Interview: Paul Corson – Head of Corporate Banking, Mauritius Commercial Bank



30.10.2015

Tags: Pharma, Pharmaceuticals, Mauritius, Diversification, Healthcare, Life Sciences, FDI, Foreign Direct Investment,

The Head of Corporate & Institutional Banking of the Mauritius Commercial Bank explains why the diversification of the Mauritian economy into the healthcare and life sciences sector is necessary and why it will be successful. Furthermore, he specifies the factors that make Mauritius one of the best FDI (Foreign Direct Investment) destinations in Africa.

Is the successful diversification of the Mauritian economy into the healthcare and life sciences sector in the near future a realistic ambition?

Mauritius is currently heavily dependent on exports which results in the high vulnerability of our economy towards external shocks. Therefore, diversification is not an option but a must. The multiplication of economic pillars will amplify our resilience against such shocks. We believe that healthcare and life sciences sector will play a major role in this diversification, which is a realistic ambition.

While government is encouraging joint-ventures and alliances, Mauritius has experienced tremendous growth in different fields of the healthcare and life sciences industry, namely in the medical devices segment, clinical research, biotechnology and pharmaceuticals.

The healthcare and life sciences sector in Mauritius has developed through an integrated cluster of a core group of companies including operations in high tech medical devices, medical tourism,

medical education, wellness and most recently biotechnology. Global conglomerates have invested in Mauritius and created centres of excellence that cater the needs of national and international patients.

How do you assess the attractiveness of Mauritius for FDI into the healthcare and life sciences sector?

Mauritius, since its independence in 1968, has always been an attractive destination for FDI in general. This is mainly because of the stable political situation and the strong legal framework, which are complemented by the French civil code and British law with its final stage at the Judicial Committee of the Privy Council based in London.

Within this framework, Mauritius has established a reputation as an attractive destination for FDI: Its location provides excellent conditions for working with partners and clients around the world, it has a very dynamic economy, it is the freest and most business friendly country in Africa, it is a safe place, it has one of the largest Exclusive Economic Zones (EEZ) and our multicultural and bilingual population is very tolerant.

Specific new attractive features for FDI in the healthcare and life sciences sector have recently been announced, as the current government ramps up its efforts to encourage pharmaceutical and biotechnological conglomerates to invest in Mauritius. New specific laws have been passed while other measures are being discussed.

There is also an increasing number of young people educated abroad in those fields who want to return and work in Mauritius and thus can be easily repatriated by those companies.

MCB has an outstanding track record of supporting the development of the Mauritian economy. What specific role does MCB play to develop the biotechnology sector as a new pillar of the economy?

MCB was founded in 1838 and ever since, our underlying commitment has been to support the progress of individuals, businesses and the country as a whole. Over time, we have grown into an international bank with subsidiaries in Madagascar, Seychelles, Mozambique and the Maldives and a global network of partners.

With a domestic market share of approximately 40 percent, we are the leading bank in Mauritius. We have always been at the forefront of the country’s economic development: From sugar to the seafood hub via financial services, tourism, manufacturing, Freeport, information and communication technology among others. Of course, we are now supporting the diversification of

our economy into biotechnology.

The Mauritian economy is currently widely open and vulnerable to external shocks. Over the past twenty years, the aim was to build resilience against these shocks. The diversification into biotechnology as part of the healthcare and life sciences sector complements this goal.

We financed the setting up of the Socota Phoenicia BioPark, its marketing and communication campaign and some of the companies which are settling in. We are now helping to market the BioPark around the world with the help of the Board of Investment to further attract conglomerates to Mauritius.

We are, however, not limited to that specific location when financing companies in the healthcare and life sciences sector. We closely collaborate with companies from the medical devices sector. This is of high interest to us. Because of the high value adding processes in this sector, these companies bear exponential development potential for Mauritius.

We are able to engineer and tailor specific products and services, especially in terms of working capital, assets financing and equity participation for any company from the healthcare and life sciences sector which plans to invest in Mauritius as we appreciate the sustainable value it has for our economy.

The Budget speech 2015/2016 of Hon. Vishnu Lutchmeenaraidoo suggests that entrepreneurship is expected to become the new backbone of the Mauritian economy. Is this a realistic ambition?

The reason why our economy has been dynamic and has re-invented itself for the past few decades is because it relies on a backbone consisting of entrepreneurs. This generation’s entrepreneurs, in contrast to previous ones, are specialised in high-technology and high value-adding sectors like the healthcare and life sciences sector.

The increased connectivity with the rest of Africa eases, especially for newly established entrepreneurs, the expansion of businesses into the continental market. In this context, Africa’s development will influence our development and vice versa. Our government has recognised the significance of this relationship and is building closer economic ties with many other African nations.

A current issue in this relationship is the political and economic stability of some of the other African nations. Mauritius is currently a role model for the continent and is much admired.

I have noticed that recent initiatives have increased the overall confidence of Mauritian entrepreneurs. They are encouraged to be proactive and are pushed to the very forefront of our economy. I am certain they will be successful.

How do you communicate the label “Mauritius” to the world?

Mauritius is not limited to tourism. On the contrary, Mauritius is a destination open to foreigners, open to FDI, with adequate local talent to fill vacancies, and with the right conditions allowing businesses to operate efficiently and at lower costs than in Europe, Asia or the United States. Mauritius is ideal not only for research facilities or manufacturing plants, but also as a stepping stone for any business wanting to penetrate the African market – the market with the highest growth potential.

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