



MINISTRY OF BUSINESS, ENTERPRISE & COOPERATIVES
(Business and Enterprise division)

Event : **INNOVATION & TECHNOLOGY FAIR**
Location : **SVICC, Pailles**
Date : **Thursday 11 May @ 18h00**

Hon. Shri Kalraj Mishra, Minister of Micro, Small, and Medium Enterprises of the Republic of India

The Permanent Secretary of my Ministry, Mr Vassoo Putchay

Mr. Parama Valaydon, Chairman of the SMEDA

Mr. Phalraj Servansigh, Managing Director of the SMEDA

Members of the Media

Ladies and Gentlemen

A very good evening to of all you!

I am delighted to be here today to officially open and welcome you all to the **International SME Innovation and Technology Fair**, an event which aims at facilitating the transfer of technology, know-how and skills to Mauritian and overseas enterprises through the showcasing and eventual acquisition of technological tools and equipment particularly of assistance to SMEs.

Let me first of all express my sincere appreciation to **Shri Kalraj Mishra and his delegation**, whose presence with us today gives a special shine to the event we are launching.



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Needless to say, India and Mauritius are two countries with deep historical, blood and cultural ties. I have always paid particular attention to the remarkable manner in which India deals and cares for its SMEs. **StartUp India**, a flagship initiative of the Government of India, is just a glimpse of the country's enthusiasm when it comes to this sector.

I also extend a warm welcome to our overseas and local exhibitors. We are delighted to have you with us and thank you for taking the time from your busy schedules to be here to explore new ideas, solutions, partnerships and experiences with Mauritian entrepreneurs during the next 3 days.

The entrepreneurial community is very well aware of the objective of Government is to transform Mauritius into a forward looking and innovative country and the SME sector has been clearly positioned as the future engine of our economic growth. At a national level, the SME sector remains an important segment of the economy, contributing significantly to GDP (40%) and employment generation (54% of Total Employment). SMEs are expected to assume a greater role in the economy as a key driver of balanced growth.

However, the transformational capacity of SMEs on our economy is severely hampered by several constraints which are translated through very eloquent figures: **47%** of our SMEs are operating at almost subsistence level and are mostly managed by own account workers. Their annual turnovers are **less than MUR 2 million** and they have **five or less employees**. Moreover, **only 7%**



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of SMEs employ more than 21 people and have turnovers of **more than MUR 10 million**. Our enterprises need to regularly cope with increasing competition, costs, and constraints on manpower and finance.

It is obvious that for the sector to unleash its potential, we need to take significant measures to increase the share of **High Growth Potential SMEs** that have the ability to spur economic activities and create jobs. Such opportunities exist through, *inter alia*, the adoption of technological and innovative practices.

In the context of the **Fourth Industrial Revolution** knocking on the door of the business landscape today, it is no secret that our enterprises have no choice but to accelerate the pace of their business transformation through **relentless and continuous innovation**. This is what will act as a source of competitiveness and economic diversification, hence reigniting growth and keeping our enterprises relevant in the global marketplace. Today's most successful businesses are those that are committed to continuously innovate, by creatively transforming knowledge and ideas into new products, processes and systems.

The strong positive association between innovation and SME growth is undeniable. With regards to technology, it can significantly and positively impact on sectors such as manufacturing, bio-farming, renewable energy, ocean economy, financial and other services. Therefore, special attention



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is needed on industrial technology with our exhibitors who will, I am sure, be eager to contribute positively to the Fair by helping visitors to explore their latest technologies.

Against this backdrop, the **International SME Innovation and Technology Fair** is more relevant than ever. Support for the creation of new ventures and spin-offs from R&D and large companies, as well as support for the transfer of know-how, is a policy priority for my Ministry.

It is quite clear that Mauritian SMEs still lag behind in identifying and investing in technologies that will bring them to the next level of growth and competitiveness. The latest **Global Competitiveness Index** report prepared by the World Economic Forum shows that, with regards to Mauritius, **our decade-long improvement has come to a halt since last year with a fall to the 45th position out of 138 economies**. And more specifically, when compared with upper middle income countries that have similar population size such as Iceland and Cyprus, **Mauritius is underperforming and is ranked 67th in the innovation ranking of the same index**. The ability to absorb new technologies and the capacity to innovate have been pinpointed as among the weakness factors highlighted in the report.

I am sure Shri Kalraj Mishra will acknowledge that this is where our SMEs can benefit from the potentiality of the 'Indian touch'. Indeed, India has jumped **16 ranks** to settle at the **39th spot** on the Global Competitiveness index. This



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is the second year in a row that India has jumped 16 spots. In year 2015-16, India was ranked at the 55th place. The report further highlights that India's "competitiveness has improved across the board, in particular in goods market efficiency, business sophistication, and innovation". I am confident that we will have the opportunity to discuss about how Mauritius can learn from the exquisite Indian experience and expertise at this level in the context of the Joint Committee Meeting to be held tomorrow.

Ladies and gentlemen,

Technological innovation is at the heart of economic change. Technology offers enormous potential to small and medium businesses because they can scale up quickly and massively increase their reach, allowing them to sell their products and services internationally, save time and be cost benefit.

But we must also transcend the mainstream belief that the capacity to innovate exclusively depends on complex technological processes; it is in fact very often a question of creativity. Exploring ways to reduce the cost of products or services, repackaging in view of making products more appealing to customers, or adopting a different approach to customer relationships, are ways of innovating. There are also disruptive innovations - innovations that create new markets by discovering new categories of customers, by developing new business models and exploiting old technologies in new ways.



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Innovation is in fact the specific instrument of entrepreneurship, an act that endows resources with a new capacity to create wealth. And more importantly, innovation has nothing to do with the budget we have for R&D. When Apple came up with the Mac, IBM was spending at least 100 times more on R&D. It's not only about money.

My Ministry is fully aware that public **policy plays a critical role in facilitating the adoption of innovation by SMEs**. This is the main thrust behind the organization of the Innovation and Technology Fair, which bears the long term vision of encouraging our entrepreneurs to start nurturing a culture of innovation, thus paving the way for the emergence of a wave of modern Mauritian entrepreneurs. The Innovation and Technology Fair is, in addition, a clear indication of our will to do whatever it takes to help our SMEs operate in a strong industrial and innovation eco-system where possible innovation partners are plentiful and easily accessible.

This ground-breaking event will provide a platform and marketplace connecting technology suppliers and their innovative ideas to visiting investors, manufacturers and distributors in order to promote investment and collaboration. Moreover, this first of its kind initiative aims at providing the ideal stage for innovators and techno-preneurs to establish their identity and promote their innovative ideas.



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By adopting **a novel approach to support SMEs' innovation activities**, this B2B and B2C event will create the most effective linkages between several foreign technology providers and local businesses to facilitate technology transfer and absorption from one end to another. And for it to bear a successful outcome for our country and all stakeholders involved, my Ministry, through SMEDA, has in fact favoured a value co-creation approach, with a collaborative process involving the State and the Private Sector.

I would like to acknowledge the support first of all the **Ministry of Foreign Affairs, Regional Integration and International Trade** for its active involvement in making the fair an unparalleled local, regional and international event. My heartfelt thanks also go to the **Mauritius Chamber of Commerce & Industry (MCCI)** which has shown great enthusiasm in playing the Private Sector link to further extend the scope of our event.

To conclude Ladies and Gentlemen, our challenge is that the success of the event has to go beyond being just a buzzword, to become **a true enabler for businesses, visitors and future entrepreneurs to think forward, discover new opportunities and move ahead to find their rightly deserved place in the Mauritian economy and society.**



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The **International SME Innovation and Technology Fair**, by having a comprehensive approach, can indeed be the opportunity for operators and visitors to have a **meaningful and insightful experience** and for the setting up of a **technology transfer platform**. Moreover, it can become the platform for aspiring entrepreneurs to indulge in business activities in new sectors such as the ocean economy by using the latest available technologies that will facilitate the implementation of their business ideas.

The road to transforming and growing sustainable businesses is hardly a sprint. It is a marathon requiring commitment, perseverance and the desire to outperform. I believe that our SMEs have the determination to succeed and that our Development Partners are genuinely committed to collaborate with us. On our part, rest assured that Government is dedicated to supporting and enabling our SMEs to develop the necessary capabilities for business transformation through innovation infrastructure and networks that will be there for you to tap on and climb up the ladder of success.

Edith Widder, a renowned scientist, said: ***“Exploration is the engine that drives innovation. Innovation drives economic growth. So let's all go exploring”***.

I thus invite you all to explore the 2017 International SME Innovation and Technology Fair!

Thank you for your attention.