



**ANNUAL  
REPORT  
FINANCIAL  
YEAR  
2022 – 2023**

**MINISTRY OF  
INDUSTRIAL  
DEVELOPMENT, SMEs  
and COOPERATIVES  
(SMEs Division)**



November 2023

## Content

<b>1.0 ABOUT THE MINISTRY.....</b>	<b>1</b>
<b>1.1 INSIGHT OF THE MINISTRY.....</b>	<b>1</b>
<b>1.1.1 SMES DIVISION.....</b>	<b>2</b>
<b>1.2 STATEMENT OF HON. MINISTER .....</b>	<b>3</b>
<b>1.3 STATEMENT OF ACCOUNTING OFFICER.....</b>	<b>5</b>
<b>1.4 FUNCTIONS OF THE SMES DIVISION .....</b>	<b>7</b>
<b>1.5 OUR STRATEGIC FUNCTIONS .....</b>	<b>8</b>
<b>1.6 GENDER STATEMENT .....</b>	<b>9</b>
<b>1.6.1 GENDER DISTRIBUTION IN THE SME SECTOR.....</b>	<b>10</b>
<b>1.7 ABOUT OUR PEOPLE .....</b>	<b>13</b>
<b>1.7.1 STAFF DISTRIBUTION .....</b>	<b>14</b>
<b>1.7.1.1 LIST OF SENIOR STAFF AS AT 30 JUNE 2022 .....</b>	<b>15</b>
<b>1.7.2 ORGANIZATIONAL CHART .....</b>	<b>18</b>
<b>1.7.3 THE HUMAN RESOURCE SECTION.....</b>	<b>19</b>
<b>1.7.4 TRAINING AND DEVELOPMENT.....</b>	<b>23</b>
<b>1.7.5 SME REGISTRATION UNIT.....</b>	<b>30</b>
<b>1.8 MAIN LEGISLATIONS.....</b>	<b>31</b>
<b>1.8.1 OVERVIEW OF STATE-OWNED ENTERPRISE OPERATING UNDER THE PURVIEW OF THE MINISTRY .....</b>	<b>32</b>
<b>2.0 MINISTRY’S ACHIEVEMENTS-ACHIEVEMENT OF THE SMES DIVISION .....</b>	<b>33</b>
<b>2.1 ONLINE BUSINESS DIRECTORY OF SMES .....</b>	<b>33</b>
<b>3.0 PROJECTS AND SCHEME OF THE MINISTRY .....</b>	<b>35</b>
<b>3.1 SETTING UP OF MINI FRUIT PROCESSING PLANTS.....</b>	<b>35</b>

<b>3.2A DIAGNOSTIC STUDY ON THE INFORMAL SECTOR IN MAURITIUS TO FACILITATE POST-COVID RECOVERY .....</b>	<b>36</b>
<b>3.3.....</b>	
<b>PARTNERSHIP FOR ACTION ON GREEN ECONOMY (PAGE) REPORT ON GREENING THE SMES: IMPROVING SME ACCESS TO GREEN FINANCE IN MAURITIUS.....</b>	<b>37</b>
<b>3.4 COMESA RECAMP - TECHNICAL ASSISTANCE FACILITY (TAF)- FURTHER ENHANCING THE DEVELOPMENT OF THE LEATHER VALUE CHAIN IN MAURITIUS.....</b>	<b>38</b>
<b>3.5 10-YEAR SME MASTER PLAN .....</b>	<b>40</b>
<b>4.0 Events and Site Visits.....</b>	<b>44</b>
<b>5.0 STATUS ON IMPLEMENTATION OF KEY ACTIONS .....</b>	<b>49</b>
<b>5.1 RISK MANAGEMENT, CITIZEN ORIENTED INITIATIVES AND GOOD GOVERNANCE.....</b>	
<b>.....</b>	<b>50</b>
<b>5.1.1 ANTI-CORRUPTION COMMITTEE.....</b>	<b>50</b>
<b>5.1.2 AUDIT COMMITTEE .....</b>	<b>52</b>
<b>6.0 FINANCIAL HIGHLIGHTS .....</b>	<b>53</b>
<b>6.1 FINANCIAL PERFORMANCE .....</b>	<b>54</b>
<b>6.1.1 FINANCIAL HIGHLIGHTS.....</b>	<b>54</b>
<b>6.1.2 STATEMENT OF EXPENDITURE .....</b>	<b>54</b>
<b>7.0 WAY FORWARD .....</b>	<b>57</b>
<b>7.1 TRENDS AND CHALLENGES .....</b>	<b>57</b>
<b>7.1.1 TRENDS.....</b>	<b>57</b>
<b>7.1.2 CHALLENGES .....</b>	<b>58</b>
<b>7.2 SWOT ANALYSIS.....</b>	<b>59</b>
<b>7.3 STRATEGIC DIRECTION .....</b>	<b>60</b>
<b>7. 3.1 3<sup>rd</sup>. Joint Committee on Micro, Small and Medium Enterprises between Mauritius and India.....</b>	<b>60</b>
<b>7.3.2 African-Asian Rural Development Organisation (AARDO).....</b>	<b>60</b>

**7. 3.3 10-Year SME Master Plan..... 61**

**8.0 CONCLUSION ..... 62**

## **1.0 ABOUT THE MINISTRY**

### **1.1 INSIGHT OF THE MINISTRY**

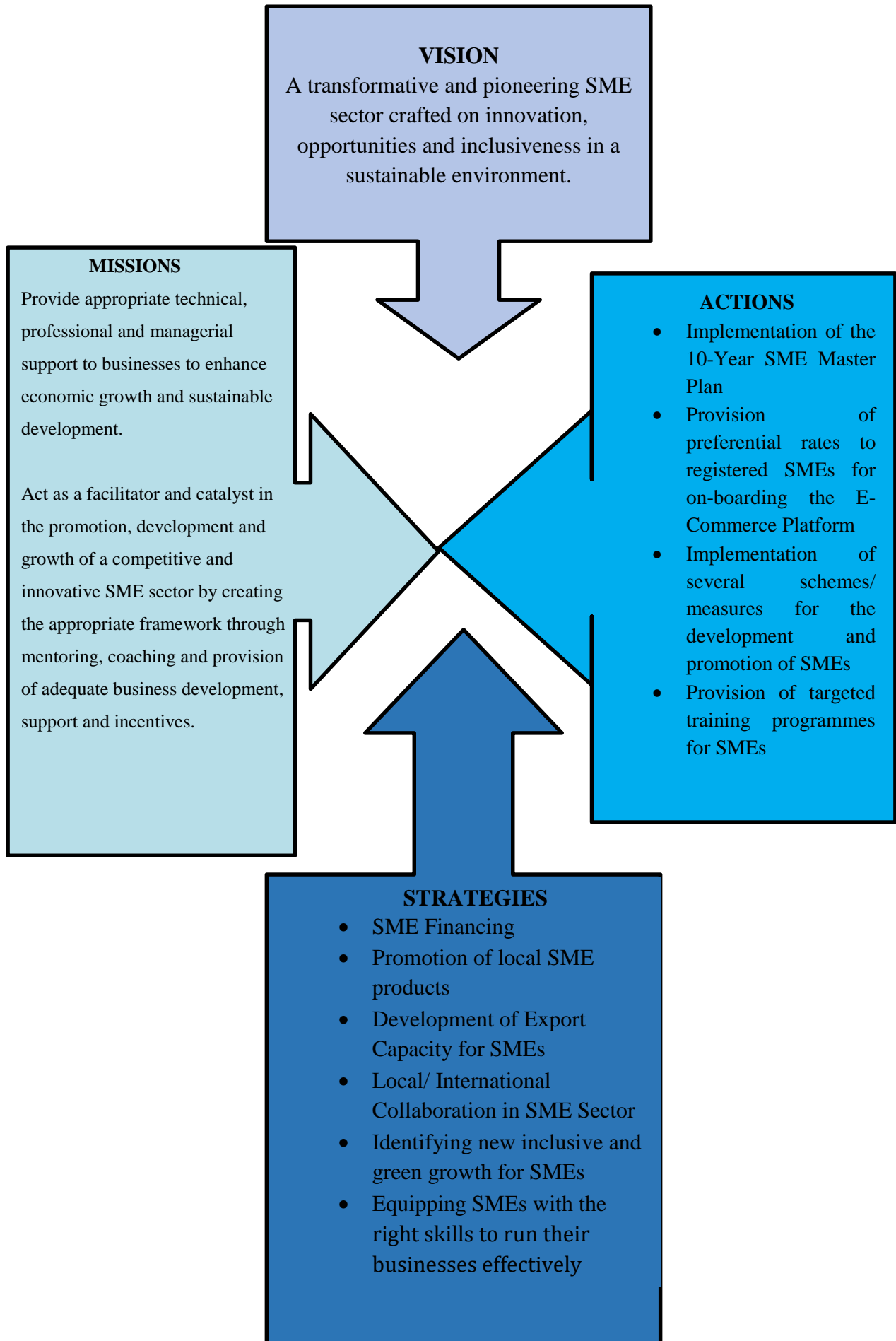
The Ministry of Industrial Development, SMEs and Cooperatives comprises three Divisions namely the Industrial Development, SMEs and Cooperatives Divisions respectively. The main activities of the Ministry revolve around formulation of policies pertaining to Industrial Development, Micro, Small and Medium Enterprises and Cooperatives.

The Industrial Development Division acts as a facilitator and catalyst for the development of a resilient, vibrant and competitive manufacturing sector with a view to fostering employment creation and wealth generation for higher economic growth.

The SMEs Division is responsible for the design and formulation of policies and schemes while ensuring that there is appropriate and adequate provision of support and facilities to existing enterprises as well as encouraging creation of new businesses.

The Cooperatives Division facilitates the promotion of diversified, emerging and innovative cooperatives and involvement of more young persons and women in the development, consolidation and advancement of the cooperative movement.

## 1.1.1 SMEs DIVISION



## 1.2 STATEMENT OF HON. MINISTER



I am pleased to present the Annual Report of the Ministry of Industrial Development, SMEs and Cooperatives (SMEs Division) for the Financial Year 2022/2023.

SMEs provide 44 % of all employment, contribute around 34.9% to the Gross Value Added and 10% to exports. Needless to say, they are essential in sustaining our economy.

SMEs worldwide continue to face the aftermath of the COVID-19 pandemic, including economic downturns and increased uncertainty. In addition, they must adapt to changing consumer behaviour and preferences and shifts in the competitive landscape to remain competitive in 2023.

If our SMEs are to weather the storm, they need to be focusing on areas such as talent, sustainability, digital transformation and supply chain resilience. These are precisely the areas in which the Government and support institutions are targeting assistance through multiple financing plans and schemes. Our objective is to stimulate SME development by assisting SMEs in this new journey of keeping up with technological change and adapting their business models.

Digitalization is driving rapid change on an unprecedented global scale. This revolution brings great opportunities for SMEs. Digital technologies offer new opportunities for established SMEs to scale up and enhance productivity.

Our support programs are being crafted to help SMEs to overcome challenges, harness the digital revolution and make small businesses become big players in the global economy.

The mid-term review of the 10-year SME Master Plan is a translation of the Government's vision to develop national entrepreneurship to advanced levels globally, by providing a supportive environment for entrepreneurs and encouraging a pioneering model of incubators and accelerators

for small and medium companies.

SMEs are also being encouraged to explore new market development initiatives, especially in the wake of the different free trade agreements signed with Africa, India and China.

The Government is committed to stimulating the potential of innovation that start-ups and SMEs can generate to support the transformation of national supply chains, within the framework of the double digital and green transition.

Through awareness, sensitisation and training campaigns, the Government is also calling upon the youth to embrace the power of entrepreneurship, digital and financial tools to uplift our country and establish a prosperous Mauritius. This is because we believe in the power of SMEs to bring about a lasting transformation, leaving no one behind.

**Hon. Soomilduth Bholah**

**Minister of Industrial Development, SMEs and Cooperatives**



### 1.3 STATEMENT OF ACCOUNTING OFFICER



*It gives me immense pleasure to be associated with the publication of the Annual Report of the Ministry of Industrial Development, SMEs and Cooperatives (SMEs Division) for the period 2022-2023.*

*Once again, I bear recognition to the contribution and commitment of the staff of the SME Mauritius Ltd in ensuring implementation of the projects and schemes of the Ministry in the most efficient manner.*

*I also wish to highlight the excellent working relationship between the Ministry and its main partners, especially the small and medium enterprises (SMEs).*

*During the period 2022-2023, the SMEs Division strived to turn the tide in favor of SMEs in order to help them rebound from the aftershocks of global events. Despite the fact that the challenges were varied and numerous, the SME sector in Mauritius fared well. Our indicators have already turned green in many sectors and I have the foremost desire to highlight that the pre-pandemic figures are already looming large on our economic horizon. Nevertheless, we are constantly on guard in order to see to it that this development keeps an upward trend.*

*This progress could never have been achieved without the unflinching support and unwavering commitment and dedication of the staff of this Ministry and the SMEs, which left no stone unturned in their quest to stay afloat and keep the momentum during these testing times. It is especially in this perspective that we provide the necessary training and capacity building to our invaluable workforce whilst spearheading technical and financial assistance to our SMEs through various schemes already in place.*

*In the course of our journey to enhance the competitiveness of our local SMEs and thereby increase*

*their productivity, the SMEs Division is working on several innovative projects such as the development of an Integrated IT System, the potato processing scheme and consultancy services to further enhance the development of the Leather Value Chain in Mauritius in addition to the schemes already in place at the level of SME Mauritius Ltd.*

*Our online Business Directory of SMEs, which was launched last year, has seen a considerable increase in the number of SMEs published thereon. The categorization by sector and district enables quick and easy access and linkages between individuals and our local SMEs, such that its contribution to the improvement of the SME sector in the past financial year is commendable.*

*With the new business-friendly policies in place, especially those geared towards relieving our SMEs from the burden of increasing fuel prices and recruitment of skilled labour, one may clearly see that we are walking the extra mile in order to keep the growth rate at its optimal level.*

*Nonetheless, we do reckon that new challenges will come into play especially from the international perspective. It is, however, not impossible for us to achieve a level playing field in the global arena with the right innovative policies and effort.*

*Indeed, we will need to think big, start small and scale fast.*

*I, therefore, rely on the foresight of all the stakeholders of the SME sector to bring along the pioneering solutions which will help in faring across the tides during these interesting times.*

**R. K. Bunjun**

**Acting Permanent Secretary Ministry of  
Industrial Development, SMEs and  
Cooperatives (SMEs Division)**

## 1.4 FUNCTIONS OF THE SMES DIVISION

The Division acts as a regulator and facilitator within its basic core values of effective administration: Teamwork, Trust, Transparency, Transformation and Timeliness.



## 1.5 OUR STRATEGIC FUNCTIONS

Devise, formulate, review and implement strategic policies relating to SMEs  
Identify projects, programs and activities for the development and promotion of SMEs  
Facilitate and coordinate research relating to development of SMEs through

Facilitate access to financial resources and other productive resources for SMEs

Coordinate with supporting partners and relevant stakeholders in the fulfilment of our objectives

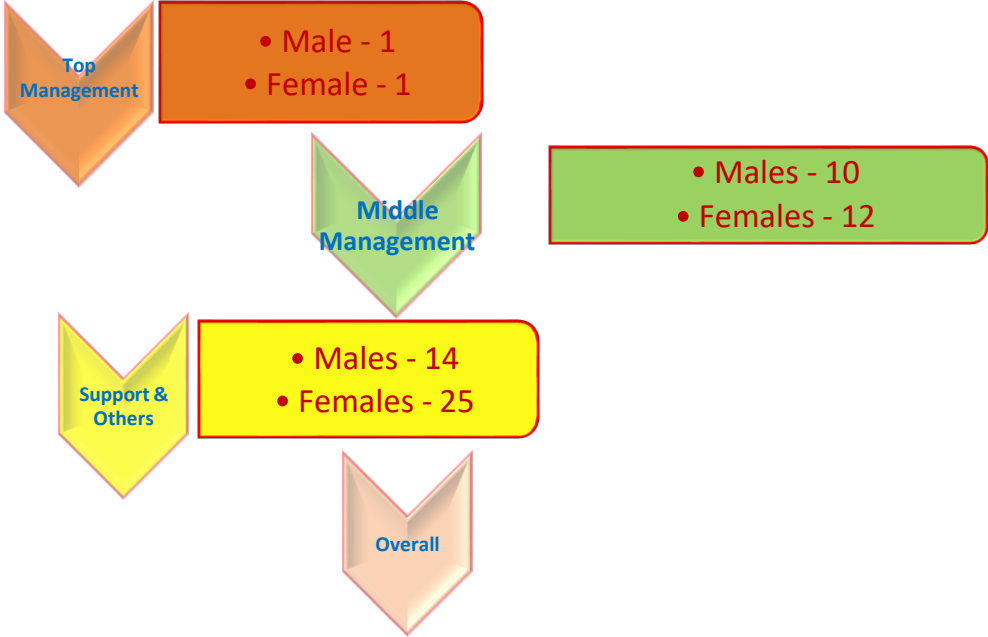
Assist in the initiatives of public sector agencies

Facilitate networking among SMEs and development of linkages between large enterprises and SMEs

Collaborate with local and international agencies dealing with SMEs for their development through capacity building programs, among others

Collaborate in entrepreneurship activities carried out by public sector agencies and the private sector

# 1.6 GENDER STATEMENT



### **1.6.1 DISTRIBUTION IN THE SME SECTOR**

Men and women have equal access to all schemes, facilities and business development services offered by the SMEs Division, mainly through the SMERegistration Unit and SME Mauritius Ltd.

*Units of the SMEs Division*







## 1.7 ABOUT OUR PEOPLE

The Hon. Minister of Industrial Development, SMEs and Cooperatives is the political head of the Ministry and he guides the policy orientation of the Ministry.

The Permanent Secretary is the Accounting and Responsible Officer for the SMEs Division. He is responsible for the overall administration of the different Sections/Units as well for ensuring the implementation measures and policies as approved by the government. He is assisted in his duties by one Deputy Permanent Secretary, two Assistant Permanent Secretaries and other support staff in the Human Resources, Finance and Procurement cadres and general services cadre. There are also two Business Enterprise Analysts who provide support and advice to management on SME matters.

The SME Registration Unit is the technical arm of the Division. It is headed by a Registrar, SMEs (post is vacant) and three Business Development Officers (Ex- SMEDA) and other supporting staff. The Unit is mainly responsible for the registration of SMEs, issue of Certificate of Registration to SMEs and provision of business facilitation services.

The SMEs Division is made up of a workforce of 61 people including -

- One intern under Service to Mauritius (STM) Programme
- Three Trainees under the Youth Employment Programme (YEP)
- One Computer Support Officer/Senior Computer Support Officer from the Central Information Systems Division (part time basis as and when required)
- One Safety and Health Officer/Senior Safety and Health Officer (1/2 day per week)

## 1.7.1 STAFF DISTRIBUTION



### 1.7.1.1 LIST OF SENIOR STAFF AS AT 30 JUNE 2022

ADMINISTRATION			
Designation	Name	Tel No	E-mail address
Acting Permanent Secretary	Mr. Raj Kishore BUNJUN	Phone: 405 3157 (thr' CS) Fax: 2144152	<a href="mailto:rbunjun@govmu.org">rbunjun@govmu.org</a>
Deputy Permanent Secretary	Mr. Jean Daniel Philippe LABONNE (01 August 2022 – 01 March 2023)	Phone: 405 3105 (thr' CS) Fax: 213 9169	<a href="mailto:jlabonne@govmu.org">jlabonne@govmu.org</a>
Acting Deputy Permanent Secretary	Mr. Rajesh HUMATH (02 March 2023 – date)	Phone: 405 3129 (thr' CS) Fax: 2139169	<a href="mailto:rhumath@govmu.org">rhumath@govmu.org</a>
Assistant Permanent Secretary	(1)Mr. Muhammad Ziyaad MADARBOKUS	Phone: 4053108	<a href="mailto:mzmadarbokus@govmu.mu">mzmadarbokus@govmu.mu</a>
	(2)Mr. Akshaye Kumar JEEWOOLALL (01 August 2022 – 23 April 2023)	Phone: 4053149 Fax: 2139176	<a href="mailto:ajeewoolall@govmu.org">ajeewoolall@govmu.org</a>
	Mrs. Nirma Devi ARJUNAN (24 April 2023 –date)	Phone:4053149 Fax: 2139176	<a href="mailto:narjunan@govmu.org">narjunan@govmu.org</a>
HUMAN RESOURCES			

Manager, Human Resources	Mr. Abdool Shamad BHEEKHOO	Phone: 405 3113 Fax: 2141487	<a href="mailto:abheekhoo@govmu.org">abheekhoo@govmu.org</a>
<b>FINANCIAL OPERATIONS</b>			
Manager, Financial Operations	Mrs. Savita BOODHNA	Phone: 405 3115 Fax: 2139159	<a href="mailto:saboodhna@govmu.org">saboodhna@govmu.org</a>
<b>OFFICE ACCOMODATION/TRANSPORT</b>			
Office Management Executive	Mrs. Rambha THAKOOR	Phone: 405 3126 Fax: 2139176	<a href="mailto:rathakoor@govmu.org">rathakoor@govmu.org</a>
<b>PROCUREMENT AND SUPPLY SECTION</b>			
Procurement and Supply Officer/Senior Procurement and Supply Officer	Mrs. Meenakshi Devi KHAYTOO	Phone: 405 3116 Fax: 2144154	<a href="mailto:mkhaytoo@govmu.org">mkhaytoo@govmu.org</a>
<b>REGISTRY</b>			
Office Management Assistant	Mrs. Lalita BUNDHOOA	Phone: 405 3120 Fax: 2139176	<a href="mailto:lbundhooa@govmu.org">lbundhooa@govmu.org</a>
<b>TECHNICAL UNIT</b>			
Business and Enterprise Analyst	(1)Miss Thaneshwaree RAMNARAIN	Phone: 405 3121	<a href="mailto:tramnarain@govmu.org">tramnarain@govmu.org</a>
	(2)Mrs. Varsha VEERAMAH-RAMIAH	Phone: 405 3122	<a href="mailto:yveeramah@govmu.org">yveeramah@govmu.org</a>
<b>SME REGISTRATION UNIT</b>			
Assistant Manager	Mr. Chi Ng Leong CHI	Phone: 202 0042	

(Ex-SMEDA)	KAM CHUN (Up to 30 June 2023)	Fax: 2125760	
Business Development Officer (Ex-SMEDA)	<p>Mrs. Bhooneshwaree BHUNDOO</p> <p>Mr. Lorga Pragessen SORNUM</p> <p>Mr. Soobeeraj NOWBUTSING</p>	Phone: 202 0050	<p><a href="mailto:bbhundoo@govmu.org">bbhundoo@govmu.org</a></p> <p><a href="mailto:Isornum@govmu.org">Isornum@govmu.org</a></p> <p><a href="mailto:snowbutsing@govmu.org">snowbutsing@govmu.org</a></p>

*Table 1: Management Team*

## 1.7.2 ORGANISATIONAL CHART

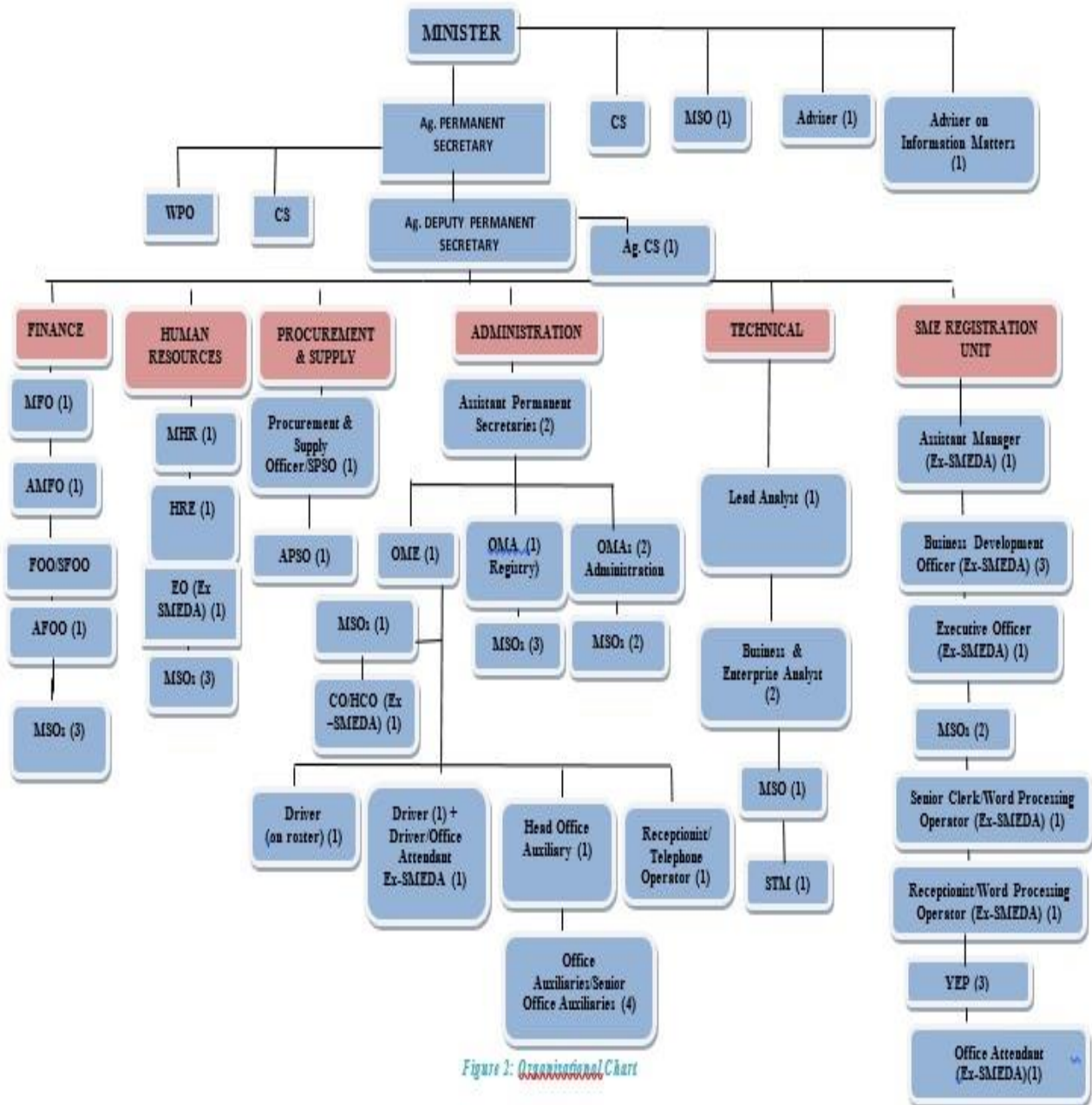


Figure 2: Organizational Chart

### 1.7.3 Human Resources Section

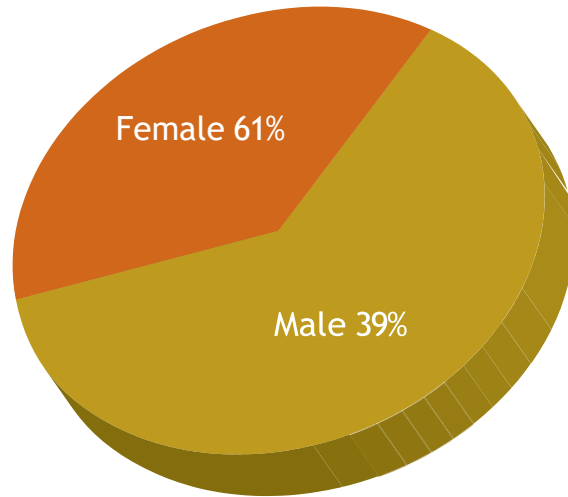
As at 30 June 2023, the SMEs Division had a workforce of 61 officers as follows:

CLASSIFICATION	MALE	FEMALE	TOTAL
Administrative Cadre	4	0	4
Financial Operations Cadre	1	2	3
Human Resources Cadre	1	1	2
Procurement and Supply Cadre	0	2	2
Technical Cadre	5	6	11
General Services Staff	5	18	23
Workmen's class	6	4	10
Trainees under the Service to Mauritius and Youth Employment Programme	1	3	4
Advisers	1	1	2
<b>Total</b>	<b>24</b>	<b>37</b>	<b>61</b>

*Table 2: Human Resources as at 30 June 2021*

*The gender distribution is shown below:*

**Employees' Breakdown by Gender**



*Figure 3: Employees Gender Distribution*



## Retirement

During the financial year, the Senior Chief Executive (posted from 02 March 2023 to 06 June 2023) and the Assistant Manager (Ex-SMEDA) and the Head Office Auxiliary retired from the service and they were offered a shield on that occasion in recognition of their services and contribution.



*Retirement day of Mr. Medha GUNPUTH, Ex-Senior Chief Executive*



*Retirement day of Mr. Chi Ng Leong CHI KAM CHUN, Assistant Manager (Ex-SMEDA)*

#### **1.7.4 Human Resource Training and Development**

The SMEs Division recognizes fully the need to offer employees opportunities to develop their competencies, skills, knowledge and abilities as training positively impacts on their performance and well-being.

In this respect, employees were enrolled on training and capacity building programmes, both locally and overseas during the period under review. They benefited from courses offered by the MPSAIR in collaboration with the CSCM as well from in-house training.

##### **In-house Training**

The SMEs Division organized two full days in-house training sessions on 17 and 18 May 2023 for 40 officers on Improving Communication & Self Image at Work (Grooming from Good to Excellence) conducted by Mrs. Vandita Ladkoo. The objective of the training was to refine the professional image to enhance performance at work with focus on grooming Mentally, Physically and Emotionally.



*Handing over of Certificate of Participation*



*Batch 1*



*Batch 2*

## Local Training and Capacity Building Programmes

Employees have benefitted from the following training courses dispensed by the Civil Service College which was sponsored by the Ministry of Civil Service, Administrative and Institutional Reforms during the financial year 2022/23:

Training Programme	Participants
Half day Awareness sessions regarding Stockholm + 50 theme- a healthy planet for the prosperity of all for Administrative and Technical Cadres of the Public Sector	7
Capability Building and Capability Development Programme level 1	1
Capability Building and Capability Development Programme level 2	6
Capability Building and Capability Development Programme level 3	3
Fire Safety and Fire Risk Management	4
Handling Difficult Customers	2
Implementing OSH Management System- A Practical Approach	5
Induction Course for Management Support Office	1
Induction Course for Word Processing Operators	2
Operation and Process Management for Support Staff	1
Professional Development Programme for CS	1
Professional Development Programme for OA/SOA/HOA	1
Professional Development Programme for SWPO/WPO	1
Project Management	1
Safety and Health in Practice for OA/SOA	5

Safety and Health in the Workplace for MSOs	4
Seminar on Occupational Safety and Health for Office Management Executives/ Office Management Assistants in the Public Service on the occasion of the " World Day for Safety	1
Tender Preparation and Evaluation	2
Training Course on Advanced Microsoft Excel	2
Training course on Essentials of Psychology and Counselling Skills/ Techniques	1
Training Course on Transformation Leadership (Including Emotional Intelligence)	3
Training Programme - Safety and Health in the Workplace	5
Training Programme " Implementing OSH Management System: A Practical Approach	1
Training Programme for TIC	2
Training Session in line with Continuous Professional Development	2
Workplace Safety for WPO	2
Workplace Safety- New Programme	2
<b>Total</b>	<b>68</b>

*Figure 3: Local Training Programmes*



## Overseas Training and Capacity Building Programmes

Four officers from the Administrative Cadre and Technical Unit followed training abroad and which was fully sponsored by the ITEC and other organisations.

PROGRAMME	CATEGORY	NUMBER OF EMPLOYEES	DURATION
Conducive Environment for Sustainable Enterprises	Administrative	Harare, Zimbabwe	25 to 29 July 2022
Consultative meeting to enhance private sector especially Small and Medium Scale animal and animal product value chain actors' participation in sustainable regional and global value chains	Administrative	Kenya, Nairobi	03 to 05 May 2023
Participation in the Capacity Building Course on Pro-Employment Macroeconomic and Sectoral Strategies for SADAC Member States	Administrative	Johannesburg, South Africa	19 to 23 June 2023
SME Financing- Approaches and strategies- ITEC Yr. 2022-2023	Technical	Hyderabad, India	18 July to 26 August 2022
Brainstorming Meeting and Regional Forum on Technology and Innovation for Micro, SME	Technical	South Africa	19 to 23 June 2023

*Table 3: Training Programme abroad*

## 1.7.5 SME REGISTRATION UNIT

The SME Registration Unit was set up following the promulgation of the SME Act 2017 on 18 January 2018

Registration Certificates are issued within **seven working days** after duly completed applications are received in accordance with provisions of the updated SME Act 2017 following amendments brought to the Finance Act 2022;



1. All data collected from SMEs are treated with strict confidentiality; and
2. The SME Registration Unit is operating an online registration platform for SMEs since October 2019. Since its inception, 21469 online applications have been received and processed. For Financial Year 2022 - 2023, 4287 online applications were received and processed, out of which 3602 Registration Certificates have been issued. The online system has considerably reduced processing time of applications.

## 1.8 MAIN LEGISLATIONS

The SME sector operates within the framework of the Small and Medium Enterprises Act 2017.

<b>Total Number of SMEs registered by Gender FY 2022-23</b>				
<b>Gender</b>	<b>Mauritius</b>	<b>Rodrigues</b>	<b>Total</b>	<b>%</b>
<b>Male</b>	1873	52	1925	53
<b>Female</b>	1598	79	1677	47
<b>Total</b>	<b>3471</b>	<b>131</b>	<b>3602</b>	<b>100</b>

For the Financial Year 2022-23, 3 602 SMEs were registered; 1 925 Males (Including 52 Rodrigues) and 1 677 Females (Including 79 Rodrigues).

As percentage, it can be seen on the table as 53% of males and 47% of females were registered as SMEs in the FY 2022-23.

Total certificates issued for the same were 3602.

Total Number of applications received for 2022-23: 4287.

## **1.8.1 OVERVIEW OF STATE-OWNED ENTERPRISE OPERATING UNDER THE PURVIEW OF THE MINISTRY**

SME Mauritius Ltd is a private company wholly owned by the Government of Mauritius, incorporated in July 2017. It is responsible for the empowerment of SMEs to help them emerge and grow by implementing support programs that enhance their competitiveness.

## **2.0 MINISTRY'S ACHIEVEMENTS-ACHIEVEMENT OF THE SMES DIVISION**

The main achievement of the SMEs Division for Financial Year 2022-2023 is as follows-

### **2.1 ONLINE BUSINESS DIRECTORY OF SMES**

The Ministry embarked on the introduction of an online Business Directory of SMEs categorized by sector and district to enable the business continuity and the public to easily, contact, locate and interact via online technology.

The SME e-Directory is an initiative of the SME Division to promote the products/service of SMEs. It is a vital marketing tool that increases the visibility of SMEs and enables them to obtain orders from individuals as well as the private sector, SME Associations and Government bodies.

- This Directory has been conceptualized in categories (30) of activities and on a district wise basis and the SME e-Directory is already live since 5 September 2022. Asat date, the GOC has already migrated a list of 8168 SMEs. It can be accessed under the URL <https://smesdb.govmu.org>.
- The e-Directory is a laudable milestone in the process of business transformation of the Public Service. It provides an easy-to-access platform for business facilitation to SMEs free of charge.
- Graduate students can also have access to this platform and carry out surveys on the SME sector for their dissertation or any other research works.

The main benefits of the SME e-Directory are as follows –

- It is a practical tool for ventilation of information on SMEs.
- Gives users timely and coherent information.
- It is also a cost-effective way to build a presence in the local market place.
- It is available to the public on a 24/7 basis.
- It also gives a global reach
- It helps in promoting the activities of SMEs and also provide them with an online presence where the reachability is easier.

### **3.0 PROJECTS AND SCHEME OF THE MINISTRY**

#### **3.1 SETTING UP OF MINI FRUIT PROCESSING PLANTS**

A Report commissioned by the SMEs Division in 2019 on the ‘‘Setting up of a Mini Fruit Processing Plant in Mauritius’’ had concluded that surpluses of locally available fruits, such as pineapples, can be transformed by SMEs into value addition products through appropriate use of technologies and machinery. While some of the fruits are being directed towards exports, the surpluses can be transformed by SMEs into value addition products like fruit juice, jam, syrup or other fruit-based products.

In this context and in line with the Import Substitution Strategy to boost up local production and decrease the import of consumables, the SMEs Division had invited Expressions of Interest from SMEs and Cooperative Societies for the setting up of mini fruit processing plants. Under the scheme, the SMEs Division would provide up to a maximum of four (4) selected SMEs/Cooperative Societies, a financial grant of 50 percent (up to a maximum grant of Rs One Million), to cover the cost of equipment and machinery procured to set up the Plant.

The objective is to convert locally available fruits into value added products and to reduce wastage.

The Ministry has approached the African-Asian Rural Development Organisation (AARDO) for technical assistance in the setting up of the plants.

### **3.2 A DIAGNOSTIC STUDY ON THE INFORMAL SECTOR IN MAURITIUS TO FACILITATE POST-COVID RECOVERY**

A diagnostic study on the informal sector in Mauritius to facilitate Post-Covid recovery was commissioned by the Ministry of Industrial Development, SMEs and Cooperatives, with support from the United Nations Development Programme (UNDP) in Mauritius. The study was conducted with the aim of facilitating transition from informal to formal sector.

The main objectives of the project are to:

- Conduct a diagnostic assessment of the informal sector, its characteristics, distribution, and its specific vulnerabilities;
- Identify the gaps between the formal and informal sectors in terms of needs and capacities;
- Identify the opportunities and challenges for formalization (drivers and incentives); and
- Propose strategic policy and programmatic interventions to strengthen their ecosystem to facilitate the transition to the formal sector.

The Consultant has submitted the Final Report for the study and various recommendations have been made.

Views and comments from concerned stakeholders have been sought and have been compiled. The Report has been finalized and Government approval is being awaited.



### **3.3 PARTNERSHIP FOR ACTION ON GREEN ECONOMY (PAGE) REPORT ON GREENING THE SMES: IMPROVING SME ACCESS TO GREEN FINANCE IN MAURITIUS**

The Report was undertaken under the auspices of the Partnership for Action on Green Economy (PAGE) and the United Nations Environment Programme Finance Initiative.

The Report has concluded that specific barriers linked to insufficient green finance for SMEs include:

- Knowledge barriers that hinder the integration of green financing as SMEs' owners in Mauritius lack adequate awareness on green financing and executing green projects;
- Financial barriers that hinder SMEs from taking up green business projects due to larger initial capital costs, risk of investing in green SMEs and unfavorable financing terms;
- Regulation and policies on green finance are often inadequate and do not cater to the specific SME needs; and
- Available incentives and products often ignore the life stages of SMEs, especially start-ups and are thus not tailored to their specific investment needs.

The Report also has proposed several actions to scale up green finance for SMEs and has further made various recommendations to improve the integration of green finance for SMEs in Mauritius.

### **3.4 COMESA RECAMP - TECHNICAL ASSISTANCE FACILITY (TAF)- FURTHER ENHANCING THE DEVELOPMENT OF THE LEATHER VALUE CHAIN IN MAURITIUS**

As part of its objective to develop new sectors and opportunities for SMEs, a National Leather Value Chain Strategy was commissioned by the SMEs Division in 2018. The Strategy was developed by the African Leather and Leather Product Institute. The study had concluded that it is imperative that Mauritius addresses the leather value chain so as to avail of consistent good quality hides and skins, and focuses on the identification of potential markets/buyers for export of Mauritian leather and leather-related products at regional and international levels.

In this context and following a call for proposal, a project submitted by the SMEs Division to COMESA's Regional Enterprise Competitiveness Access to Markets Programme with a view to securing "Technical assistance to further enhance the development of the leather value chain in Mauritius" was favorably considered. Funding to the tune of EURO 116,199 has been made available for the project.

In this context, with a view to enhancing the leather value chain from the sourcing of quality skin and hides to export of quality leather and leather-related products to niche regional and international markets, the Ministry of Industrial Development, SMEs and Cooperatives (SMEs Division) has enlisted the assistance of the Africa Leather and Leather Products Institute (ALLPI) to carry out a Consultancy Services on *"Enhancement of the Leather Value Chain in the Republic of Mauritius" under the COMESA umbrella.*

The contract agreement for the consultancy services between the COMESA and ALLPI was signed on 10 July 2023.

The objectives of the project are to:

- i. identify international suppliers within the African continent from which Mauritius can source good quality raw hides and skins; and
- ii. identify potential markets worldwide, including in Africa, for the export of Mauritian leather and leather- related products.

**The Inception Report was submitted to the SMEs Division on 21 August 2023**

**The ALLPI Team comprising three experts, were in Mauritius from 23 to 27 October 27<sup>th</sup> 2023 in order to –**

- (i) conduct field visits to SMEs with officers from the SMEs Division, SME Registration Unit, and SME Mauritius Ltd. Various institutions, including SME Mauritius Ltd, Economic Development Board, Ministry of Agro Industry and Food Security, and the Mauritius Standards Bureau, were also visited;<sup>7</sup>
- (ii) on October 27<sup>th</sup>, 2023, the ALLPI Team held a one-day workshop (focus group discussion) with SMEs and leather stakeholders. The scope of the focus group discussion workshop was guided by the following specific objectives:
  - a) assessing the existing structure and state of the system for the collection of hides and skins at national level and best practices at regional level;**
  - b) increasing the competitiveness of local leather and Leather products; and**
  - c) assessing and profiling of key market access standards that exporters of leather and leather related products are to meet and any appropriate interventions to meet the requirements.**

### **3.5 10-Year SME Master Plan**

The 10-Year SME Master Plan was developed and launched by the SMEs Division of the Ministry of Industrial Development, SMEs and Cooperatives in 2017 with the objective to address the challenges faced by SMEs through its recommendations in order to reshape the SME Sector with targets to be reached by 2026. Five years down, a Mid-Term review of the 10-Year Master Plan was necessary to be conducted in order to quantify the progress made, to identify bottlenecks hindering smooth implementation and to actualize the recommendations in-tune with new market realities as well as new Government priorities.

The Mid-Term review of the 10-Year SME Master plan was conducted with the objective to actualise its core contents by bringing necessary adjustments therein with a view to achieve realistic targets over the next 5 upcoming years. The three main targets to achieve by 2026 were:

Raising SMEs' contribution to GVA from 34% to 46%;

Raising SMEs' share of total national employment from 48 % to 64 %; and

Increasing SMEs' share of total export from 10% to 18%.

The Mid-Term review was conducted over a period of 8 months comprising 3 phases, namely: Information gathering and compilation; Consultative meetings; and Analysis.

The Mid-Term review of the 10-Year SME Master plan confirms that the SME Development Framework is functional and is efficiently shaping the SME sector. It also highlights the activities on which effort must be emphasised and thus provides the Ministry of Industrial Development, SMEs and Cooperatives (SMEs Division) elements on which to focus for the next 5 years

## National Market Fair

All three Divisions of the Ministry had joined hands to promote the “savoir faire” of Mauritian enterprises and give enhanced visibility to local entrepreneurs and locally manufactured products through the holding of “La Grande Foire de l’Indépendance”. The event was held



from 03 to 05 March 2023 at La Place Taxi, Central Flacq. The Trade Fair attracted enterprises across various segments of the manufacturing sector, comprising small, medium and large enterprises, as well as cooperative societies.

In the context of the National Market Fair, the following activities were organised:

- A Rally (march) regrouping staff of the Ministry and support institutions, members from public and private sector organisations.
- A Fashion Show conceptualised by the Academy of Design and Innovation.
- A Cultural Programme by local artists.
- A Food Fair organised by socio-cultural groups under the Ministry of Arts and Cultural Heritage.

## Les Assises de L'Entrepreneuriat

“Les Assises de L'Entrepreneuriat” was held on 15 and 16 March 2023 at the Caudan Arts Centre, Port Louis. This was the first time that “Les Assises de L'Entrepreneuriat” was held in Mauritius. The event was organised by the SMEs Division of the Ministry in collaboration with the United Nations Development Programme (UNDP) Mauritius & Seychelles.

The aim of holding “Les Assises de L'Entrepreneuriat” was to provide a platform for MSMEs and concerned stakeholders to meet, share and discuss over key issues they are facing, take cognizance of their proposals and their expectations from Government and support institutions. Several themes, namely, access to finance, access to markets, new sectors for SMEs, promoting high-end SMEs, productivity and competitiveness, skills development, technology and innovation/digital transformation of SMEs, and promoting women-led entrepreneurship were discussed during the event. Over 50 SMEs, from various sectors of activity, have participated in the event. A Report on the issues raised during the “assises” as well as proposals received and recommendations made has been prepared. The SMEs Division is exploring the ways and means to act on the recommendations and proposals made.



## **Implementation of an Integrated IT System for SMEs in Mauritius**

The SMEs Division of this Ministry has embarked on an Integrated IT System for SMEs. The project aims at harmonising all data available on SMEs on a common platform and obtaining real time data and statistics to enhance service delivery and to enable policy makers to devise and formulate effective policies for SMEs. From capturing information on incorporated companies with the Corporate and Business Registration Department (CBRD) to online application and registration of entrepreneurs at the SME Registration Unit as well as gaining information on submission of tax returns by entrepreneurs to the Mauritius Revenue Authority (MRA) would be starting points for data collection on SMEs.

The common IT system would be linked, inter-alia, with the systems of the CBRD and the MRA so that consistent data and statistics on SMEs are easily made available to policy makers for effective decision-making.

In this respect, the SMEs Division has enlisted the services of a Consultant, namely the BDO IT Consulting Ltd for the digital transformation of the management of SMEs business process of the SMEs Division. A contract was signed on 17 April 2023 between the BDO IT Consulting Ltd and the Ministry. The total contract amount for the consultancy services including Phase I (Rs 1, 900, 000) and Phase II (Rs 87, 000) as awarded is Rs 1, 987, 000.

An Inception Report has been submitted by BDO IT Consulting Ltd on 5 June 2023. The final Report is due in March 2024.

#### 4.0 Events and Site Visits

### Launching of Business Transformation Scheme and mobile application by SME Mauritius Ltd (27 February 2023)



### National Market Fair at Flacq (03-05 March 2023)





# Les Assises de l'Entrepreneuriat (10 March 2023)



**Site Visit at Fresh Water Prawns (Mauritius) Ltd (24 May 2023)**



**Fashion Show by SME Mauritius Ltd at The Hills, Ecoignard  
(25 May 2023)**



**Ceremony of Award of Certificates and exhibition in creative  
jewelry and pastry at SME Mauritius Bel Air (26 June 2023)**





## Salon des PME St Pierre (29 September 2023)



## 5.0 STATUS OF IMPLEMENTATION OF KEY ACTIONS

<b>Delivery Unit</b>	<b>Main Service</b>	<b>Key Performance Indicator</b>	<b>Target 2021/22</b>	<b>Achievement at 30 Jun 2022</b>	<b>Remarks</b>
<b>SMEs Division</b>	<b>Facilitate the development of SMEs</b>	<b>Number of new SMEs registered</b>	<b>1,900</b>	<b>2,211</b>	<b>Target achieved</b>
		<b>Number of jobs created by newly registered SMEs</b>	<b>3,200</b>	<b>2,304</b>	<b>Majority of startups are creating self-employment jobs</b>
<b>SME Mauritius Ltd</b>	<b>Provide support to SMEs</b>	<b>Number of SMEs assisted through SME support schemes</b>	<b>700</b>	<b>812</b>	

## **5.1 RISK MANAGEMENT, CITIZEN ORIENTED INITIATIVES AND GOOD GOVERNANCE**

### **5.1.1 ANTI-CORRUPTION COMMITTEE**

The Ministry of Industrial Development, SMEs and Cooperatives (SMEs Division) is committed to maintaining the highest level of integrity in the conduct of its affairs through the adoption of appropriate corruption prevention strategies.

It is, in this context, that an Anti-Corruption Policy (ACP) was formulated at the level of this Division in December 2016, setting out its full commitment for the detection of corruption and for adherence to a culture of integrity.

For the purpose of ensuring sound implementation of this policy, the SMEs Division ensures through its Anti-Corruption Committee that:

- employees have sufficient knowledge concerning the Anti-Corruption Policy (ACP) and that it is applied to all undertakings;
- adequate controls are in place to counteract corruption are known and used within the organization; and
- there are clear procedures and systems for handling suspected cases of corruption.

At the last Anti-Corruption Committee, it was decided that the Anti-Corruption policy be made available on the website of the Ministry. Further to that, it was also emphasized that a “No Gift Policy” be affixed on the wall in all Departments and at the reception counter of the SMEs Division.

#### **Status as at 23 August 2023**

- The “No Gift Policy” has already been affixed on the wall in all Departments and at the reception counter of the SMEs Division.

- Regarding the Anti- Corruption policy document, please note that I do not have the soft copy of the document. As per the last notes of meeting, the Administration Section was requested to look into the matter.

### **5.1.2 AUDIT COMMITTEE**

The Audit Committee has had 6 (six) sittings in the FY 2022/2023, whereby the outcomes are as follows:

- a) No. of queries examined by Director of Audit (DAO): Nil;
- b) No. of queries examined by the Internal Control Unit (ICU): 7
- c) No. of queries completed: 4; and
- d) No. of queries in process: 2.



**6.0 FINANCIAL HIGHLIGHTS**



## **6.1 FINANCIAL PERFORMANCE**

In accordance with Budget Estimates 2022-2023, the Ministry of Industrial Development, SMEs & Cooperatives (Small & Medium Enterprises Division) had for the Financial Year one Vote under its control namely **10-1** but with 2 sub-heads - 10-101 and 10-103.

### **6.1.1 FINANCIAL HIGHLIGHTS**

Overall Expenditure by Vote.

An amount of Rs126,200M was provided to the Ministry (Small & Medium Enterprises Division) in Budget 2022/2023 out of which Rs117,053M was spent.

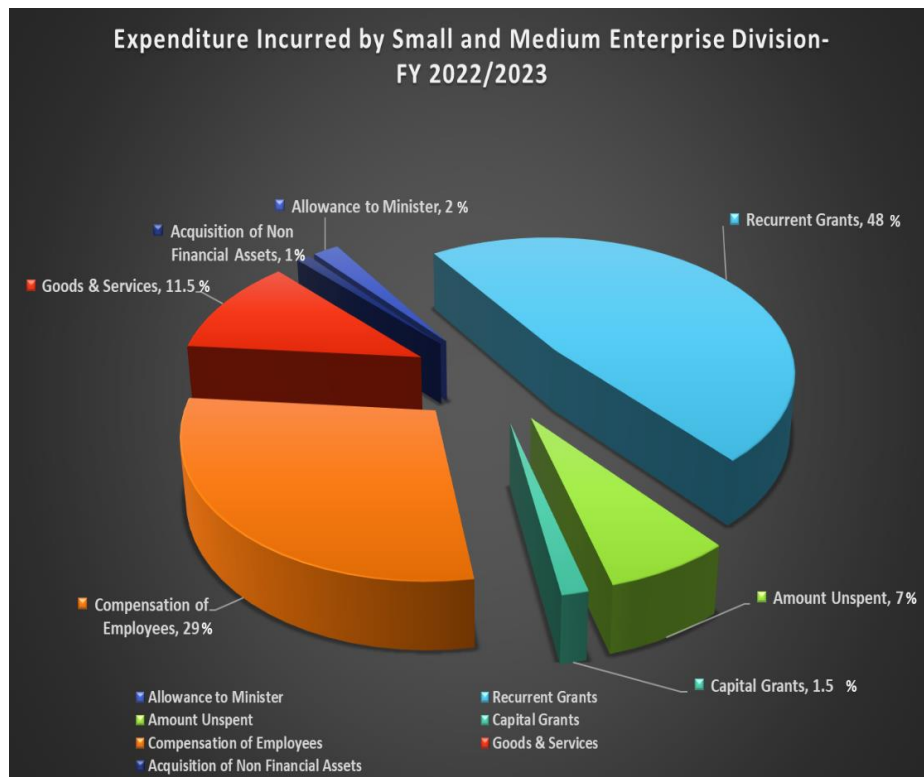
### **6.1.2 STATEMENT OF EXPENDITURE**

The Statement of Expenditure has been prepared according to the data obtained from the Treasury Accounting System (TAS).

Table below provides a summary of total expenditure incurred by the SMEs Division under Vote 10-1 which includes Sub-Heads 10-101: General and 10-103: Small & Medium Enterprises Division

### Statement of Expenditure under Vote 10-1

Sub-Head of Expenditure	2022/2023 Estimates (Rs)	2022/2023 Actual (Rs)
<b>10-101: General</b>	<b>42,900,000</b>	<b>35,818,841</b>
Allowance to Minister	2,400,000	2,400,000
Compensation of Employees	18,600,000	17,218,467
Goods and Services	18,500,000	14,493,128
Acquisition of Non-Financial Assets	3,400,000	1,707,246
<b>10-103: Small and Medium Enterprises</b>	<b>83,300,000</b>	<b>81,234,476</b>
Compensation of Employees	21,000,000	18,934,476
Recurrent Grants (Operating Budget of SME Mauritius Ltd only )	60,500,000	60,500,000
Capital Grants	1,800,000	1,800,000



Percentage is based on Actual Expenditure FY 2022/2023 category-wise over Total Expenditure FY 2022/2023.

Allowance to Minister, Compensation of Employees, Goods and Services, Acquisition of Non-Financial Assets and Grants accounted for around 93% of total expenditure.

Compensation of employees is made up of Basic Salary, Salary Compensation, Allowances, Extra Assistance, Cash in Lieu of Leave, End-of-year Bonus, Travelling and Transport, Overtime, Staff Welfare and Social Contributions.

Goods and Services are mainly recurrent expenses incurred and include Cost of Utilities, Fuel and Oil, Rent, Office Equipment and Furniture, Office Expenses, Maintenance of Buildings, Plant & Equipment, Vehicles & Motorcycles and IT Equipment, Cleaning Services, Publications and Stationery, Fees, Travelling within the Republic and Other Goods and Services such as Uniforms, Miscellaneous expenses and Gender Mainstreaming.

Grants refer to funds provided to SME Mauritius Ltd which consists of the Operating Budget and Capital Expenditure.

## **7.0 WAY FORWARD**

### **7.1 TRENDS AND CHALLENGES**

The situation created by the global pandemic and geopolitical conflicts, coupled with natural disasters, is reshaping the international trade environment leading to major changes in the way businesses are conducted. There is a need to identify new marketing strategies through the adoption of digital technology in order to promote the products and services in potential market. Government is providing the necessary support for the SME sector to be equipped with the right skills and become more resilient in the face of daunting challenges.

#### **7.1.1 TRENDS**

The worldwide developments that are drastically bringing forward major alteration in the SME sector include:

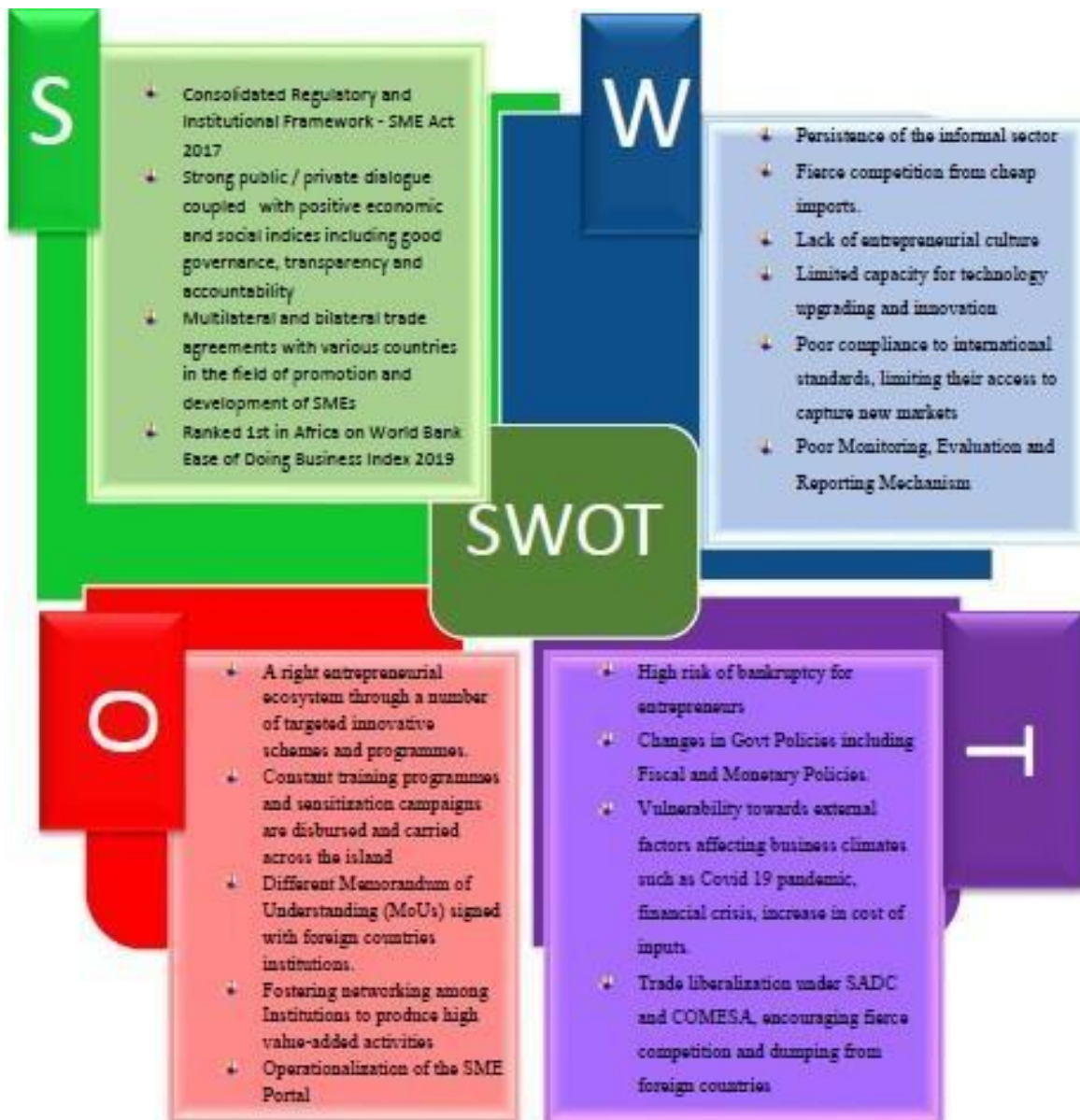
- Restructuration of business models to adapt to the new normal and the re-training of employees to enhance product/service delivery.
- Widespread changes in work environment resulting in employees working from home.
- Greater harnessing on innovative technologies for service delivery.
- Implementation of Quality Standards in their processes to meet international norms.
- Enhancement of ability of SMEs to weave in the global business market due to increased competitiveness.

## 7.1.2 CHALLENGES

The global events such as the COVID-19 pandemic and the Ukraine/Russia and Israel/Palestine wars have invariably brought about major disruptions in economic activities worldwide with hiking oil prices, thus impacting global transport costs and trade. Mauritius, being a small island developing state, has not been spared by these worldly disorders, in terms of severe impacts on the productivity of our SMEs. The major challenges that could impact our SMEs in these testing times are –

- Decrease in business activities in international markets as a fallout of the global wars
- Increase in cost of production due to shortages and rising cost of imports of raw materials
- Reduction in competitiveness due to unstable fuel prices leading to increase in freight charges
- Fluctuating exchange rates

## 7.2 SWOT ANALYSIS



## **7.3 STRATEGIC DIRECTION**

### **7.3.1 3<sup>rd</sup>. Joint Committee on Micro, Small and Medium Enterprises between Mauritius and India**

The 3<sup>rd</sup>. Joint Committee on Micro, Small and Medium Enterprises between Mauritius and India was held in India on 25 August 2022. The Ministry signed two Memoranda of Understanding with a view to enhance training and capacity building of SME Mauritius Ltd and local SMEs as follows –

- i. Memorandum of Understanding between SME Mauritius Ltd and the Entrepreneurship Development Institute of India (EDII); and
- ii. Memorandum of Understanding between SME Mauritius Ltd and National Institute For Micro, Small and Medium Enterprises (Ni-MSME) of India.

### **7.3.2 African-Asian Rural Development Organisation (AARDO)**

On 2<sup>nd</sup> of December 2022, the portfolio of AARDO was allocated to the SMEs Division by the President of the Republic, and since then, this Division has been for better cooperation and sharing of knowledge.

The African-Asian Rural Development Organisation, which was formerly known as Afro-Asian Rural Development Organisation, was set up in 1962 with a view to fostering South-South cooperation in rural development in the Afro-Asian region. It is an autonomous non-political inter-governmental organisation comprising governments of African and Asian countries.

The main objective of the AARDO is to promote coordinated efforts, exchange of experiences and cooperative action for furthering the objectives of development of the rural areas. The AARDO enjoys observer status with various UN and other international organisations like the Food and Agriculture Organisation (FAO), the International Fund for Agricultural Development (IFAD) and the United Nations Educational, Scientific and Cultural Organisation (UNESCO), amongst others. It also promotes collaboration with various international organisations for the economic and social welfare of



the rural community.

In a spirit to revitalize this cooperation, bilateral meetings are being held between the Ministry and AARDO, especially in projects such as the setting up of minifruit processing plants and shrimp farming.

### **7.3.3 10-Year SME Master Plan**

The 10-Year SME Master Plan has clearly and vividly charted a fresh roadmap for our SMEs with set realistic targets for building a ‘nation d’entrepreneurs’ that will bring the expected quantum leap of the entrepreneurial vibrancy.

## **8.0 CONCLUSION**

Policies implemented by the SMEs Division over the past years have brought along stronger growth and inclusiveness in the enabling market environments for SMEs.

The global imbalances marked by geostrategic instabilities are redefining the economic landscape with serious impacts on productivity.

The SMEs Division will continue to strive with the right policies in order to enhance the resilience of our SMEs to fare across the changing tides.