

SPEECH BY MCCI PRESIDENT, MR. CHARLES HAREL AT THE 177th MCCI AGM
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Hon. Dhananjay Ramphul, Minister of Foreign Affairs, Regional Cooperation and International Trade

Hon. Michaël Yeung Sik Yuen, Minister of Commerce & Consumer Protection

Hon. Aadil Ameer Meea Sayed Muhammad,. Minister of Industry, SME and Cooperatives

Excellencies

Heads of Public and Private Organisations

Members of the Private Sector,

Members of the Press

Ladies and Gentlemen,

It is both a privilege and a responsibility to address you today as the outgoing President of the MCCI at this Annual General Meeting.

This is a special occasion, as it marks the beginning of a new chapter for the Chamber following its 175th anniversary last year.

In an era marked by rapid technological advances and ever-shifting global markets, uncertainty has truly become the hallmark of our time.

Whether it is the pace of digital innovation or the volatility in international trade, we find ourselves continually called to respond to new challenges and unforeseen developments.

Success now hinges on our ability to adapt quickly and to embrace change at every turn, ensuring we remain resilient and forward-thinking in all that we do

For many years, the international system provided stability, encouraged cooperation, and supported open markets.

Multilateralism played a central role in global progress and businesses and governments could operate with a reasonable level of predictability in trade and investment.

Today, that environment **has clearly** changed...

At the same time, our local context is becoming more complex and challenging.

Economic growth has stabilised at around 3.2%, but risks remain.

Ongoing geopolitical tensions, particularly in the Middle East, are likely to add further pressure.

Export performance remains weak, and investment needs to regain momentum.

Global disruptions are once again affecting supply chains, creating inflationary pressures and making economic policy decisions more difficult.

We are also seeing more clearly some of our structural vulnerabilities.

The recent Moody's assessment, maintained Mauritius at Baa3 with a negative outlook.

This reflects both our strengths — such as economic diversification and institutional resilience — and our challenges, including high public debt, limited economic scale, and exposure to external shocks.

The recent Tiger Global ruling also sends a strong message.

Mauritius **must** accelerate substance-based economic activity and evolve beyond its traditional role as a tax-efficient jurisdiction.

Ladies and Gentlemen,

In such an environment, our response **just cannot be** conventional.

Our strategies must not be fragmented or isolated.

Instead they must be comprehensive, coordinated, and bold, capable of addressing several challenges at the same time.

I am confident that together, as we have done several times, we can turn these periods of uncertainty in opportunities.

Our potential remains strong.

We are recognised as a stable platform — one that offers policy continuity, resilience, and a solid value proposition for investors.

As the Chamber has always emphasised, our approach must be based on free markets, growth-oriented policies, and fiscal discipline.

We need a stronger model built on open trade, targeted investment strategies, effective public–private partnerships, diversification, and agile economic diplomacy.

Even in times of uncertainty, Mauritius **and all of us**, must move forward with confidence.

This confidence must come from our fundamentals: our business-friendly and business ready environment, the strength and productivity of our people, and our ability to innovate and diversify.

It must also come from clear planning — a well-defined, multi-pronged strategy that supports growth, facilitates market access, sustains investment, encourages new projects, and ensures fiscal consolidation.

Ladies and Gentlemen,

What is needed is a balanced strategy that combines fiscal discipline with sustained economic growth.

Businesses must be able to invest, renew their dynamism, and sustain employment.

Fiscal discipline is essential — we have no choice in that regard — but our companies must also be given the breathing space necessary to renew dynamism, invest, and sustain employment, particularly for SMEs.

Honourable Ministers, last year's Budget took important steps in that direction.

It was a difficult exercise for everyone and required discipline and political courage.

The Chamber supported its overall direction, recognising that sound public finances are key to long-term stability.

At the same time, we highlighted several impacts on businesses and sectors.

Our position remains unchanged: fiscal consolidation must go hand in hand with clarity for growth.

Businesses need a clear roadmap — with proper sequencing — so they can plan, adjust, and invest with confidence. This is something we must build together.

Ladies and Gentlemen,

This year, I will keep my remarks shorter and invite you to consult the Chamber's Economic and Trade Review 2024/2025, which provides a detailed overview of both the global and national economic context.

Allow me instead to focus on a few key priorities.

First, we must create the right conditions for private investment, including foreign investment, particularly in capital-intensive projects.

Capital formation will be critical for our short- and medium-term sustainability.

Given the constraints on public investment due to debt levels, Public-Private Partnerships and Build-Operate-Transfer frameworks can help unlock major infrastructure projects, while improving productivity and competitiveness.

Recent decisions in the port sector are a good example.

They address urgent competitiveness challenges and help preserve Mauritius' role as a regional trans-shipment hub.

They also support capital inflows and technology transfer.

Successful PPP initiatives such as Mauritius Network Services and MACCS show how collaboration between the public and private sectors can drive investment and build companies with export potential.

Similar opportunities exist in energy, utilities, transport, warehousing, and digital connectivity.

Second, our immigration policy must evolve.

Global uncertainty is encouraging companies and individuals to look for stable and predictable environments. Mauritius should seize this opportunity to attract global talent, high-net-worth individuals and venture capital seeking such environments.

To fully benefit from this, we must ensure that our tax framework remains competitive.

At the same time, we must recognise a key reality: Mauritius needs labour.

Labour today is no longer simply an industrial input — it is a driver of economic activity.

However, to date, Mauritian companies still face long delays in obtaining work permits.

These delays lead to missed opportunities, higher costs, and reduced confidence.

Simplifying these processes and gradually moving towards a more family-friendly immigration policy will support growth and help build the critical mass needed to unlock further investment in infrastructure, healthcare, education, and leisure.

Ladies and Gentlemen,

Third, we must focus on national priorities.

Our financial and human resources are limited, and the clock is ticking....

We **cannot** spread our efforts too widely.

Instead, we must focus on opportunities in high-potential sectors and industrial diversification.

Honourable Minister Aadil Ameer Meea, we commend the initiatives undertaken by your Ministry, particularly the development of the Industry Policy and the forthcoming and Industry Bill.

A clear and coherent strategy is essential — one that integrates workforce development, capacity building, technology adoption, productivity, and branding.

More than ever, we must support our industries — providing investment capacity and transformation support to companies, including SMEs, while assisting traditional sectors such as textiles to move toward niche markets and accelerating the growth of emerging sectors including Life Sciences, Biotechnology, Artificial Intelligence, Automation and the Blue Economy.

Clear roadmaps, competitive frameworks, and decisive policies will be key for these industries to develop further.

Fourth, we must address challenges in the currency market.

While recognizing that this is not an easy task in the current global context.

The question of foreign exchange and market imbalances is still a major concern, exacerbated by the current global environment.

Timely and effective measures could help strengthen the currency and provide flexibility in managing interest rates should external conflicts persist.

The MCCI will work closely with the Bank of Mauritius to monitor developments and support stability, ensuring that companies can operate with confidence in these challenging conditions.

Fifth, we must continue improving the ease of doing business.

Mauritius must position itself as a truly “Be Ready” jurisdiction.

In an environment of tight cash flows and uncertainty, administrative delays are no longer acceptable.

We should aim to have one of the most efficient and reliable systems in the world.

Unlocking delayed projects could generate billions in capital inflows for the economy.

Ladies and Gentlemen,

Sixth, domestic consumption should be seen as a stabilising force in the economy.

In a small island state, external demand can fluctuate quickly.

Tourism cycles change, and global downturns are felt rapidly. A stable domestic demand base helps provide resilience.

Consumption supports many sectors, including logistics, services, warehousing, and local production. It also sustains existing investments in infrastructure.

The Government plays an important role in ensuring fair competition and protecting consumers.

However, excessive price controls can distort markets, discourage supply, and reduce investment.

Government should remain a facilitator, **not** a competitor.

Honourable Minister Michaël Sik Yuen, we recognise the complexity of the issues under your portfolio and commend your dynamism and collaborative approach.

We look forward to continuing our close engagement.

Seventh, we must re-engineer our financial services sector.

This sector remains a key pillar of our economy, contributing significantly to exports and GDP.

While it has shown resilience, we must continue to strengthen its value proposition.

The Tiger Global ruling reinforces the need to increase substance.

We should actively promote activities such as regional headquarters, family offices, and wealth management platforms as investors and multinational companies seek stable and predictable jurisdictions like ours.

We must also develop new segments, strengthen compliance, and prepare for upcoming international assessments in 2027.

As a large ocean state, we need to build a strong value proposition in the marine finance sector delivering quality service in terms of ship registration, marine finance, marine insurance and ship management.

We should also expand sustainable finance and improve market infrastructure to position Mauritius as a regional hub for climate and impact investment.

Eighth, exports of services will be a key driver of growth.

Our latest Export Insights December 2025 publication is clear. The export of services is currently our fastest growing sector. However, this segment is very dependent on tourism and financial services.

For sure, we need to focus on these sectors but should also focus on unlocking the potential of other segments like digital services, professional services, education, technological transfer, among others.

Small countries have demonstrated how services exports can transform their economic trajectory.

Through our 175 years of experience, we do have success stories.

The Mauritius Network Services (MNS) was created under a PPP framework. It employs today some 120 people with more than 60 digital experts and is exporting expertise on the continent.

The MACCS is a similar growing PPP company with our partners of the MEXA with high potential on the continent.

Ninth, economic diplomacy is more important than ever.

Economic diplomacy has become a key component of development but unfortunately more and more complex.

Honourable Minister Ramphul, we are all aligned to your important and difficult mandate in which you have shown consistency, resilience and quality to adapt.

In today's fragmented global economy, economic diplomacy has become a central instrument of national competitiveness — securing market access, attracting strategic investment, and positioning ourselves within evolving global supply chains.

Our engagement in playing key roles in regional and international organisations needs to be enhanced and our lobby to secure our key markets must remain our daily mantra.

Unfortunately, we must also face the reality that the trend toward bilateralism is becoming stronger.

Venturing into strategic commodities and value chains should therefore be another route we evaluate to remain resilient in global disruptions.

Strategic oil reserves, G2G delivery centres for SADC development plans, among others, are avenues we should explore.

Agile diplomacy will allow Mauritius to reinforce its position as a safe, reliable and predictable business continuity centre.

And in these ventures, Honourable Minister, as always, we shall stand by your side.

Ladies and Gentlemen,

These proposals are not just a simple list of ideas. They form a coherent strategy to balance economic growth with fiscal discipline.

As the Chamber enters its 176th year, the Mauritius Chamber of Commerce and Industry stands ready to play its full role in supporting this national strategy.

For nearly two centuries, the Chamber has accompanied the evolution of our economy — from trade facilitation to industrial development, from export promotion to the creation of innovative public–private partnerships.

Through initiatives such as Mauritius Network Services and MACCS, we have demonstrated how structured collaboration between government and the private sector can unlock new economic opportunities.

Building on this experience, the Chamber will continue to serve as a platform for dialogue, policy support, and international engagement, helping Mauritius attract investment and strengthen its global position.

This will require shared responsibility, clear direction, and a common vision.

Mesdames et Messieurs,

L'exigence économique est **réelle et urgente**.

Le secteur privé est prêt à assumer pleinement sa responsabilité dans l'effort de consolidation fiscale, cependant il est essentiel que les entreprises, à travers la compréhension et l'engagement du gouvernement, disposent des moyens nécessaires pour y contribuer efficacement.

Clarity of direction is essential.

Without it, uncertainty itself becomes a cost — affecting investment, confidence, and growth.

The path ahead — combining fiscal consolidation with renewed economic dynamism — will not be easy.

But with focus, partnership, and determination, it is a path that can lead to lasting success.

Finally, as I conclude my tenure as President of the MCCI, I would like to thank the teams who work tirelessly, every day, to uphold the excellence of this institution.

Your dedication and professionalism reflect the Chamber's motto: *Non nobis, sed patriae* — not for ourselves, but for our country.

Thank you