has been accelerated by the Virtual Assets and Initial Token Offerings Services (VAITOS) Act. Enacted to align with the Financial Action Task Force (FATF) requirement for licensing of virtual asset service providers, VAITOS provides a comprehensive, transparent framework for regulating the digital asset ecosystem.

The Act covers:

- Virtual Asset Exchanges – licensing and operational requirements for trading platforms.
- Custody Services – rules for safeguarding client assets with robust security and segregation standards.
- Tokenisation and Issuance – clear procedures for both utility and security token offerings.
- Advisory Services – requirements for entities providing consulting or brokerage in digital assets.

This clarity is a rarity in many emerging markets, where regulatory uncertainty can deter serious investors and innovators. By offering a predictable, globally aligned legal framework, Mauritius has positioned itself as a safe harbour for digital asset ventures seeking both innovation freedom and investor protection.

Why Regulation Matters in Africa's FinTech Boom

Africa's FinTech sector is experiencing rapid growth – driven by mobile penetration, a young population, and limited access to traditional banking. From mobile payments in Kenya to blockchain-based remittances in Nigeria, innovative solutions are reshaping how people and businesses transact.

However, growth without governance carries risks. In markets with weak or unclear regulation, digital asset ventures can operate without proper oversight, exposing consumers to fraud, market manipulation, and security breaches. Investor confidence can evaporate quickly in such environments.

Mauritius offers an alternative model – one that recognises the importance of innovation but pairs it with robust, transparent oversight. The VAITOS Act requires that all licensed operators adhere to strict anti-money laundering (AML) and counter-terrorist financing (CFT) measures, meet capital adequacy requirements, and maintain operational resilience. This creates a safer environment for both investors and consumers, without stifling growth.

Bridging Traditional Finance and Blockchain Innovation

One of Mauritius's greatest strengths is its ability to integrate blockchain-based solutions into the traditional financial system. For fund managers, this means the possibility of launching tokenised funds

Five Reasons to Base Your Digital Asset Venture in Mauritius

1. **Globally Aligned Regulation** – The VAITOS Act aligns to the Financial Action Task Force (FATF) requirement for licensing of virtual asset service providers.
2. **Established Fund Ecosystem** – 942 active funds with institutional governance structures.
3. **Strategic Location** – Bridging Africa and Asia with overlapping business hours.
4. **Skilled Workforce** – Multilingual professionals with deep financial and legal expertise.
5. **Political and Economic Stability** – A jurisdiction for long-term investment.

Quick Facts – Mauritius and Digital Finance

- 46 double taxation treaties.
- 950+ active funds domiciled.
- Top 15 globally in World Bank Ease of Doing Business rankings.
- Bilingual workforce fluent in English and French.
- FSC regulates both traditional finance and virtual assets.

that retain familiar governance structures while benefiting from the efficiency, transparency, and global reach of distributed ledger technology.

This blending of old and new is not just theoretical. Projects in Mauritius are already exploring how blockchain can streamline cross-border settlements, enhance supply chain finance, and expand access to investment products in underserved African markets. Tokenisation can open private equity and infrastructure projects to a broader investor base, creating new opportunities for capital mobilisation.

The Strategic Location Advantage

Geographically, Mauritius sits at a crossroads – linking Africa, Asia, and the Middle East. Its time zone overlaps with major financial centres in both regions, making it a convenient operational base.

The island's modern telecommunications infrastructure supports seamless digital operations, ensuring that FinTech ventures can connect with partners, clients, and regulators in real time.

The Road Ahead

Mauritius is not resting on its laurels. The Financial Services Commission (FSC) continues to refine the VAITOS framework, engaging with industry stakeholders to ensure that regulation keeps pace with technological change. The government is also investing in digital infrastructure, cyber security readiness, and talent development to maintain the island's competitive edge.

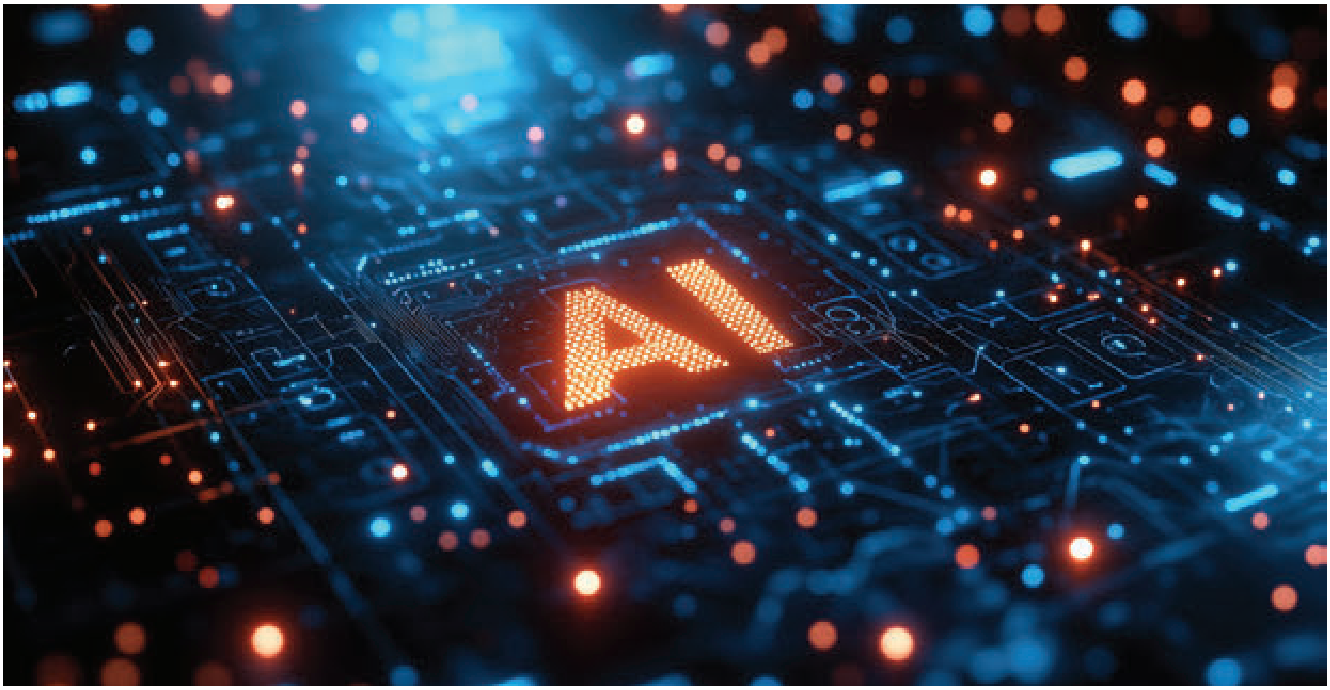
As the demand for regulated, cross-border digital finance grows, Mauritius's blend of stability, innovation, and connectivity will only become more valuable. The island nation is poised not just to participate in Africa's FinTech future – but to lead it.

> Mauritius' transformation into a digital finance hub has been accelerated by the VAITOS Act

Conclusion: A Call to Action for Innovators and Investors

Africa's digital finance story is still being written, and Mauritius has positioned itself at the centre of the narrative. It offers what few other jurisdictions can: a proven financial services platform, a globally respected regulatory framework for digital assets, and a strategic location that connects two of the world's most dynamic regions.

For FinTech founders, asset managers, and institutional investors, the message is clear: if you want to bridge traditional finance with Africa's emerging digital economy, start in Mauritius. In doing so, you align with a jurisdiction that values both innovation and trust – two ingredients that will define the winners in the next chapter of global finance.



The race for AI leadership: Mauritius' strategic play for African dominance

In this article, Nikhil Kumar and Nityesh Pradeep Peetumber of Zinnia Group explain how Mauritius is slowly but surely positioning itself as Africa's AI powerhouse.

In the global race for artificial intelligence dominance, an unexpected contender is emerging from the Indian Ocean. Mauritius, better known for its pristine beaches and luxury resorts, is 'quietly' positioning itself to become Africa's leading AI hub. With a population of just 1.3 million, this small island nation is punching above its weight, leveraging its unique advantages to attract tech giants, nurture startups, and potentially reshape the continent's digital future.

The latest 2025-2026 national budget signals a pivotal shift in strategy, allocating Rs 25 million specifically for AI integration across government ministries and establishing a dedicated AI Unit at the Ministry of Information Technology, Communication and Innovation. This commitment is reinforced by the Higher Education Commission's June 2025 "Guidelines on the use of AI in Higher Education," which found that 82% of educational leaders and 79% of academic staff are already familiar with AI concepts, though 65% of institutions still lack formal AI policies. This isn't just about adopting new technology; it's a calculated effort to transform from a financial gateway into Africa's AI powerhouse, building on its first-place ranking in Africa's 2024 AI Readiness Index with a score of 53.94.

From financial gateway to tech powerhouse

Mauritius's greatest asset in this race is its hard-won reputation as Africa's leading International Financial Centre. The nation's success was built on predictable governance, a robust legal system, and a business-friendly environment that investors trust. This foundation now supports concrete AI initiatives: the Côte d'Or Technopole launched in October 2023 with Rs 25 billion in committed investment, and Huawei's DigiTalent 3.0 programme, signed in July 2024, will train 4,000 ICT professionals through 2028.

Leveraging its advanced digital infrastructure, Mauritius boasts one of the continent's most reliable power grids and fastest internet speeds, with widespread fibre optic coverage and five submarine cables providing 18 Tbps of international connectivity. The country's Data Protection Act, operational since 2018 and modelled on European GDPR standards, provides the legal certainty that AI companies require when handling sensitive data. This regulatory maturity, combined with generous incentives—including 80% tax exemptions for AI-enabled advisory services and 15% investment tax credits for AI deployments—creates an environment where AI ventures can flourish with confidence. The said Act is expected to be enhanced and amended.

The Government's strategy extends beyond mere aspirations. The Financial Services Commission established operational rules for AI-enabled advisory services in 2021, while universities like Université des Mascareignes run Master's programmes in AI and Robotics in partnership with French institutions, producing 25-30 graduates per cohort. These tangible achievements demonstrate that Mauritius is building real capacity, not just making announcements.

Building the ecosystem: Three pillars of success

Mauritius's AI strategy rests on three interconnected pillars designed to create a sustainable innovation ecosystem, as outlined in the government's comprehensive AI framework. First is 'Smart and Agile Governance'. Understanding that technology outpaces legislation, Mauritius has created regulatory sandboxes where AI-driven financial and legal tech products can be tested in controlled environments. The establishment of the Mauritius Emerging Technologies Council and sector-specific AI guidelines, including recommendations for AI Ethics and Compliance Committees within institutions, demonstrates a commitment to balancing innovation with responsible deployment.

> The FSC established operational rules for AI-enabled advisory services in 2021

Second is 'Fueling Innovation with Smart Capital'. The nation positions itself as the premier domicile for Venture Capital and Private Equity funds targeting African tech, with the sector projecting $249.70 million for 2025. The SME Equity Fund has already invested Rs 550 million across 150 companies, while the National Start-up and Innovation Scheme offers grants up to Rs 400,000 during incubation. By creating favourable conditions for funds that invest in AI and deep tech, Mauritius ensures that Africa's most promising innovators have access to both capital and expertise.

Third is Building a Deep Talent Pipeline. Beyond the Huawei partnership training 4,000 professionals, multiple universities now offer AI programmes with international collaborations. According to the Higher Education Commission's 2025 guidelines, the Human Resource Development Council has launched fully-funded MSc programmes in AI for working professionals with a 90% refund for training costs up to Rs 100,000. Private providers like Le Wagon report 90% employment rates within three months of graduation. The Premium Visa programme and reduced Occupation Permit thresholds attract international talent, though the ambitious target of training 10,000 AI experts by 2030 remains challenging given current capacity of roughly 1,200 STEM graduates annually.

The Continental competition

Mauritius faces formidable competition in its quest for AI dominance. Nigeria's massive population and thriving Lagos tech scene offer scale and a proven track record of producing unicorn startups. Kenya's 'Silicon Savannah' has attracted significant venture capital and hosts the regional headquarters of many tech giants. South Africa brings sophisticated infrastructure and deep financial markets, while Egypt leverages its large pool of engineers and proximity to Europe and the Middle East.

Yet Mauritius's strategy differs fundamentally from its competitors. Rather than competing on size or domestic market scale, Mauritius positions itself as the neutral, stable platform from which companies can access the entire African market. The operational Côte d'Or Technopole, with 80% occupancy at launch, and AVA Technopark's Africa-first medical technology cleanroom demonstrate this hub

By Nikhil Kumar,
Managing Director,
Zinnia Group

By Nityesh Pradeep
Peetumber, Director and
Barrister of Law,
Zinnia Group

approach in action. Its strategic location between Africa and Asia, combined with favourable time zones for both regions, makes it ideal for companies bridging these massive markets.

However, notable gaps remain. Despite operational partnerships with Huawei, Oracle, and Tata Consultancy Services, Mauritius lacks major AI partnerships with Microsoft, Google, or IBM, unlike competitors like Kenya and South Africa. This absence of hyperscale cloud providers raises questions about Mauritius's ability to attract tier-one technology partners despite its favourable policies.

The launchpad vision in action

Mauritius's vision extends beyond national boundaries, aligning with the Minister of Tertiary Education's commitment to making higher education "a key pillar of the national economy." The goal is to serve as a continental launchpad where solutions to Africa's most pressing challenges are developed, funded, and deployed. Imagine AI-powered platforms developed in the Côte d'Or Technopole providing real-time crop analysis to millions of smallholder farmers across Africa. Picture FinTech startups, domiciled in Mauritius and leveraging its regulatory sandboxes, using AI to provide micro-insurance to informal workers in Africa's megacities.

This vision is beginning to materialise. TCS's partnership with State Informatics Limited is deploying AI-powered banking transformation tools, while operational smart cities like Moka demonstrate interated environments where AI solutions can be tested before continental deployment. The submarine cable infrastructure ensures reliable connectivity to serve as Africa's digital bridge to global markets. The Higher Education Commission's emphasis on ethical AI deployment, including guidelines for transparency, accountability, and bias prevention, ensures these innovations maintain integrity.

Yet challenges persist. The country's small domestic market limits opportunities to test and scale AI solutions locally. Brain drain remains a threat, with talented graduates often lured by higher salaries abroad—a concern highlighted in the government's AI education framework. Climate change poses existential risks to this island nation, potentially disrupting the stability that makes it attractive to investors. The modest government AI budget compared to transformational goals suggests potential resource constraints that could limit execution.

Conclusion

The race for AI leadership in Africa is far from decided, but Mauritius has positioned itself as a serious contender through concrete action rather than mere ambition. By focusing on regulatory excellence, infrastructure quality, and strategic positioning rather than size, this small island nation demonstrates that in the AI age, smart strategies can indeed outweigh traditional advantages.

> Mauritius is leveraging regulatory excellence, infrastructure quality, and strategic positioning

The operational technology parks, active training programmes producing hundreds of graduates, and functional funding mechanisms disbursing millions in support represent genuine progress. The government's commitment is evident in the comprehensive guidelines framework spanning governance, teaching and learning, and ethics—ensuring AI adoption aligns with institutional values while maintaining academic integrity. Yet the gap between current capacity and stated ambitions—training 10,000 AI experts, integrating AI into half of public services—suggests Mauritius may need to prioritise focused excellence in specific AI niches rather than broad-based leadership.

Whether Mauritius can maintain momentum and truly become Africa's AI capital remains uncertain. But its methodical execution, from the establishment of dedicated AI governance frameworks to the Huawei DigiTalent programme training 4,000 ICT professionals and the development of comprehensive national AI policies and guidelines, has already changed the conversation about where Africa's digital future will be shaped. With Rs 25 million allocated specifically for AI integration in government and operational technology parks like Côte d'Or providing the infrastructure, Mauritius proves that size is no barrier to ambition—but scaling that ambition into continental impact will require bridging the gap between bold vision and practical capacity.

How global and regional companies can use the Mauritius IFC to centralise online payments and treasury functions

Sandeep Chagger and Uways Kureeman of Peach Payments Mauritius explain how the Mauritius International Financial Centre (IFC) is swiftly becoming a pivotal hub for global and regional companies seeking to optimise online payment acceptance and centralise treasury operations, especially in the context of cross-border e-commerce and digital trade.

Through their set-up in the Mauritius IFC, global and regional companies can accept online payments from customers worldwide, designating Mauritius as their global or regional billing centre. Funds collected in multiple currencies can be consolidated within the Mauritian entity, enabling efficient and centralised management of both regional and global treasury operations.

The Global Treasury Survey 2025 by PwC shows that treasurers are adapting to an increasingly complex environment shaped by economic volatility, uncertainty in interest rates and inflation, regulatory shifts and a resurgence in global trade tensions.

Hence, such companies need access to a jurisdiction that promises them political and economic stability, ease of capital controls, multi-currency conversions, tax treaties with multiple jurisdictions, robust governance frameworks, as well as a fertile FinTech ecosystem to receive funds and make payments.

Companies benefit from Mauritius' ease of exchange controls, allowing seamless movement of capital and liquidity management to fund subsidiaries and operations across different countries. This flexibility streamlines cross-border transactions and treasury functions for international businesses.

Why multinational firms are selecting Mauritius for global treasury activities

Political and economic stability: As an enduring democracy, Mauritius continues to be a regional leader when it comes to political stability, ranked first in education and second in overall governance in the 2024 Ibrahim Index of African Governance. Further, the OECD Review of December 2024 notes that Mauritius' economy continues to grow strongly, with real GDP projected to rise by 6.1% in 2024, 5% in 2025 and 4% in 2026.

> Capital, profits and dividends can be freely repatriated in and out of Mauritius

Multi-currency facilities: Mauritius allows businesses and funds to operate multi-currency bank accounts and businesses can collect online payments in multiple currencies, including MUR, USD, EUR, GBP, ZAR, JPY, AED, CAD, CHF, AUD, HKD and SGD.

Free capital conversion: Mauritius imposes no foreign exchange controls. Capital, profits and dividends can be freely repatriated in and out of the country.

Wide DTAA and IPPA network: Mauritius has Double Taxation Avoidance Agreements (DTAAs) in place with 45 countries and offers Investment Promotion and Protection Agreements (IPPAs) with 25 countries.

Incentives under the GTA licence: Another key factor propelling companies to turn to the Mauritius International Financial Centre (IFC) as their global treasury headquarters is the Global Treasury Activities (GTA) licence. The licence incentivises multinational companies to set up or relocate their regional treasury management functions to Mauritius with a variety of attractive tax exemptions, including a five-year tax holiday.

Incentives under the e-commerce scheme: In addition to the GTA regime, other schemes also serve to attract companies to move their treasury operations to Mauritius, especially in the context of cross-border e-commerce and digital trade. In particular, the e-commerce scheme offered by the Economic Development Board offers attractive incentives such as a five-year tax holiday for companies that establish and operate their e-commerce platforms from Mauritius.

How Mauritius is creating the right ecosystem for FinTech firms to flourish

With FinTech players setting up their operations in Mauritius, global and regional companies can access best-in-class payment gateways to not only pool funds but also make payments from Mauritius.

In turn, these FinTech firms are seeing an opportunity to set up operations in Mauritius and to strategically position the IFC to global corporations so they can access Mauritius as a hub for making payments into the fast-growing economies on the African continent, leveraging on the reputation that the IFC has already created.

Indeed, in the last few months, a slew of developments have helped Mauritius to boost its appeal to FinTech firms. First, the government's new ICT blueprint, unveiled on 26 May, places emphasis on businesses going digital, scaling startup ecosystems and enabling public-private-people innovation through data-driven policy formulation and data exchange by leveraging the Freedom of Information.

Furthermore, the Strategy Report 2025-2030 launched by the Ministry of Financial Services and Economic Planning on 09 July expressly notes that the IFC will diversify and modernise the financial product offering, by supporting the development of FinTech, sustainable finance, wealth management, family offices, and capital markets.

No wonder many FinTech firms are heeding the clarion call to make a long-term commitment, invest in the country, employ a local workforce and immerse themselves into the growing African FinTech space from Mauritius.

By Sandeep Chagger, Group COO of Peach Payments

Uways Kureeman, Country Manager and Director of Peach Payments Mauritius

> Funds collected in multiple currencies can be consolidated within the Mauritian entity

Sectors and geographies of focus

Based on our experience at Peach Payments, be it hospitality players, investment dealers, insurance brokers, retail merchants or e-commerce companies, the sector spectrum of the global treasury regime is wide and straddles both traditional and emerging industries.

In terms of geographies, South Africa, the United States of America, and Dubai are the top three areas in the global footprint of companies working with us for payment acceptance in Mauritius. In addition, we are also seeing growing interest from the Eastern European market, as countries experience currency volatility in light of the conflicts going on in the region.

How Mauritius can reap the benefits

By attracting more global business companies to pool funds and make payments by leveraging the best-in-class payment gateways present here, the Mauritius IFC stands to reap the following benefits:

Enhanced forex reserves: By encouraging global and regional players to make Mauritius their online payment acceptance, billing and treasury centre, Mauritius will hold an increasing level of forex reserves, ensuring a stable exchange rate. Under the e-commerce scheme, for instance, companies need to invest a minimum of 5 million rupees and incur a minimum annual expenditure of 10 million rupees, leading directly to investment inflows into the economy. Similarly, under the GTA scheme, companies need to incur a minimum annual expenditure of 2 million rupees.

Greater job creation: The increased presence of global treasury centres in Mauritius also translates into an increase in the employment avenues available to residents. Under the e-commerce scheme, for instance, operators must recruit a minimum of 10 local staff in Mauritius, including 2 at senior management level. Likewise, under the GTA scheme, companies must employ at least four professionals, including one in a managerial capacity.

Deepening wallet share: The wallet share of multinational entities in Mauritius would increase in response to their ability to leverage secure, multi-currency payment gateways for pooling funds and making payments from the island economy.

Higher traction: The IFC can create more traction with clients by offering a complete suite of services, from account opening to liquidity management, under the same umbrella.

Ultimately, the onus lies on public sector authorities to create the right visibility at the relevant forums for the best-in-class regulatory regime, and on private sector operators – from management companies to FinTech firms – to work together to create a seamless experience for the global investor.

As Mauritius strives to create an unparalleled ecosystem for global treasury centres, including the integration of the Mauritius Central Automated Switch (MauCAS) with India's Unified Payments Interface in February last year, followed by the official launch of the RMB clearing facility with the Bank of China in June this year, international investors clearly stand to benefit from the sheer reach and strength of its international payment systems.

Rethinking the future of the Mauritius Financial Services Industry: the path to 2030

The Ministry of Financial Services and Economic Planning unveiled a new strategy plan for the sector in July 2025, outlining five strategic pillars to serve as the foundation for strengthening the attractiveness and competitiveness of the Mauritius International Financial Centre (IFC).

Over three decades after the inception of the Mauritius International Financial Centre (IFC), the financial services sector has emerged as a key player in the island's economy, representing approximately 14% of GDP. The Ministry of Financial Services and Economic Planning conducted an extensive consultative process involving industry stakeholders, regulators, academia and international partners, including a stakeholder workshop in March 2025, to engage in strategic discussions on industry's future direction.

The insights and inputs received during the consultation process have culminated in the presentation of a new Strategy Plan 2025-2030: Rethinking the Future of the Financial Services Industry in July 2025, setting out a vision to establish Mauritius as the leading, trusted and innovative International Financial Centre for Africa and Asia, anchored in sustainability, technology and excellence. The report defines clear priorities and concrete measures to address new challenges and seize opportunities in a rapidly changing global financial environment.

The report reveals that, as the first pillar of the Mauritian economy, the financial services sector supports over 36,000 jobs (direct, indirect, and induced), and accounts for 68% of total corporate tax revenues. When multiplier effects are integrated, its real contribution to the economy reaches nearly 25% of GDP, highlighting its fundamental role in wealth creation and opportunities.

In terms of the stated goals, the Ministry's aim is to increase gross value addition from USD 1.7 billion in 2024 to 2.5 billion in 2030; for net growth of the sector to increase from 4.7% in 2024 to 5.2% in 2030; and for the global ranking of Mauritius in the GFCI Index to rise from 58th in 2024 to 45th in 2030.

Sharing her insights on the report, Dr. the Honourable Jyoti Jeetun, Minister of Financial Services and Economic

▲ *Dr. the Honourable Jyoti Jeetun, Minister of Financial Services and Economic Planning, speaking at the consultative workshop in March 2025*

Planning, said: "The financial services sector in Mauritius holds immense potential, with large economies at our doorstep, notably India and Africa. Compared to traditional sectors, it is decidedly outward-looking, and our objective is to seize these formidable opportunities. The government is determined to achieve the ambitious objectives set for this sector, addressing its challenges to strengthen its attractiveness and competitiveness."

New measures structured around five strategic priorities

In the run up to the report, the Ministry conducted roundtables, interviews and a survey with stakeholders from the banking, insurance, global business and consulting services sectors. These exchanges helped to refine recommendations and consolidate priorities, ensuring that the strategy accurately reflects the challenges, expectations and aspirations of the sector.

Key issues which emerged from the in-depth analysis and structured dialogue included the following:

- Increased competition from other jurisdictions such as Dubai and Singapore and the need to strengthen Mauritius's proposition.

- The urgency of accelerating digital transformation, particularly the adoption of fintech and the development of innovative financial products.
- Opportunities offered by sustainable finance, capital market development, and the emergence of new regional markets.
- The importance of talent development.
- The need to improve the ease of doing business.

In response, the Strategy Plan outlines concrete measures structured around five strategic priorities:

- Improve the ease of doing business, notably through the simplification of regulatory processes, the deployment of e-KYC, and the setting of shorter processing times, while strengthening infrastructure and institutional capacity for an agile and digitalised financial centre.
- Diversify and modernise the financial product offering, by supporting the development of fintech, sustainable finance, wealth management, family offices, and capital markets.
- Strengthen the visibility and promotion of the Mauritius IFC through a coherent communication strategy, a strong brand identity, and an increased presence in international markets.
- Diversify target markets, notably through the development of an ambitious Africa Strategy and the consolidation of traditional markets.
- Address skills shortages and develop talent through the implementation of adapted training programmes, better incentives, a framework for welcoming foreign experts, and a policy for mobilising the diaspora.

Welcoming the report, Nagesh Kistnamah, Chief Risk Officer, Africa, India and Middle East, IQ-EQ, commented that "the five-year strategy aims to elevate the Mauritius International Financial Centre (IFC) to a globally competitive level, presenting a bold and clear vision for its future".

From a compliance standpoint, Shahannah Abdoolakhan, Founder and CEO of Abler Group, added: "The Strategy Report rightly positions Mauritius as a forward-looking IFC anchored in innovation, sustainability and skills. From an AML/CFT perspective, I particularly welcome the focus on e-KYC, regulatory streamlining and human capital. These are not just reforms, they are signals to the international community that Mauritius is serious about being both competitive and trusted. Compared to peers such as Dubai, Luxembourg and Singapore, Mauritius has the agility of a smaller jurisdiction and the credibility of a well-regulated centre. If we deliver on this roadmap, we can establish ourselves as the jurisdiction of choice for Africa and beyond."

New committees to be established

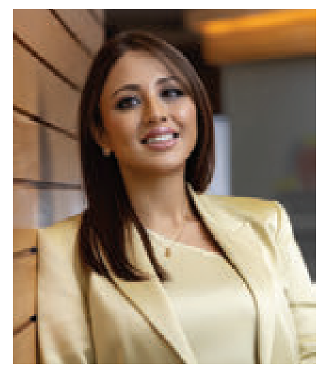
In order to guide the implementation of the new strategy, several dedicated committees (Working Groups) will be established under the aegis of the Financial Services Consultative Council. These committees will focus on ease of doing business, target markets, products and services, branding and visibility, as well as skills and capacity building. Each committee will be responsible for developing clear, measurable, and time-bound action plans within three months of their establishment, to quickly translate the roadmap into concrete reforms and tangible results.

Recommendations for future growth

For the island's financial sector to achieve its growth potential, Nagesh Kistnamah advocated that the island "must position itself as an innovation-driven IFC that balances market growth with the development of high-value niches, underpinned by the highest standards of integrity, compliance and global best practice. It can achieve this through digital innovation by accelerating regulatory digitalisation to improve efficiency and transparency, while also ensuring alignment with global standards by maintaining compliance with the FATF standards and OECD tax transparency frameworks. Sector diversification is another focus area by expanding into fintech and sustainable finance to unlock new growth avenues and enhance market resilience. Finally, investing in niche expertise is no longer optional; it's a strategic imperative to sustain competitiveness and drive innovation in a rapidly evolving financial landscape," he underlined.

In terms of elevating its position on the international stage, Shahannah recommended that the next phase should focus on "building depth and sending a clear message: Mauritius is open for business, but never at the expense of compliance. Fintech, sustainable finance and Africa strategies offer tremendous potential, provided they are supported by robust AML/CFT frameworks and a skilled workforce. This is where Mauritius can shine. Unlike larger centres, we have the ability to move quickly, align public and private priorities and embed compliance as part of our value proposition. By combining innovation with uncompromising integrity, Mauritius can position itself not just as another IFC, but as the trusted and forward-thinking gateway between Africa, Asia, and the world," she concluded.

Nagesh Kistnamah,
Chief Risk Officer, Africa,
India and Middle East, IQ-EQ



Shahannah Abdoolakhan,
Founder and CEO,
Abler Group

More than money: Crafting a life that feels as good as it looks

Meenakshi Saxena of AMG Group explains why Mauritius is uniquely placed to offer an ideal blend of wealth and well-being, and how the island economy can ensure sustainable growth by focussing on the sense of community and hospitality that set it apart from other financial centres.

Wealth is not just measured in bank accounts, it's reflected in how we live, how we spend our time, and the choices we make every day. In a world where financial freedom is the ultimate goal, our lifestyle is the true investment. So, what does it mean to live well in today's fast-paced, AI innovated and ever-changing economy?

It's easy to think that living well means splurging on luxury items or chasing the latest trends, but the truth is, a fulfilling lifestyle is not just about what we own, it's about how we live day-to-day. It's in the small choices we make, like cooking a homemade meal instead of ordering takeout, or taking a walk in nature, or walking with our pet instead of spending hours scrolling on our phones. These little moments can lead to a more balanced life, one that doesn't just look good on paper, but feels good in practice. After all, everyone looks for peace, and a good sleep in life.

And let's face it, lifestyle choices often go hand in hand with financial decisions. How we manage our money, whether we are saving or spending or spending more than required, influences the quality of life we create. But it's not all about cutting costs or putting away every penny, sometimes it's about finding the right balance between enjoying today and preparing for tomorrow. It's about aligning our lifestyle with our financial goals, creating a life that brings us both joy and security.

Mauritius has always been a popular choice for off-shore sector and wealth management, offering a unique blend of financial benefits and a high-quality lifestyle, making it an ideal spot for those seeking both wealth and well-being.

The perfect mix of business and lifestyle: Why Mauritius is a preferred destination

- Mauritius is situated in a favourable time zone and is easily accessible, also offers a stable base with a safe, free and open democracy,
- Has a pool of qualified and cost-efficient professionals to tap into,
- Nation is well versed with modern banking facilities and reliable communication networks,
- The jurisdiction has developed a modern, flexible, business friendly legislation and sophisticated regulatory framework that complies with international standards,
- Beyond financial perks, Mauritius is known for its beautiful landscapes, tropical climate, and a diverse, multicultural society,
- The country has a fairly good education system and good quality healthcare facilities,
- Ranked Top regional performer for African region by World Bank Ranked 1st in Africa for ease of trade in Global Enabling Trade Report 2009,
- Awarded 'Most improved investment climate award' by African Business Awards
- Earns highest marks in democracy index for the African region,
- Mauritius is a tax efficient jurisdiction, and, last but not the least,
- Mauritius forms part of the COMESA and SADC, giving it access to cross-regional opportunities.

Mauritius must continue investing in a strong community and a beautiful environment

Where finances and happiness are in sync

A life lived well is one where both our finances and our happiness are in sync. As Mauritius establishes itself as a key global financial hub, it's bringing a mix of economic growth and changes to everyday life. The growth of the financial sector is creating more job opportunities, not just in finance, but also in areas like legal services, IT, healthcare and hospitality. This means better economic stability, higher wages, and a growing middle class. Foreign investment is also pouring in, expanding opportunities across industries such as retail, real estate, and technology, ultimately improving the quality of life for many.

With this influx of international capital, we are seeing improvements in infrastructure too, better roads, public transport (be it the metro or new buses), healthcare, and education. Mauritius as a key player in global financial networks, is increasingly hosting international conferences and fostering cultural exchanges, which is leading to increased revenue in the tourism sector.

As financial success grows, so does the need to protect what truly matters: quality of life

By Meenakshi Saxena,
Executive Director,
AMG Group

Mauritius has always been a magnet for high-net-worth individuals and expatriates, thanks to its attractive tax breaks and real estate perks. However, with the recent changes to the tax laws, especially regarding individuals and the real estate market, the country now needs to work on rebuilding trust with these investors to keep its economy on the rise. These changes will affect living standards in some areas, with luxury developments and the hospitality sector in focus.

Environmentally, the growing financial sector might also lead to more focus on sustainability. We could see more eco-friendly tourism and renewable energy projects, helping balance economic growth with environmental care. But not everything is rosy, we can also foresee that higher demand for housing could drive up living costs, potentially making it harder for locals to afford homes. There's also the risk that income inequality could widen, as the best paying jobs remain concentrated in the financial sector.

On the positive side, the growth of the financial industry could spark a greater interest in financial literacy, opening up new investment opportunities and helping people grow their wealth. With stronger international business connections, locals will have better access to global markets. Additionally, with support from banks, SMEs can expand their businesses, and more entrepreneurs can thrive, contributing to the country's overall growth.

Balanced life, balanced finances: Finding harmony in both

So how can we start living a richer life, not just in terms of wealth but in experience too? It all comes down to making mindful choices that work for us.

Mauritius is quickly emerging as a financial hub, offering exciting opportunities for individuals and businesses alike. With its stable political climate, attractive tax incentives, and strong regulatory framework, it's no wonder the country is drawing international investors and entrepreneurs. But as financial success grows, so does the need to protect what truly matters: quality of life.

Living in Mauritius means enjoying the best of both worlds; breathtaking natural beauty and modern comforts. However, the cost of living depends greatly on how we choose to live. While local goods, fresh produce, and public transport remain budget-friendly, expenses like imported products, private schooling, and premium housing, especially in city areas and expat neighbourhoods (PDS / IRS projects) are quite high. As the country continues to attract global capital, smart financial planning becomes more important than ever for maintaining a comfortable and balanced lifestyle. For locals, this means that financial literacy is more important than ever. Knowing how to budget, invest wisely, and save for the future can help people take advantage of the opportunities while protecting themselves from the downsides.

The challenge, then, is not just about creating wealth, it's about using that wealth to build a better everyday life. The growing financial sector is bringing in more jobs, luxurious developments, and a cosmopolitan feel. But with this comes rising costs, particularly for housing and essential services.

To strike a healthy balance, Mauritius needs to continue investing in what makes it special, a strong community, a beautiful environment, and a good quality of life. That means encouraging sustainable investments, supporting local businesses, encouraging more SMEs and making sure housing remains accessible and affordable for locals and expats both.
In the end, Mauritius has the potential to be more than just a successful financial centre, it can be a place where prosperity and well-being go hand in hand. By prioritising both financial growth and lifestyle, the country can offer people and families the chance to live not just richer lives, but fuller ones too. Mauritius can create an environment where both finances and lifestyle are in perfect harmony, helping individuals and families enjoy the best of both worlds.

Sustainable Finance: Bringing IFRS S1 & S2 to the Forefront

As corporate sustainability reporting remains fragmented across many international frameworks, Nooredin Mohit MIPA FCCA of AMG Global (Mauritius) highlights the implications of IFRS S1 & S2 for corporate reporting in Mauritius and beyond, and how companies can prepare to meet these evolving standards.

By Nooredin Mohit MIPA FCCA
CEO
AMG Global (Mauritius)

Mauritius is rethinking the future of its financial services industry. Earlier this year, the Ministry of Financial Services and Economic Planning hosted a consultative workshop with stakeholders in the industry which translated into a Strategy Report 2025-2030, outlining the strategies underpinning the industry's vision – 'To establish Mauritius as the leading trusted and innovative International Financial Centre for Africa and Asia, anchored in sustainability, technology, and excellence'. One of the key strategies stipulated in the report is to position Mauritius as a Business and Sustainability Hub for Africa, and to create a Sustainable Finance ecosystem.

Globally, sustainable finance is gaining traction. According to one report from Global Market Insights, the sustainable finance market was valued at USD 5.87 trillion in 2024 and is projected to grow at a CAGR of 19.8% between 2025 and 2034. A recent survey by Morgan Stanley indicates that 88% of global individual investors are interested in sustainable investing and another survey from December 2024 mentions that 78% of asset managers and 80% of asset owners globally expect assets in sustainable funds to grow in the next two years. As the opportunities in sustainable finance keep growing, so does the need for more transparency, stronger governance, robust regulatory compliance and credible corporate reporting to boost investor confidence. Impact investors expect companies to report not only on financial performance but also to demonstrate responsible environmental, social and governance (ESG) practices.

Mauritius has taken important strides in recent years in advancing ESG reporting and governance. Yet, as in many jurisdictions around the world, corporate sustainability reporting remains fragmented across many frameworks such as Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and others, which often leads to inconsistencies, over-reporting and confusion.

The International Financial Reporting Standards (IFRS) Foundation brings a solution to this problem – IFRS S1 General Requirements for Disclosure of Sustainability-Related Financial Information and IFRS S2 Climate-related Disclosures.

This article takes a look at IFRS S1 and IFRS S2, their implications for corporate reporting, and how companies can prepare to meet these evolving standards.

Understanding IFRS S1 & S2

IFRS S1 & S2 were issued by the International Sustainability Standards Board (ISSB) under the IFRS Foundation in June 2023 and are effective for annual reporting periods beginning on or after 1 January 2024, although earlier adoption was permitted.

<u>IFRS S1</u>
IFRS S1 provides the disclosure requirements about all sustainability-related risks and opportunities that could reasonably be expected to affect an entity's cash flows, its access to finance or cost of capital over the short, medium or long term. The standard also prescribes how the entity should prepare, and report sustainability-related financial disclosures, setting out the general requirements for the content and presentation of those disclosures to assist users and investors in their decision-making. The standard's information disclosure requirements about sustainability-related risks and opportunities are based on the four core areas set out in the TCFD recommendations:

- Governance - the governance processes, controls and procedures the entity uses to monitor, manage and oversee sustainability-related risks and opportunities
- Strategy - the entity's strategy for managing sustainability-related risks and opportunities
- Risk Management - the processes the entity uses to identify, assess, prioritise and monitor sustainability-related risks and opportunities
- Metrics & Targets - the entity's performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation.

> Impact investors expect companies to report not only on financial performance but also to demonstrate responsible environmental, social and governance (ESG) practices.

<u>IFRS S2</u>

IFRS S2 sets out specific climate-related disclosure requirements for an entity to disclose information about its climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. The standard applies to climate-related physical risks and climate-related transition risks, as well as climate-related opportunities available to the entity.

Like IFRS 1, IFRS 2 also fully integrates the four core areas set out in the TCFD recommendations.

Benefits, challenges and the way forward

The adoption of IFRS S1 & S2 should not be seen merely as a compliance exercise. It entails involvement and oversight at board level and therefore it gives organisations the opportunity to bring a strategic shift in their business models by integrating ESG goals and focusing on long-term value creation and viability rather just financial performance.

Perhaps the most important benefit is that by establishing a global baseline for sustainability disclosure, it improves clarity, comparability and consistency in sustainability reporting across entities and jurisdictions. While standardised reporting helps investors, regulators and other stakeholders to benchmark performance, and discourages 'greenwashing', businesses in turn benefit from enhanced credibility which facilitates access to ESG-aligned capital and impact funds.

To fully unlock the benefits of IFRS S1 & S2, organisations must enhance their governance systems, redesign internal controls, and harmonise processes, procedures and corporate culture to the ESG vision. Meeting the standard's requirements for sustainability-related financial disclosures will demand more than simply updating organisational structures—it will require aligning commitments with the right expertise and experience across leadership teams and sustainability professionals.

Data availability is also believed to be a significant challenge. Many organisations lack ESG data, particularly for climate-related metrics or do not yet have systems in place to collect, validate and manage ESG data, so they will need to implement the necessary IT and digital infrastructure to support the drive.

This means to say that alongside strong top leadership commitment, implementation of IFRS S1 & S2 will also require important financial investment in capacity building, data systems and governance. How effectively will resources be deployed and how efficiently will they be utilised will be crucial in determining the success of the initiative; it follows therefore that prior to embarking on the project, organisations should conduct a gap analysis to assess their readiness and then develop a clear roadmap defining objectives, setting milestones and establishing clear accountability for ESG oversight at board and management levels.

Rethinking international taxation: ushering in an era of global reform

Recent developments on the global tax landscape were brought into sharp focus at the 16th Asia/Africa IFA Conference 2025 hosted in Mauritius in September 2025, which explored the impact of the OECD's Pillar 2 and the Qualified Domestic Minimum Top-up Tax (QDMTT) and their implications for the competitiveness of Mauritius.

The 16th Asia/Africa IFA Conference 2025, hosted by the International Fiscal Association (Mauritius Branch) in collaboration with Mauritius Finance, ACCA Mauritius and the Tax Faculty on 25 September in Pointe aux Piments, focused on the timely theme 'Rethinking International Taxation: Ushering in the Era of Global Reform'. The event brought together leading representatives from the OECD, Mauritius Revenue Authority and the industry, in the presence of Gavin Glover SC, Attorney General, and the Hon. Dhaneshwar Damry, Junior Minister of Finance, who spoke in the opening ceremony.

In this context, a panel session was chaired by Rajesh Ramloll, Solicitor General, which took a deep dive into navigating the OECD's Global Anti-Base Erosion Rules (GloBE), known as Pillar 2, and the Qualified Domestic Minimum Top-up Tax (QDMTT), looking at their impact on tax incentives in Mauritius, compliance challenges for multinational enterprises (MNEs) and strategies to stay competitive. The panel was composed of Melissa Dejong, OECD expert, Sachin Sinha, Managing Partner of Prakash Sachin & Co. Chartered Accountants from India, Faizal Oozerally, Director of the Large Taxpayers Department, Mauritius Revenue Authority and Anthony Leung Shing, Country Senior Partner at PwC Mauritius.

Setting the scene, Rajesh Ramloll highlighted that Mauritius is one of the first countries in Africa to implement Pillar 2, where it had been announced in the National Budget and legislation on the QDMTT was already in place. He noted that "Pillar 2 is supposed to create some balance and raise revenue" but that this would require re-engineering of Mauritius' tax incentives.

International developments on Pillar 2

Speaking on behalf of the OECD, Melissa Dejong remarked that "Pillar 2 is not a walk in the park". In terms of the discussions with the United States, she recalled that the first Trump presidency had enacted the world's first global minimum tax (the U.S. Global Intangible Low-Taxed Income, or GILTI) which had become the inspiration for Pillar 2. The second Trump administration had now come forward with a request for 'side-by-side' treatment.

"What that means is that they are asking that US-parented groups would not be subject to the Income Inclusion Rule and the UTPR [Undertaxed Profits Rule] in light of the fact that the US already has a global minimum tax as well as very comprehensive CFC [Controlled Foreign Company] rules, branch tax rules and domestic tax rules," Melissa explained. "It's not about them walking away from the table but trying to navigate how the GloBE will sit on top of the very detailed US rules," she underlined. She noted that intensive discussions were now underway since there was an expiry of some of the global rules on how GILTI taxes are allocated, and an expiry of the UTPR Safe Harbour by the end of this year. The steering group of the Inclusive Framework was meeting to go through the details, and the aim was to reach a conclusion before the end of 2025.

Sharing his perspective from India, a country which has not yet enacted any specific legislation on Pillar 2, Sachin Sinha saw that there were still many questions around the Pillar 2 and QDMTT. He noted that countries have different tax periods and saw that there would be many issues around tax benefits and adjustments, asserting that "taxing is the sovereign right of any country". He described India as "a dynamic country for the purpose of taxation" and concluded that "we believe that it is still time to watch what is actually going on, how it is going to develop and how it will take place, and then apply".

Regulatory aspects in Mauritius

Offering his insights from the MRA, Faizal Oozerally recalled that a decision was taken to impose the QDMTT in Mauritius after discussion with the industry. He explained that the QDMTT, which seeks to determine the Domestic Excess Profits in a manner that is equivalent to the OECD's GloBE Rules, had been introduced into the Income Tax Act, and would soon be followed by secondary legislation through regulations to take account of industry specificities.

He noted that a provision had been included in the Mauritian law to allow for incentives, such as a refundable tax credit, and that a carve out for an 'excluded person'. These points were still under discussion with ministries, Mauritius Finance and the OECD team in Paris to ensure that nothing they would introduce in legislation would affect the qualified status of Mauritius.

Elaborating from the OECD standpoint, Melissa mentioned that "if you are qualified, you have the Q. That then gives you access to the substance-based income exclusion. It basically reduces the amount of top-up tax that has to be charged in respect of tangible assets and employees in Mauritius". In view of the regulatory process currently underway in Mauritius, she warned that "if you exclude certain subsidiaries outside what the global rules permit, you will not be qualified, you lose the substance-based income exclusion. So that makes it less competitive."

Implementation challenges

Based on conversations with multinational clients and network firms, Anthony identified challenges to implementation of the QDMTT in four areas, namely data availability and quality, technical complexity, system processes required to obtain some of the information and expertise to deal with it.

Anthony emphasised that "what we are seeing now is that this Pillar 2 and QDMTT is not only a tax issue. It's becoming an IT problem. It's becoming a finance problem. It's becoming a board problem. And it's becoming an investor problem. So, what we are finding now is that all the committees are asking questions about 'do we have a Pillar 2 exposure? Are our financial statements, tax disclosures, Pillar 2 compliant? Or are there amendments to be made to report policies'?" He also anticipated that there could be a "governance gap" in terms of how Directors would fulfil their Pillar 2 responsibilities, since in Mauritius "a lot of our companies are investment holdings or investment funds, where there is not much in-house technical expertise, where these functions are devolved to management companies."

> "Taxing is the sovereign right of any country"
>
> Sachin Sinha,
> Prakash Sachin & Co

Implications of QDMTT for Mauritius

Summing up the position on the introduction of the QDMTT in Mauritius, Melissa offered a clear message. "It comes first in the rule of order but if you don't exercise that right to tax any low-tax profits in Mauritius, someone else will take your money. So it will be under the Income Inclusion Rule or the UTPR, or the US will take the money under their rules". She urged: "I don't want Mauritius or any other African or any other source country to miss the opportunity here. Someone else will take the money if you don't act. That's why the QDMTT is a really important response to what has changed in the world."

Beyond Africa & India: Can Mauritius' Tax Framework Unlock Broader Fund Markets?

By combining tax policy refinements with broader market development strategies, Mauritius could expand its appeal as a fund domicile, according to Zaynab Hisaund and Teelshi Nobaub of Andersen in Mauritius, reaching out beyond Africa and India to compete on an equal footing with the world's leading jurisdictions.

Mauritius has long held a reputation as a premier International Financial Centre ("IFC") for investment vehicles targeting Africa and India. Over the years, the island has evolved into more than just a tax-efficient jurisdiction; it has become a trusted partner for institutional investors seeking reliable structuring, treaty access and credible fund administration.

With the rise of competing fund hubs like Singapore, Luxembourg and the UAE, Mauritius faces a strategic choice: remain focused on its traditional strengths in the Africa–India corridor, or unlock a broader global investor base by expanding its market reach.

Mauritius in Numbers: Current Fund Landscape

Historically, Mauritius-based funds have attracted European and North American institutional investors, particularly development finance institutions ("DFIs"), pension funds and large endowments.

In recent years, there has been a notable rise in capital commitments from Middle Eastern sovereign wealth funds and African institutional investors, reflecting both the growing appetite for intra-African investment and the strengthening economic ties between the Gulf Cooperation Council (GCC) countries and Africa.

The latest statistics show Mauritius hosting around 942 licensed funds as at January 2025[1]. These funds predominantly channel investments into India and Africa.

> Mauritius provides modern and flexible structuring vehicles

India remains a dominant investment destination, with Mauritius being one of the largest sources of FDI into India in the financial year 2023–2024 and maintaining momentum into 2025, with USD 8.34 billion in FDI inflows[2].

From an African perspective, the African Private Capital Activity Report 2024 by the African Private Equity and Venture Capital Association ("AVCA") recorded USD 4 billion in fundraising across the continent[3]. Mauritius-domiciled vehicles, particularly in private equity, infrastructure, energy and SME growth strategies, played a significant role in facilitating these flows.

Tax Advantages: The Mauritius Value Proposition

Mauritius offers a competitive headline corporate income tax rate of 15%, complemented by targeted exemptions that substantially reduce the effective tax burden for investment funds. In addition, a Corporate Climate Responsibility (CCR) Levy of 2% applies where a company's annual turnover exceeds Rs 50 million in a year.

Licensed Collective Investment Schemes ("CIS") and Closed-End Funds ("CEF") may claim an 80% exemption on their income, subject to meeting prescribed substance requirements. Effective from the year of assessment commencing 1 July 2024, this exemption was increased to 95% for interest income derived by CIS and CEF, a measure specifically aimed at promoting the use of debt funds for investment into India. This is particularly advantageous when combined with the India–Mauritius tax treaty, which provides a reduced 7.5% withholding tax on interest payments from India, compared to 10% under the India–Singapore treaty.

The domestic tax regime also incorporates a foreign tax credit mechanism, enabling taxpayers to offset foreign taxes paid against their Mauritian liability.

Mauritius imposes no capital gains tax, and profits derived from the sale of securities are fully exempt from income tax. Significantly, from 1 July 2024, the definition of "securities" for income tax purposes was extended to include virtual assets and virtual tokens, encouraging investment into digital asset classes.

Repatriation of profits is equally tax-efficient: dividends distributed by resident companies are exempt from tax, ensuring that returns are not eroded at the fund level. In addition, interest payments made by Global Business Companies to non-residents, when sourced from foreign income, are exempt from withholding tax, facilitating efficient cross-border financing.

Mauritius' extensive network of double taxation agreements underpins its role as a gateway into key markets, offering structuring opportunities that enhance after-tax returns for investors.

Furthermore, the jurisdiction provides modern and flexible structuring vehicles such as the Variable Capital Company ("VCC") and Protected Cell Company ("PCC"), with the option for individual sub-funds or cells to be taxed separately, granting operational efficiency and fiscal flexibility.

The Finance Act 2025 introduces the Qualified Domestic Minimum Top-up Tax ("QDMTT"), effective from the year of assessment commencing 1 July 2025, underscoring Mauritius' commitment to OECD

Pillar Two standards. While investment funds are stated to be excluded from its scope, this departs from Article 1.5.1 of the OECD GloBE Rules, which excludes only those that are ultimate parent entities. The absence of a statutory definition for "investment fund" could create uncertainty over eligibility, pending clarification in forthcoming regulations.

Comparing Mauritius with other jurisdictions, each leading fund hub brings a distinct advantage.

Luxembourg and Ireland offer fund-level tax neutrality combined with EU "passporting," allowing easy cross-border marketing in Europe. Cayman has zero fund-level taxation and minimal compliance, appealing to hedge and private funds seeking speed and simplicity. Singapore provides generous fund tax exemptions, GST remissions, and a deep service ecosystem for Asia-focused managers. The UAE exempts qualifying investment funds from its corporate tax regime while offering proximity to Gulf sovereign capital.

While these jurisdictions each have distinctive advantages, Mauritius holds a competitive position through its strong tax treaty network, targeted tax incentives, absence of capital gains tax, flexible fund structures and by being a jurisdiction of substance.

Unlocking Broader Markets: The Way Forward

By combining tax policy refinements with broader market development strategies, Mauritius could expand its appeal as a fund domicile.

From a tax perspective, the government could consider expanding its treaty network into jurisdictions where Mauritius currently has limited coverage.

From a non-tax perspective, lessons from Luxembourg and Ireland show that visibility and trust are built through consistent, transparent market data. Targeted marketing campaigns, modelled on Ireland's and Singapore's roadshows, could position Mauritius as a viable hub for emerging market multi-jurisdiction strategies, combining its existing strengths with broader regional offerings. Faster turnaround times for VCC approvals, as seen in Singapore, could also make Mauritius more attractive for multi-strategy platforms.

By adopting these targeted enhancements, Mauritius can retain its stronghold in treaty-driven markets while evolving into a more versatile and globally recognised fund centre - balancing its traditional advantages with modern competitive features.

Conclusion

Mauritius retains key advantages as a bridge between global capital and high-growth markets. Its competitive tax framework, extensive treaty network, absence of exchange controls, sophisticated financial services sector and flexible structuring tools provide a solid base for growth, while its political and economic stability add weight in an increasingly competitive landscape.

> Competitiveness depends on continuous adaptation to investor needs

The experience of other leading fund hubs shows that competitiveness depends on continuous adaptation to investor needs, regulatory developments, and market trends. By focusing on well-targeted reforms; enhancing market transparency, streamlining approvals, diversifying product offerings, and building deeper investor engagement, Mauritius can strengthen its positioning and attract a broader range of international funds.

With the right measures, the jurisdiction can evolve from being viewed mainly as a gateway to India and Africa into a recognised global fund centre able to compete on equal footing with the world's leading jurisdictions.

By Zaynab Hisaund, Associate Tax Director, Andersen in Mauritius

Teelshi Nobaub, Assistant Tax Manager, Andersen in Mauritius

1 https://www.fscmauritius.org/en/statistics/statistics/global-business
2 https://dpiit.gov.in/publications/fdi-statistics
3 https://www.avca.africa/media/fcpjt4s3/2024_avca_african_private_capital_activity_report_apca_public.pdf

MATTHEW FLEMING,
PARTNER, STONEHAGE FLEMING

"Mauritius offers deep financial, legal and lifestyle infrastructure to global families seeking wealth management, succession planning"

With Stonehage Fleming spearheading the inaugural edition of Mauritius Finance's webinar series, MF Talks, its Head of Family Governance and Succession, Matthew Fleming, explains the importance of putting family first, learning from failures, and leading by example through wealth transitions. He advises that Mauritius must focus on building talent, reinforcing family office frameworks, embracing technological advancements, and leveraging its position as a natural bridge between Africa and Asia, in order to truly come into its own as a wealth management hub of note.

Your session at MF Talks on 02 June 2025 served as an insightful window into the pivotal role of family offices, the unique challenges faced by wealthy families, and the application of the Four Pillars of Capital to achieve intergenerational success. How did it feel to lead the first ever session of MF Talks and that too, on such a critical topic as the future of family offices?

It was an enormous privilege to lead the first session of MF Talks, and there was something particularly warming about both me and the organisation sharing the same initials. What made this opportunity especially meaningful was the ability to speak with real authenticity and experience as a fifth-generation member of a family that may have done many things right, but has also made mistakes along the way.

Speaking to a group of seasoned finance professionals gave me the chance to gently question their approach to supporting families. My ongoing challenge to advisors worldwide is to put families first and only then focus on structuring and assets, because if they don't, they risk becoming just another commodity to the family.

Families don't need commoditised advice; they need guidance that is morally courageous, sensible, consistent, and empathetic – and an understanding of what truly keeps them up at night. A family's top concern is rarely their wealth manager's performance; it's more often their family dynamics, relationships, and succession challenges.

Your path to becoming a trusted advisor to families seeking wealth management services has been most serendipitous. Your remarkable career path - from British Army officer to professional cricketer, before taking on the onus of family wealth and inheritance planning – is most inspiring and shows the importance of a life well lived to enrich our perspective and make us well-rounded individuals. Could you tell us more about your exciting journey?

Last year, I was asked to do speech day at a local school. They sent me the previous year's programme, and, like all CVs, the speaker's CV was all about success. But when I really look at my CV, I see the failures that went with my achievements, and it's these that have actually been the most valuable in my journey through life. Every element of my career has taught me to deal with failure and how to bounce back, and it is these realities that are crucial to acknowledge in your work with families.

I was fortunate to attend Eton before academic league tables became the driver of educational success, and I first learned to handle failure after failing some exams. I initially tried to become a professional cricketer and failed, and went on to join the military at Sandhurst. At 21, I found myself commanding 35-year-old soldiers with medals and combat experience. This taught me quickly that, despite having rank and title, the people you lead often have more experience and knowledge and you must learn to harness the skills and talents of those around you.

> Affluent families need guidance that is morally courageous, sensible, consistent, and empathetic

My professional cricket career after leaving the military took me to amazing places around the world, but it was brutal. You're constantly failing in public. These experiences of dealing with inadequacies and shortcomings gave me resilience and a sense of self, which are vital for achieving intergenerational family success.

Could you tell us how your personal experience as a fifth-generation Fleming, and the eldest of four sons, helped you understand first-hand the importance of stewardship, values and smooth transitions?

Being a fifth-generation Fleming has given me firsthand insight into what works and what doesn't in family transitions. First, I must emphasise that transitions are never truly "smooth". They either work or they don't, because there are so many moving parts. Often three generations are transitioning simultaneously: grandparents letting go, parents transitioning, and children receiving.

Growing up in our family, I witnessed wonderful leadership that was gentle, selfless, and humble. Our family has always had a North Star. For a long time, it was our family business, Flemings. My father's priorities were clear: country first, family business second, family third, and self, fourth. This wasn't because he didn't care about the family's well-being, but because he felt such a strong responsibility to the business and its people.

Through seven generations, members of our family have reflected the full spectrum of humanity, from bankers to gold miners, authors to spies, entrepreneurs to farmers, but also unemployment, divorce, illness, and tragedy. This highlights that regardless of wealth or privilege, you're dealt a hand and must play it as best as you can. Success comes from good leadership, clear communication, purpose, selflessness, humility, and hard work, not just financial capital.

'The Africa Wealth Report 2025', launched late August by Henley & Partners, highlights Mauritius as the fastest-growing wealth market in Africa over the past decade, with its millionaire population rising 63% from 2015 to 2025, on the back of political stability, tax efficiency, and a robust residency by investment programme. In your view, what makes Mauritius an exciting market to be present in from a wealth management and succession planning perspective?

Stonehage Fleming's presence in Mauritius highlights the island's growing appeal as a hub for wealth management and succession planning. As you've indicated, Mauritius combines a robust legal and regulatory framework with an attractive tax environment, which making it highly suitable for the complex and inter-generational needs of international families. The absence of estate duty, inheritance tax and capital gains tax, together with an extensive network of double taxation agreements, creates a favourable environment for preserving wealth across borders.

Strategically, Mauritius serves as a natural bridge between Africa, Asia and Europe. These are regions where Stonehage Fleming, as a leading international multi-family office, is deeply invested. Combining the legal and regulatory framework with lifestyle and residency opportunities, Mauritius offers not only structuring efficiency but also a desirable base for clients who increasingly wish to live, work, invest and plan their legacies in a future-focused jurisdiction.

> Our presence in Mauritius highlights the island's growing appeal as a wealth management hub

Finally, the recent released five-year Strategy Report for financial services ('2025-2030: Rethinking the Future of the Financial Services Industry') speaks of the need to diversify and modernise the financial product offering, particularly by supporting the development of wealth management and family office segments, among others. As an experienced

wealth practitioner, what do you think is the way forward for Mauritius in building up the wealth management and family office offering?
First and foremost, people are at the heart of building up any offering focused on wealthy families. Mauritius needs to continue to focus on growing local talent, attracting skilled foreign professionals and retaining experience within the sector.

In terms of frameworks, Mauritius already has all the right building blocks in place, but the world is evolving quickly and so any future-focused jurisdiction needs to be dynamic, embrace technology and digitalisation, without undermining the robustness of the regulatory framework.

The introduction of both single-family office (SFO) and multi-family office (MFO) licences have been an important step in formalising the sector and providing families with clear (and regulated) pathways to manage and preserve wealth across generations. Wealthy families benefit significantly from holistic investment management, succession planning, governance and philanthropic activities which must be delivered with appropriate confidentiality and be in line with international best practices, which is part of the appeal of the SFO and MFO regimes. However, operating efficiency is critical to being globally competitive so Mauritius needs to keep exploring ways to improve ease of doing business.

Comparatively, countries like Singapore and Dubai have emerged as leading family office destinations, offering global visibility and sophisticated ecosystems. Switzerland remains synonymous with discretion and private banking depth. Mauritius has a great opportunity to rise to the occasion taking the best examples from these jurisdictions whilst differentiating itself through its strategic positioning as a gateway for Africa and Asia.

From my perspective, the way forward lies in strengthening the family office frameworks, focusing on talent, embracing technological advancements, building awareness among global families and complementing them with deep financial, legal and lifestyle infrastructure.

Futureproofing fund compliance: AML/CFT trends

Shahannah Abdoolakhan, Kate Rouillard, Monisha Gopee and Anissa Ramdianee of Abler Group explain why it is critical for fund managers to re-think risks facing fund operators in view of the ever-evolving technological landscape. They also unfold how fund managers can embed ESG best practices, regulatory mandates and a mindset of continuous learning and adaptation into their compliance culture.

Fund compliance is no longer simply a back-office formality. It is becoming a strategic discipline, one that must keep pace with fast-changing regulation and the growing complexity of digital finance. From crypto-assets to AI-enabled fraud, the risks facing fund operators are evolving rapidly and the strategies used to manage them must evolve too.

In this shifting landscape, fund managers are rethinking how they approach Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT). The focus is on building systems and cultures that can adapt to tomorrow's challenges. Futureproofing, in this context, means embedding agility, resilience and foresight into the very fabric of fund compliance.

Strengthening the Compliance Function

A central part of futureproofing lies in enhancing the compliance function itself. Fund operators are investing in smarter internal tools, moving away from manual processes and towards automation and intelligent technologies that can detect anomalies and flag suspicious activity more efficiently.

Yet technology alone isn't enough. The effectiveness of any system depends on the people behind it. At Abler, we see leading companies prioritising the development of their compliance teams by introducing structured learning programmes in data literacy, AI awareness and cyber risk. These initiatives equip professionals to interpret complex data, understand emerging threats and exercise sound judgement in high-stakes situations.

Due diligence processes are also becoming more dynamic. Fund managers are tailoring Know Your Customer (KYC) and Customer Due Diligence (CDD) procedures to investor risk profiles, ensuring sharper assessments and better allocation of resources.

In parallel, firms are stress-testing their AML frameworks more rigorously. Simulations and internal reviews help evaluate how systems respond to emerging threats, including AI-driven risks. A useful lesson comes from the Danske Bank case, where inadequate AML testing across multiple jurisdictions allowed billions in suspicious funds to flow undetected. The scandal demonstrated how weak internal oversight in one market can create systemic exposure across an entire group. Forward-looking firms are taking this to heart and building robust testing routines.

An often-overlooked challenge is the rising threat of cybersecurity breaches. Remote and hybrid working models have amplified vulnerabilities, while new forms of social engineering attacks are proliferating at pace. The 2020 hack of the SolarWinds software platform, which exposed financial institutions worldwide, underscored how a single breach can ripple across markets and compromise compliance data. To stay ahead, organisations must embed robust cybersecurity awareness into compliance training, ensuring teams can identify and mitigate the latest threats.

Responding to Regulatory Change

Regulatory expectations are evolving quickly. Global bodies such as the Financial Action Task Force (FATF) continue to refine their standards, with increasing emphasis on transparency, accountability and technological resilience.

For fund managers, this means staying alert to changes in investor onboarding, transaction monitoring and reporting obligations. It also requires investment in technologies that support accurate record-keeping and real-time risk detection. These tools not only help companies meet updated requirements but also prepare them for what lies ahead.

Importantly, regulatory change now reflects broader shifts in how financial crime is understood and addressed. Fund operators must demonstrate that their frameworks are robust, responsive and aligned with global best practices.

Integrating ESG into AML/CFT Strategy

One of the more significant developments in fund compliance is the growing intersection between Environmental, Social and Governance (ESG) concerns and AML/CFT obligations. Investors are increasingly scrutinising whether their capital is exposed to criminal economies and FATF's recognition of environmental crime as a predicate offence has reinforced this convergence.

Fund managers are embedding ESG risk assessments into AML reviews while closer collaboration between ESG and compliance teams is helping to uncover interconnected risks. The Brazilian "Operation Car Wash" scandal is a striking example: originally an anti-corruption investigation, it revealed how illicit capital was channelled through major corporations and funds, raising both governance and AML red flags. Such cases highlight why ESG and AML/CFT are increasingly inseparable.

This integration reflects investor values and market expectations and strengthens reputational resilience for the long term. In practice, funds that demonstrate ESG–AML alignment are finding it easier to attract institutional investors, who view strong governance as a marker of long-term stability.

Embedding a Culture of Learning and Adaptation

Mindset is just as important as systems. Firms are increasingly fostering cultures of continuous learning, where feedback is valued and improvement is ongoing.

Engagement with regulators and industry bodies is becoming more proactive. Fund managers are contributing to working groups, consultation sessions and compliance forums, shaping future standards while strengthening relationships with authorities.

Internally, flagged issues and errors are being reframed as opportunities to strengthen processes and controls. This shift builds more transparent, resilient and responsive compliance cultures.

Looking Ahead

The future of fund compliance will be defined by adaptability. As regulations continue to evolve across jurisdictions, a forward-looking compliance strategy is essential for navigating complexity and ensuring adherence.

Cross-jurisdictional consistency is a growing priority. Those who can align their frameworks across borders will gain efficiency and credibility with investors.

AML/CFT compliance is no longer merely about meeting today's rules. It is about anticipating change, investing in capability and aligning with the values of investors and regulators alike.

By ABLER GROUP

Abler
Your key to compliance

From risk to resilience: Why compliance is the backbone of International Banking

From fighting financial crime to guiding expansion strategies, Ounishka Seesurun-Domur of ABC Banking Corporation Ltd explains how compliance turns potential vulnerabilities into strengths for international banks as they navigate the challenges of being present in multiple jurisdictions.

Financial crime is constantly evolving, and compliance teams must stay ahead

In today's fast-paced, interconnected financial environment, compliance is no longer just about meeting regulatory requirements. It has become a core strategic function, shaping how banks operate, grow and maintain the trust of their stakeholders. It acts as the foundation of integrity, ensuring sustainable growth, effective risk management, and the preservation of the jurisdictional reputation as well as that of the banking industry. Yes, compliance is all about trust, built gradually and to be fiercely protected. It is this trust that enables us, as a banking institution, to operate sustainably over time.

Navigating multiple jurisdictions offers international banks a wealth of opportunities, but it also comes with considerable challenges. These institutions must manage a complex web of regulations, adapt to varied cultural norms, and respond to changing political environments. To succeed, banks need to remain agile, skillfully steering through these shifting currents while continuing to meet the high expectations of a global clientele.

With heightened scrutiny from regulators, customers now rightly expect both transparency and efficiency. In such a high-risk environment, even a single compliance failure can prove disastrous, potentially leading to irreparable reputational damage, and a lasting loss of trust.

It is in this context that compliance becomes more than a safeguard—it transforms risk into resilience.

Sending the right signals: How compliance has evolved over time

Indeed, compliance was once viewed primarily as a safeguard—a shield against fines or sanctions. Today, it has evolved into a proactive value driver. Robust compliance frameworks empower banks to confidently enter new markets and provide global services without fear of regulatory missteps.
They assure customers who are now more informed and expect higher standards, including that the institution is ethical, secure, and prepared to handle the complexities of cross-border transactions and international finance.

Whilst fully complying with Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) rules, banks can streamline onboarding processes, maintain smooth transaction flows, and minimise operational disruptions. This reliability becomes a selling point, attracting high-quality clients who value trust and stability.

Compliance also shapes our risk appetite, defining the boundaries within which a bank is willing to operate, helping us evaluate geopolitical shifts, counterparties, and market dynamics. It's how we grow responsibly, aligned with our values and our purpose to transform aspirations into prosperity.

Additionally, the compliance role has expanded beyond financial crime prevention to include environmental, social, and governance (ESG) considerations. Customers and investors now expect banks to operate responsibly, with transparency on sustainability and ethical practices. Meeting ESG standards is not just about regulatory approval—it is about positioning the bank as a leader in responsible financing.

Institutions that integrate ESG compliance attract more sustainable partnerships and investor confidence, reinforcing their role as trusted global players.

Financial crime is constantly evolving, and compliance teams must stay ahead. Advanced tools like AI-powered transaction monitoring, real-time risk scoring, and predictive analytics help identify suspicious patterns before they escalate into problems.

In international banking, where transactions can involve multiple currencies, jurisdictions, and intermediaries, these tools act as an early warning system. They protect the bank from both financial loss and regulatory repercussions.

Going beyond: Compliance as a strategic partner to business units

Compliance also plays a critical role in managing the client base. Regular portfolio reviews from a risk and AML/CFT perspective help identify dormant or inactive accounts that may pose unnecessary exposure. Managing these accounts improves efficiency, enhances security, and ensures alignment with the bank's strategic objectives.

Ongoing monitoring of our customers' activities ensures the bank remains adaptable, ready to address changing market conditions or new regulatory demands. It further ensures that nothing falls in between the cracks when it comes to financial crime.

Modern compliance is no longer a "stop sign" to growth. Instead, it acts as a strategic partner to business units, helping structure deals, launch services, and enter new markets in a way that balances opportunity with risk control.

Our bank's commitment to strategic partnership is at the core of our approach to supporting clients and driving sustained growth. We work closely with a diverse network of introducers, law firms, corporate services providers, and management companies, to help structure and launch new services, facilitate international expansion, and provide guidance through each stage of our customers' growth journey.

Resilience is the defining strength of a successful banking partner. Compliance reinforces that resilience, ensuring every decision is grounded in awareness of risk and adherence to ethical standards. From fighting financial crime to guiding expansion strategies, compliance turns potential vulnerabilities into strengths.

In banking, trust is a currency in itself—hard to earn, easy to lose. Strong compliance is the framework which protects that trust, making it not just a regulatory necessity but the backbone of long-term success.

By Ounishka Seesurun-Domur, Head of International Banking, ABC Banking Corporation Ltd

National Compliance: The Essential Steps Forward to our Future

As Mauritius gears up for the ESAAMLG mutual evaluation in 2027, DTOS Group's Chaya Subramanien explains how the jurisdiction is placed to use the newly secured international funding to strengthen its compliance frameworks and turn compliance into a competitive advantage, while countering challenges on the way.

Since its inception over three decades ago, the Mauritius International Financial Centre (IFC) has made major strides towards becoming a sophisticated, well-regulated and transparent platform. Home to 19 banks, over 200 management companies and nearly 1,000 global funds, the Mauritius jurisdiction is today a force to reckon with.

The 2020 grey listing of Mauritius by the FATF now seems long behind us. Yet, much still needs to be done in terms of compliance to secure the country's position as a trusted and reputed jurisdiction. The good news is that we are about to take a huge leap forward: as the country gears up for the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) mutual evaluation in 2027, the government has secured essential international funding to strengthen even further the Mauritius IFC's compliance frameworks.

This might sound like just another regulatory exercise, but for management companies (MCs), which are the backbone of our global business sector, the impact will be profound. This initiative is of utmost importance for the country's reputation and for its financial sector.

Indeed, MCs are on the frontline of compliance, administering global business companies, trusts, and funds for international clients. Thus, their credibility is directly tied to the jurisdiction's reputation. When Mauritius landed on the FATF grey list in 2020, many MCs faced rejected transactions, frozen deals, and investor hesitation. The new funding is designed to prevent history from repeating itself.

A major step in compliance, a leap forward for Mauritius

Such a strengthening of our regulatory framework will immensely benefit our operators. It will support centralised KYC platforms, enabling faster onboarding, less duplication of paperwork, and reduced costs. Smaller MCs, often limited by budget constraints, will particularly benefit from access to this shared infrastructure.

The Financial Intelligence Unit will also be equipped with enhanced analytics and intelligence tools. For MCs, this translates into clearer feedback on suspicious transaction reports, stronger guidance on risk typologies, and a more collaborative relationship between regulators and operators.

Finally, the funding will support much-anticipated capacity building. Compliance officers across the industry will gain access to structured, affordable training, ensuring consistency in all AML/CFT practices across industries and economic sectors. For MCs, especially those struggling with talent shortages, this is a vital support.

The stakes are high, and not only for the jurisdiction's compliance. It means that business continuity will be insured in the long run for our operators. A credible Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regime boosts investor confidence and reassures correspondent banks, securing the country's status as a trusted international financial hub. Moreover, it creates a stable pipeline of investors who see the jurisdiction as reliable and forward-looking, and who are willing to trust local MCs.

Within the local global business industry, it is well-known that every hour we spend firefighting outdated processes is an hour lost to client service. With shared systems and training, we can finally shift from reactive to proactive compliance. So, the announced changes come as great news indeed, but the race is far from over!

Gearing up for the miles ahead

While the new funding and initiatives offer significant advantages, MCs will inevitably face a set of challenges. System integration costs remain a primary concern. Adopting centralised KYC platforms, enhanced analytics tools, and other shared infrastructure requires not only financial investment but also time, training, and strategic planning. Smaller MCs, in particular, may feel the pressure of these upfront costs, even as they stand to benefit the most from shared resources.

> The funding secured for the 2027 ESAAMLG evaluation is a strategic opportunity to turn compliance into a competitive advantage for management companies

Additionally, regulatory scrutiny is set to increase ahead of 2027, in line with ESAAMLG expectations. Compliance officers will need to ensure that all processes meet the evolving standards with regards to AML/CFT protocols. This means rigorous internal audits, continuous monitoring, and the ability to respond quickly to requests or feedback from regulators. While the funding provides training and resources to ease this transition, operators cannot afford complacency.

For management companies, the funding secured for the 2027 ESAAMLG evaluation represents far more than a mere regulatory checkbox; it is a strategic opportunity to turn compliance into a competitive advantage. By leveraging centralised platforms, enhanced analytics, and structured training programmes, MCs can streamline their operations, reduce costs, and strengthen relationships with clients and regulators alike. Smaller operators, in particular, gain access to tools and knowledge that previously may have been out of reach, helping level the playing field across the industry.

In short, the caterpillar is about to transform into a magnificent butterfly.

By Chaya Subramanien,
Head – Risk and Compliance,
DTOS Group

Tracing the evolutionary shift in Money Laundering Offences: From proof of original crime to circumstantial evidence

Saleem Abdullatiff of MATCO Ltd explains how case law in Mauritius has recently changed, tightening the legal stronghold on Money Laundering offences and allowing such criminals to be prosecuted with a lesser burden of proof.

Money Laundering (ML) involves the process of "cleaning" property (whether cash or otherwise) representing proceeds of crime to make them look legitimate, with the ultimate aim of allowing criminals to use the property without detection.

Traditionally, ML was one of the rare criminal offences that was dependent upon a core or underlying crime (the predicate crime) which generated the criminal proceeds to be laundered. However, recent case law in Mauritius, following the United Kingdom and other Commonwealth countries, has had the effect of bringing about a radical change with the effect of casting aside the requirement for a predicate crime in proving a ML offence.

The conventional approach and requirement of a predicate crime

For many years, the requirement of proving a predicate crime has been a cornerstone of anti-money laundering laws globally. In a nutshell, no financial crime could be executed if there was not another crime that came before it – in other words, no predicate crime, no money laundering. It is worth noting that the Financial Action Task Force (FATF) had identified a long list of 22 predicate offences that may be prosecuted for an ML offence.

Section 3 of the Financial Intelligence and Anti-Money Laundering Act 2002 (FIAMLA) which criminalise the offence of ML in Mauritius provides as follows:

3(1) Any person who –
(a) engages in a transaction that involves property which is, or in whole or in part directly or indirectly represents, the proceeds of any crime; or

(b) receives, is in possession of, conceals, disguises, transfers, converts, disposes of, removes from or brings into Mauritius any property which is, or in whole or in part directly or indirectly represents, the proceeds of any crime,

where he suspects or has reasonable grounds for suspecting that the property is derived or realised, in whole or in part, directly or indirectly from any crime, shall commit an offence

Under Section 3 FIAMLA, the burden of proof rests on the prosecution to actually prove the concurrence of the following elements constituting the offence, namely:

> Money laundering has now become a primary offence in its own right

i) Under either 3(1) (a) or (b), the Actus Reus which is the wrongful act of the accused (transacting, receiving, possessing etc..) proceeds of crime;
ii) Under 3(1) (b), the Mens Rea which is the guilty mind where the accused suspects or ought to suspect that the property is criminal.

The Criminal law standard of proof also requires that the offence be proved beyond reasonable doubt which upholds the fundamental and guaranteed right of an accused's presumption of innocence (under Section 10 (2) of the Mauritius Constitution) in line with the maxim: the burden of proof is on he who asserts and not on he who denies.

Hence, "proceeds of crime" or "property that is derived...from any crime" had to be specifically proved.

The "irresistible inference" approach and phasing out of need for predicate offences

The recent Mauritian case of Financial Crimes Commission v Patel 2025 INT 79 which heavily relied on the Privy Council case of DPP v Bholah [2011] UKPC 44.36 and the UK case of R v Anwoir [2009] 1 WLR 980 established that:

i) There is no need to prove a specific predicate crime anymore;
ii) In Bholah it was suggested that the accused need only be informed of the nature of the criminal activity (even if the exact crime is unknown);
iii) The prosecution only needs to prove that the circumstances in which the property is handled give rise to the irresistible inference that it can only be derived from crime;
iv) The accused should only suspect or ought to suspect that proceeds came from "some" crime without necessarily knowing which crime.

Anwoir established that there are two ways to prove that the property derives from crime:
1) The accused's conduct is seen as criminal; or
2) There is circumstantial evidence giving rise to the "irresistible inference" that property can only be criminal.

The effect of the above decisions is that there is no necessity to prove a specific predicate crime anymore and ML has now become a primary offence in its own right. It is now easier for the prosecution to prove the ML offence with a lesser burden of proof.

Challenges to the evolutionary approach

This position may be seen as being far from satisfactory looking at it from the perspective of an accused person. The person in question may well argue that it is unfair to treat him/her as a "criminal" without having identified the specific crime that is being alleged, as the law (under Section 10(2)(b) of the Mauritius Constitution) guarantees the right of an accused to be informed in detail of the offence so that he is aware of the case against him. Can this be regarded as shifting the burden of proof from the prosecution to the accused through the back door by rendering the trial unfair and undermining the presumption of innocence? This has been ruled out by the Privy Council in Bholah reversing the decision of the Supreme Court stating that while the prosecution is not required to specify the exact predicate offence, the accused must however be adequately informed of the nature of the criminal activity alleged.

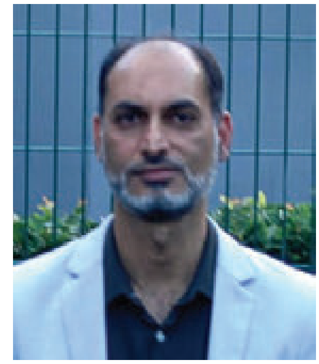
Benefits of the modern approach

It is clear that proof of predicate offences was suitable when ML was limited to laundering of big amounts of cash. However, the criminal world has evolved so much that a transaction involving ML may happen in just a millisecond, for example using crypto assets and gaming platforms and, in those situations, requiring a predicate offence would be pointless as the laundering would have already happened. In other words, technology is moving too fast for the law to catch up.

Requiring proof of a predicate crime may also weaken the objectives of AML laws which are to address situations where the origins of the criminal proceeds may be hidden or unknown.

Potential impact: Revisiting risk assessment and rethinking current processes

The evolutionary approach reinforces the need for a thorough risk assessment of the client profile including robust customer due diligence procedures with particular emphasis on determination of the source of funding or source of wealth, conduct of the client and early identification of suspicious transactions. It would require a rethinking of current processes to determine overall risk exposure. What was earlier considered acceptable with respect to adverse information may now need to be revisited.



By Saleem Abdullatiff,
Head of Risk and Compliance,
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> Traditionally, proving a predicate crime has been a cornerstone of AML laws globally

Management fees in investment fund structures: navigating transfer pricing risk, substance and compliance

Feroz Hematally, Head of Tax, Africa, India and Middle East, IQ-EQ and Director of Taxand Mauritius, explains the key considerations guiding the allocation of management fees among related parties spread across multiple jurisdictions while using global best practices in transfer pricing.

Management fees are a common feature in investment fund structures, but from a transfer pricing (TP) perspective, they present significant challenges. With related-party service providers often spanning jurisdictions, fund sponsors must ensure fees are arm's length, especially amid rising regulatory scrutiny, evolving OECD standards, and heightened expectations around value creation and economic substance.

How different management services impact TP outcomes

Investment management services: These typically cover portfolio construction, asset selection, trading decisions, risk monitoring and compliance. As these functions are central to value creation, they may warrant a higher return. If the manager bears performance-related or market risk, remuneration may include performance-based fees or profit splits. Characterisation as a routine manager or entrepreneur significantly affects TP outcomes.

Investment advisory services: These involve non-discretionary support, market analysis, or recommendations. Due to limited decision-making authority and risk exposure, these services often qualify as support functions. TP analysis may use transactional net margin method (TNMM) with a low mark-up or external benchmarking. In low-substance environments, benefit tests are critical.

Portfolio management services: These include trading execution and compliance with mandates. Remuneration should reflect the scope and risk profile. If functions are automated or tightly supervised, value creation is limited, and TP outcomes should reflect that.

Key TP principles and compliance triggers

Several TP concepts come into play in the proper structuring and documentation of these fees:

Accurate delineation: Identify the actual service, the performing entity and the beneficiary. Legal contracts are a starting point; OECD guidance emphasises alignment with conduct, substance, and risk control.

Benefit test: Fees must correspond to services that provide identifiable economic or commercial benefits. Multiple charges for overlapping services increase the risk of duplication.

Benchmarking and method selection: Depending on the service, TP methods may include TNMM, CUP (comparable uncontrolled price) or profit splits.

> Authorities are increasing the scrutiny of intercompany service arrangements

By Feroz Hematally, Head of Tax, Africa, India and Middle East, IQ-EQ and Director of Taxand Mauritius

Investment services may require qualitative adjustments due to limited comparables.

Substance alignment: Fees paid to entities in low-tax jurisdictions must reflect actual substance. Tax authorities may challenge fees to entities lacking the staff or infrastructure. Documentation must reflect the location of decision-making and risk management.

Common TP pitfalls and how to mitigate them

Authorities are increasing the scrutiny of intercompany service arrangements. Risk indicators include:

- Large recurring fees with no performance link;
- Similar services charged to multiple entities without clear allocation;
- Fee recipients with minimal local presence; and
- Inconsistencies between contractual and operations.

Failure to document these arrangements can lead to denied deductions, profit reallocation or increased tax exposure. Indirect consequences include audit triggers under OECD's Country-by-Country Reporting and Pillar Two rules.

Fund managers should consider:

- Commissioning updated TP functional and economic analysis;
- Reviewing contracts for consistency with actual conduct;
- Establishing clear cost allocation mechanisms; and
- Benchmarking fees using tailored comparables.

The Finance Act 2025 introduces mandatory documentation for related party transactions

These steps help build a robust defence file and enhance confidence during audits or investor due diligence. In Mauritius, the Finance Act 2025 introduces mandatory documentation for related party transactions.

As global TP enforcement becomes more sophisticated, aligning management fee policies with substance and value creation is not just good governance, it's a strategic imperative. Fund sponsors should act now to align their TP policies with global best practices before regulators do it for them.

Financial Leaders Scrutinise 2025-26 Budget in Mauritius Finance Panel

A Mauritius Finance panel has analysed the National Budget 2025-26, concluding that while the government's ambitions are sound, success depends entirely on effective execution. Experts warned that new taxes could risk capital flight, but they expressed optimism about new sectors like Virtual Assets and family offices.

In a crucial period for the nation's economy, a recent panel discussion hosted by Mauritius Finance brought together over 100 industry professionals to delve into the National Budget 2025-26 measures and their implications for the Financial Services Sector. Moderated by Mauritius Finance Chairperson Shamima Mallam-Hassam, the panel featured esteemed experts: Priscilla Balgobin-Bhoyrul of Dentons Mauritius; Assad Abdullatiff of Axis Fiduciary Ltd; Akshar Maherally of WTS Tax Consulting (Mauritius); and Ben Lim of Intercontinental Trust Ltd. The consensus among the panellists was clear: while the government's ambition to consolidate fiscally and enhance competitiveness is welcome, success will ultimately hinge on effective execution.

▲ *From L to R: Akshar Maherally, Managing Director, WTS Tax Consulting (Mauritius) Ltd; Priscilla Balgobin-Bhoyrul, Senior Partner, Dentons (Mauritius) LLP; Assad Abdullatiff, Managing Director, Axis Fiduciary Ltd; Shamima Mallam-Hassam, Managing Director, Trident Trust, and Chairperson, Mauritius Finance; and Ben Lim, CEO, Intercontinental Trust Ltd.*

Opening the discussion, Shamima Mallam-Hassam set the context by noting the eagerly awaited budget was presented in a "very challenging economic context where we face a high level of debt nearing 90% of our GDP, a widening budget and trade deficit, and the shadow of a sovereign rating downgrade." She noted that the budget, described by many as "responsible" and "courageous," is anchored on three pillars: economic renewal, a new social order, and fiscal consolidation.

Ben Lim directly addressed the sentiment within the industry, stating that all stakeholders are aligned on the severity of the situation. "Certainly, we are aligned. All stakeholders agree that we are staring into the abyss – we are in a dangerous situation and need to get out." He underscored the critical 9.8% budget deficit and 90% debt-to-GDP ratio, emphasising the "most important thing that can never be understated: we are at risk of being downgraded to junk." While the budget's objectives are achievable, Ben Lim stressed that "you need good governance; you need the government to make sure they have people who can execute those actions."

The discussion then turned to the government's plans for a unified E-licensing platform. Assad Abdullatiff called the use of technology "a very positive step," but cautioned that "technology alone will not resolve structural causes of the delays." He pointed to an "expertise gap" within the FSC and a lack of clear performance benchmarks. Assad Abdullatiff argued that without addressing these root causes, Mauritius risks "ending up with a very sophisticated digital front end layered over an inefficient back end." He also recommended that the FSC focus its core licensing mandate on complex financial services and rely on management companies for due diligence on simpler entities to "free up capacity." Additionally, Priscilla Balgobin-Bhoyrul addressed the upcoming AML/CFT evaluation, calling for more "dialogue between the private sector... and the regulator" to prepare for an assessment focused on effectiveness rather than just technical compliance.

The Balancing Act: Tax, Growth, and New Avenues

The panel raised significant concerns about the budget's new taxes, including the Fair Share Contribution and Alternative Minimum Tax. Ben Lim warned that these measures could have an adverse effect, stating, "After hearing Akshar, I'm so depressed because taxes like solidarity levy or the climate change levy have already eroded business confidence and dampened investment." He added that additional taxes "would undermine investor sentiment," leading to a potential "risk of capital flight" as entrepreneurs and businesses are highly mobile. Ben Lim pointed out that combined taxes on profits, dividends, and earned income could reach up to 60%, making Mauritius one of the world's most highly taxed countries.

Assad Abdullatiff echoed this sentiment, using the metaphor that "there's a limit to how much you can bend a stick before it breaks." He drew a parallel to the UK's non-dom regime abolition, which resulted in an "exodus of high-net-worth individuals" to more favourable jurisdictions. Assad Abdullatiff argued that the solution is not to tax more, but to "tax more strategically" and compete with jurisdictions that offer a superior "total experience" encompassing ease of doing business, speed, certainty, and cost. He lamented the "huge disconnect" between the ambition to attract wealth and the reality of a high-tax economy. Akshar Maherally also raised a critical concern, questioning whether the exemption for Global Business License (GBL) holders could constitute a "preferential tax regime," which could be a "source of concern from a harmful tax practice perspective" from the OECD.

Despite these fiscal concerns, the panellists expressed optimism about new avenues for growth, such as the partial exemption for Virtual Asset Providers (VAPs). Akshar Maherally welcomed this, describing it as a "very much welcome measure and probably a logical sequence." He stressed the immediate need for substance requirements to be released to "capture the momentum." However, Assad Abdullatiff noted the low uptake of VAP licenses in Mauritius, attributing it to cautious regulation, a lack of a domestic digital asset economy, and significant banking obstacles. He praised Dubai's success, citing its dedicated regulator and tiered licensing system. Assad Abdullatiff advised that Mauritius should genuinely adopt risk-based supervision and ensure banking support for VAPs, concluding that while "the tax is good," more is needed for the sector to thrive.

The panel also discussed the new licensing framework for wealth management and family offices. Priscilla Balgobin-Bhoyrul expressed her happiness at this long-awaited development, calling it the "right direction" provided it is accompanied by "fiscal incentives." She envisioned Mauritius attracting ultra-high-net-worth individuals and family offices through dedicated desks at the regulator and EDB, looking for "interesting investments in Africa." Ben Lim agreed that this move "signals a clear… ambition for Mauritius to attract wealth managers," but warned that "higher taxes could block the effectiveness" of these efforts if not properly calibrated.

The Way Forward: Visibility and Execution

The discussion concluded with an analysis of Mauritius's strategy to position itself as an innovative and globally competitive jurisdiction. Priscilla Balgobin-Bhoyrul welcomed the concept of "economic diplomacy," but asserted that a new brand image is needed to shed the "tax haven or flow island" perception. She emphasised that this strategy requires ambassadors worldwide promoting the financial sector as a key pillar in every trade mission.

Assad Abdullatiff acknowledged the EDB's crucial promotional role for the Financial Services sector but called for the government to "invest in deepening the sector expertise within the EDB," ensuring dedicated personnel who understand the sector's intricacies and promotion strategies. He also advocated for a dedicated budget for financial services promotion, recalling the effective, high-impact missions led by the FSPA in the early 2000s. Assad Abdullatiff concluded by reiterating his earlier point: "execution is the key."

The panel's final message was a call for closer collaboration between government and industry to navigate the complexities ahead. While the budget sets out a clear ambition, its ultimate success will depend on whether policy intentions can be translated into tangible, effective actions that build a resilient and leading international financial centre. The experts underscored the urgent need to address structural inefficiencies, ensure fiscal measures do not stifle growth, and strategically invest in a robust, globally visible "Innovative Mauritius" brand.

The Strategic Role of Financial Due Diligence in M&A & Corporate Transactions

As the Mauritian market evolves with cross-border transactions on the rise, the importance of strategic financial due diligence cannot be overstated, according to Shamin A. Sookia and Krystel Dookhith Burrun of Perigeum Capital Ltd, where advisors have a vital role to play in supporting the conclusion of a successful transaction.

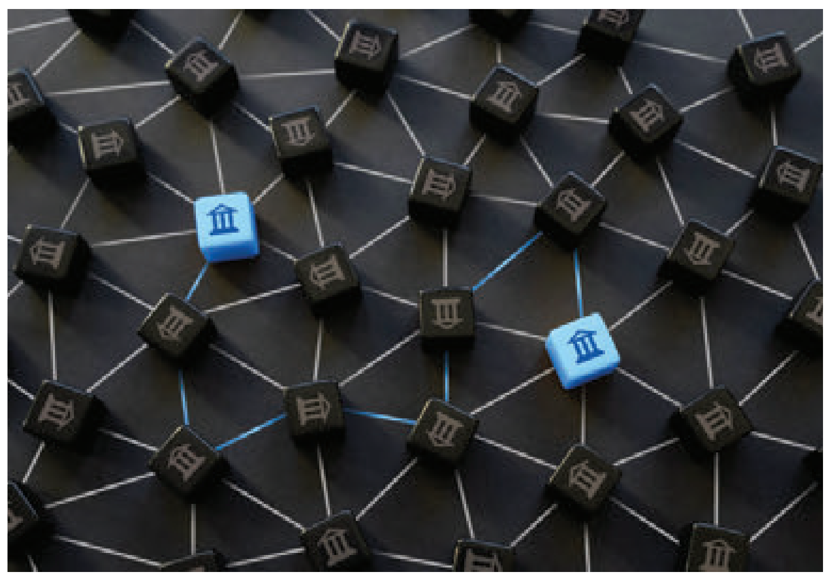
Corporate transactions often begin with vision and ambition. At some point, however, the focus inevitably shifts to whether the figures genuinely support the promise. Financial due diligence bridges that gap, translating raw data into insights that guide decision-making, safeguard value, and lay the foundation for lasting success.

Financial due diligence (FDD) is not just a mechanical box-ticking exercise. It is the interpretation of a business's financial reality, an examination of how past performance aligns with the assumptions driving the deal. The process aims to uncover what may be hidden, overstated, understated, or simply misunderstood.

An effective review tests both the integrity of historical results and their reliability as indicators of future performance. Historical statements are shaped by accounting rules, management judgment, and prevailing market conditions. Due diligence asks the harder question: can those patterns endure, and if so, under what circumstances?

The exercise also identifies potential risks that could materially affect value: whether it's a heavy reliance on a small group of customers, a cost base vulnerable to inflation, exposure to volatile markets, or the presence of contingent liabilities. The real insights often emerge when numbers are viewed through the prism of market forces, operational drivers, and competitive positioning.

These findings feed directly into valuation and deal structuring. If earnings quality proves weaker than presented, valuation multiples may need adjusting.



If cash flow patterns point to a higher working capital requirement, the method for settling the purchase price may need to change. For instance, under a completion accounts or post-closing adjustment approach, the price is recalculated after closing, based on actual financials at completion, protecting the buyer if more capital is tied up than expected. In a locked-box or fixed-price approach, the price is agreed in advance, based on a past balance sheet date, with strict limits on the seller extracting value before closing. Where material risks are identified, additional protections such as warranties, indemnities, or earn-outs can be negotiated.

Sell-side financial due diligence plays an equally important role. By preparing a thorough analysis in advance of a sale, vendors can identify and address potential concerns before entering the market, reduce uncertainty for buyers, and increase the credibility of their financial information. This preparation often shortens timelines, builds trust, and can support stronger valuations.

From navigating cross-border complexity to enhancing governance

In cross-border transactions, increasingly common in the Mauritian context, FDD takes on added complexity. Different jurisdictions bring different accounting practices, regulatory regimes, and levels of reporting sophistication. Local factors such as seasonality, currency volatility, or informal business norms can significantly alter the interpretation of financial results. The ability to navigate these nuances is essential to forming a balanced view of value and risk.

> Financial due diligence is not just a mechanical box-ticking exercise

The benefits of FDD extend beyond the transaction itself. Post-acquisition, the findings can inform integration plans, operational improvements, and performance monitoring. Insights into cost efficiencies, asset utilisation, and working capital management can be translated into tangible actions that drive value creation. Far from being only a defensive step, FDD can be a springboard for unlocking future potential.

FDD also plays a growing role in governance. Boards, investors, lenders, and regulators increasingly expect major corporate decisions to rest on robust, independent analysis. Comprehensive due diligence demonstrates that decisions are being made with the benefit of verified facts and considered judgment, strengthening confidence across all stakeholders.

The speed of modern deal-making can create pressure to compress due diligence timelines. While efficiency is important, depth should not be sacrificed for speed. Many transaction failures are not the result of unforeseeable shocks, but of issues that could have been identified with sufficient diligence. A well-executed FDD is targeted, disciplined, and aligned with the specific characteristics of the transaction, ensuring that attention is concentrated on the issues that matter most.

Making a difference: advisors bring significant value to the table

Both buyers and sellers face challenges that can materially affect outcomes. A successful transaction, from the perspective of either side (buyer and seller), is based on sound knowledge of the company and transaction process. It is important to have adequate psychological preparation, awareness of how the process will be carried out and, most importantly, appropriate counselling. Sellers often overestimate their ability to prepare independently, risking gaps in financial information, missteps in addressing investor concerns, or delays that erode confidence. Buyers, for their part, may overlook hidden risks if diligence is rushed or unfocused. This is where experienced advisors add significant value.

For buyers, advisors ensure that financial due diligence remains disciplined, focused, and aligned with the specific risks of the transaction. On the sell-side, early involvement allows potential concerns to be identified and resolved, enhancing the credibility of financial information and presenting the business in its strongest light. By anticipating issues, structuring the review process, and delivering clear, reliable analysis, advisors help both parties avoid common pitfalls. The result is greater confidence, more efficient execution, and stronger positioning in negotiations.

In the evolving Mauritian market, the importance of strategic financial due diligence cannot be overstated. As the jurisdiction continues to strengthen its position as a regional hub for investments into Africa and Asia, transaction complexity will increase, and so will stakeholder scrutiny. Deals will involve a greater diversity of counterparties, financing structures, and regulatory frameworks, making the quality of analysis a critical differentiator.

Ultimately, the role of financial due diligence is to enable informed decision-making. By converting complex financial information into a coherent assessment of value, risk, and opportunity, it helps ensure that transactions are not only completed but completed on terms that stand the test of time.

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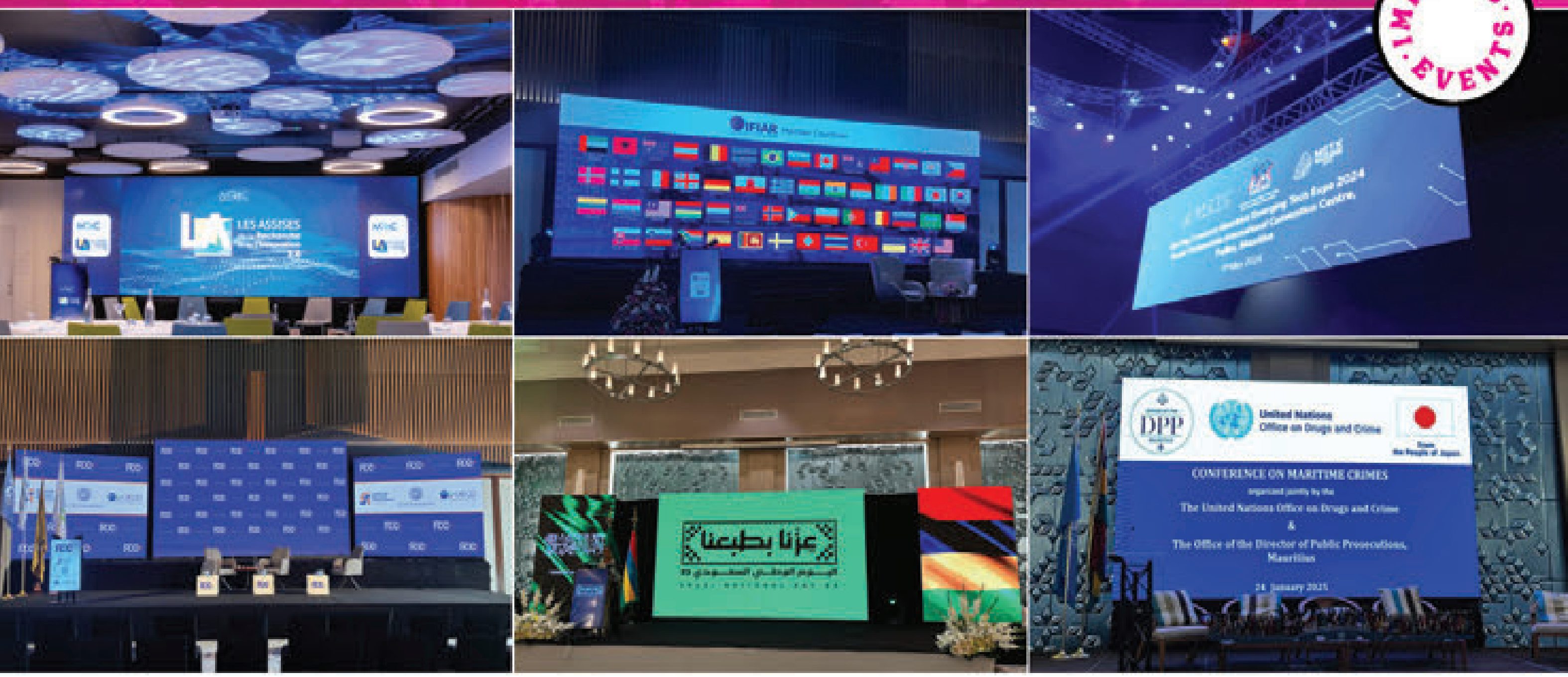

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