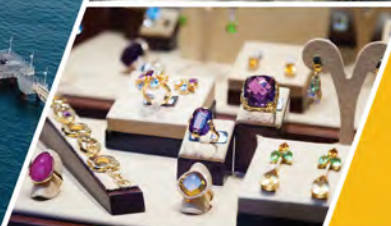


INDUSTRIAL POLICY AND STRATEGIC PLAN FOR MAURITIUS 2020-2025



**Revitalising
Mauritius' Economic Growth**



Ministry of Industrial Development,
SMEs and Cooperatives (Industrial Development Division)



TABLE OF CONTENTS

MESSAGE BY HONOURABLE MINISTER	7
MESSAGE FROM UNCTAD	9
FOREWORD	11
EXECUTIVE SUMMARY	13
LIST OF ACRONYMS	16
LIST OF FIGURES	17
LIST OF TABLES	18
LIST OF BOXES	19
INTRODUCTION	21
CHAPTER 1: METHODOLOGY	23
1.1. Project Framework	23
1.2. Mauritius' industrial landscape	24
1.2.1. Export Oriented Enterprises	24
1.2.2. Domestic Oriented Enterprises	24
1.2.3. SMEs	25
1.2.4. MMEs as a new category of enterprises	25
1.3. The Mauritian manufacturing sector and COVID 19	25
CHAPTER 2: REVIEW OF MAURITIAN MANUFACTURING SECTOR PERFORMANCE	27
2.1. Manufacturing sector in context	27
2.2. Manufacturing value addition	29
2.3. Domestic market merchandise consumption	30
2.4. Merchandise trade balance	31
2.5. Manufacturing export performance	32
2.6. Employment	34
2.7. Investment	36
2.8. Manufacturing productivity	37
2.9. Key manufacturing dynamics	37
2.9.1. Dominance of Clothing and Textiles	37
2.9.2. Regional opportunities	38
2.9.3. Decreasing competitiveness of Mauritius	38
2.9.4. The danger of being trapped in low value-added segments of GVCs	38
2.9.5. Growing domestic market	38
2.9.6. General diagnosis	39
CHAPTER 3: STRUCTURING AN IMPACTFUL MAURITIAN INDUSTRIAL POLICY	41

Report prepared by: Prof. Justin Barnes, Chairman of Benchmarking and Manufacturing Analysts (Pty) Ltd, Executive Director of Toyota Wessels Institute for Manufacturing Studies and Associate Professor at the Gordon Institute of Business Science, University of Pretoria.

Courtesy photo cover page: AfzNoor

Design and Conception: National Productivity and Competitiveness Council

TABLE OF CONTENTS

CHAPTER 4: POLICY, REGULATORY AND PROGRAMMATIC RECOMMENDATIONS	47
4.1. Repairing Mauritius' industrial foundations	47
4.1.1. Foundation challenges	47
4.1.2. Foundational recommendations	48
4.1.2.1. Strategy 1: Enable existing skills development system to meet range and depth of industry requirements	48
4.1.2.2. Strategy 2: Addressing the need for skilled expatriate professionals and operators	49
4.1.2.3. Strategy 3: Align Soft infrastructure with evolving manufacturing requirements	49
4.1.2.4. Strategy 4: Improve the Hard infrastructure to international standards	51
4.1.3. Summary of Foundational Recommendations	52
4.2. Securing Upgrading within established Mauritian Value Chains	52
4.2.1. The upgrading challenge facing established Mauritian value chains	52
4.2.2. Industrial Upgrading recommendations	55
4.2.2.1. Strategy 1: Promoting product diversification, process upgrading and higher value-added production.	55
4.2.2.2. Strategy 2: Supporting capital investment to facilitate product diversification, process upgrading and higher value-added production	56
4.2.2.3. Strategy 3: Promoting R&D to foster product and service design, product or service development, testing and prototyping.	58
4.2.3. Summary of value chain upgrading recommendations	59
4.3. Optimising local production for the Domestic Market	59
4.3.1. The challenge of producing for the domestic market	59
4.3.2. Local Domestic market production recommendations	60
4.3.2.1. Strategy 1: Establishment of a Domestic market conformance certification, and legislation of circular economy opportunities	60
4.3.2.2. Strategy 2: Promote Supermarket localisation advocacy, and support for the Made in Moris label	61
4.3.2.3. Strategy 3: Designation of local manufacturing for selected government procurement	61
4.3.2.4. Strategy 4: Support Monitoring and evaluation of PTAs, with rapid response to identified aberrations	62
4.3.2.5. Strategy 5: Exploration of manufacturing servicification models	62
4.3.3. Summary of Domestic Market production recommendations	63
4.4. Expanding Regional and Global Exports	63
4.4.1. Mauritius' Export Potential	63
4.4.2. Regional Export Opportunities	64
4.4.2.1. Strategy 1: Exploration of Regional opportunities to boost Regional exports	64
4.4.3. Global Export Opportunities	65
4.4.3.1. Strategy 2: Leveraging on Global Export Opportunities	65
4.4.4. Summary of regional and global export recommendations	66
4.5. Creation of an Industry 4.0 ecosystem through increasing digital and green innovations	68
CHAPTER 5: SECTORAL DIAGNOSIS AND STRATEGIES	71
5.1. EOE's	71
5.2. Domestic Oriented Enterprises (DOE)	73
5.3. Textile and Clothing	74
5.4. Food Processing & Fish preparations	77
5.5. Medical Devices, Pharmaceuticals and Medical Products (MDPM)	80
5.6. Jewellery & Related Articles	84
5.7. Other manufacturing sectors	86
5.8. SMEs	88
CHAPTER 6: CONCLUSION: STRATEGIC PRIORITIES	91
APPENDIX A: REVIEW OF MAURITIUS' INDUSTRIAL SECTOR PERFORMANCE	95
APPENDIX B: TRADE OPPORTUNITIES IN SADC AND COMESA	109
APPENDIX C: MAURITIUS' EXISTING SUITE OF INCENTIVES FOR THE INDUSTRIAL SECTOR	123
APPENDIX D: PLAN OF ACTION	127
APPENDIX E: LIST OF STAKEHOLDERS AND PARTICIPANTS	153



“

A globally competitive and sustainable industrial sector that contributes to higher economic growth for Mauritius through continuous innovation, technology upgrading, productivity gains and high skilled employment.

”



**MESSAGE
BY HONOURABLE MINISTER**

MESSAGE BY HONOURABLE MINISTER



Honourable Soomilduth Bholah

Minister of Industrial Development, SMEs and Cooperatives

I am immensely pleased to launch the Industrial Policy and Strategic Plan (2020-2025), which comes at a highly opportune time, particularly when the manufacturing sector is celebrating its fiftieth anniversary this year. Over this journey, the manufacturing sector has been the main engine of economic growth as evidenced by its substantial contribution to Gross Value Addition, total employment and foreign exchange earnings. During the past year, it accounted for 12.5% to Gross Value Addition and 17% to total employment. Nonetheless, it is widely recognised that today the manufacturing sector is standing at a critical juncture and a set of novel industrial policies and strategies is warranted to ensure that the sector sustains its momentum and increase its resilience amidst the backdrop of emerging and unpredicted challenges associated also with the outbreak of Covid -19.

Indeed, the manufacturing sector has undergone several successive phases of structural transformation owing to the various industrial policies adopted by the country in the past. It started in the sixties with an import-substitution policy followed later by an export-led strategy. The competitiveness of our manufacturing sector was centered mainly around trade preferences and the availability of low-cost labour. However, we are currently at the dawn of a new era which hinges on new imperatives such as the use of intelligent and lean production systems embedding digitalisation, eco-friendly and fair-trade practices, product quality, branding, research and development and innovation, supplemented by a versatile and high-skilled labour force.

No doubt, the sustainability of the manufacturing sector rests on these predominant factors which are now dictating the very competitiveness and survival of our enterprises.

The Industrial Policy and Strategic Plan (2020-2025), which has been elaborated with the assistance of the United Nations Conference on Trade & Development (UNCTAD) proposes a policy framework that should be implemented to bring about transformational changes for a globally competitive and sustainable manufacturing sector. It focuses on the creation of a solid industrial foundation based on the availability of a technically qualified labour force to service the manufacturing base and an enhancement in our soft and hard infrastructure. The policy framework also supports the drive to diversify our products and production processes with the adoption of high-end technology, promotes local production, and provides a lead on how to boost regional and global exports. The new Industrial Policy and Strategic Plan comprises different policies that will have to be implemented in the coming years. We have to ensure that a paradigm shift towards elevated growth rates takes place.

I would like to emphasise that the preparation of this Strategic Plan has benefitted from the collaborative efforts of key Ministries as well as various public and private sector organisations. It is, undoubtedly, a shining example of cooperation between the Government and its partners. It endorses my belief that together we can make a difference and achieve more. I am confident that this privileged relationship will prevail during the implementation phase of the proposed strategies in the Report and will yield concrete results.

I am thankful to UNCTAD for its continued assistance in the future Monitoring and Evaluation exercise which would ensure that we are treading on the right path for a re-dynamised and vibrant manufacturing sector contributing towards enhanced economic prosperity.



MESSAGE FROM UNCTAD

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_8685

