

**SPEECH BY
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**MINISTER OF INDUSTRY, SCIENCE
AND RESEARCH**

ON

THE OCCASION OF THE

**LAUNCHING OF THE MAURITIUS
BUSINESS EXCELLENCE AWARD 2009**

ON

27 FEBRUARY 2009

AT

17.30 HRS

RAJIV GANDHI SCIENCE CENTRE

**CEO's of the Business Sector
Distinguished Guests
Ladies and Gentlemen**

A very good evening to you all. And I had the pleasure of meeting many of you during the first Business Excellence Award on 31 January 2009 and also making an address.

I also had the opportunity to interact with many of you. I also received additional feedback from many of you. I would like to thank you all for your interest in this award. And I would like to express personally my thanks and appreciation for your participation in the first edition of the Mauritius Business Excellence Award (MBEA).

We are meeting today to acknowledge, through the award of a Certificate to all participants/nominees, all the efforts you are making towards achieving excellence. I know that your participation in the MBEA has been a fruitful journey full of pertinent lessons and improvements.

We are also taking the opportunity to launch the 2nd Edition of the Business Excellence Award.

The Award 2008

As you all know, the 2008 Award has been a resounding success from the point of view of organization and of sensitization of enterprises to the best business practices in this era of globalization and increasing competition. Some 132 businesses in several sectors of the economy, be they manufacturing, tourism, wholesale and retail trade, ICT and financial services participated.

This MBEA is different from other awards in that firstly it is open to all economic sectors and recognizes the overall achievement of a business. Secondly, there are no winners and losers. Instead there are winners and winners in the sense that the aim of this Award is to motivate participants to continuously improve their ways of doing business. Thus, in participating the enterprises are made aware of the norms and parameters required to reach a certain level of excellence. For example, it is good to know the importance of leadership, strategic planning, human resources empowerment and the use of information technology. The Award provides enterprises with an opportunity to learn about their weaknesses and strengths and hence are motivated to improve. Here, in the MBEA competition, *«l'important, ce n'est pas seulement de participer, mais surtout d'entrer dans un processus continu d'amélioration»*.

Global economic situation

Ladies and Gentlemen

The establishment of this Award coincides with a challenging context being faced by all enterprises across the globe. No country is immune from the adverse impact of the current crisis. It is a context of change, growing competition, cost cutting, decreasing demand and also of anxiety.

These are moments of adversity. But as I have often stated adversities are hidden opportunities and in such circumstances, we need to be bold, creative and innovative. As you are all aware, the major economies of the world viz. the USA, Europe and Japan are in recession as the result of the financial and global economical crisis. This has generated ripple effects across countries in the world. The IMF predicted world real GDP growth to be 2.2% in 2009 compared with an

average of 4.5% over last four years. In advanced economies, a negative growth of 0.3% is expected. China and India too are witnessing significant drop in growth. Mauritius registered a growth rate estimated at 5.2% last year and is expected to grow at 4% in 2009. IMF puts it at 2%.

Challenges

While our country remains vulnerable to external factors which are beyond its control, this, however, has not prevented my Ministry from organizing the second edition of the MBEA for year 2009. We believe that in times of crisis there are businesses which can outperform as they find opportunities whilst others find threats. There are still those which will tread on paths where others are fearful. In fact, it is in difficult times that outperformers are singled out for they do things differently from the majority of business operators. Or simply they do different things.

By definition, doing business is a risk taking activity and the more are the risks, the more will be the profit provided these risks are calculated ones. A business enterprise should never rest on its laurels: if it does not progress, it does not remain static but regresses as others are moving forward. Thus businesses will have to employ the necessary resources and skills to adapt, innovate, improve and meet the market requirements. They have to emulate those successful enterprises in high cost countries wherein the competitive environment is more demanding. And I believe the Mauritius Business Community can position itself to reach excellence and capture niches in the middle and upper segments of the market place.

Economic Measures

Government, being fully conscious of the imperatives of liberalization and globalization, has taken a series of measures to foster a new paradigm of development. Government is putting great efforts to promote development in such areas as seafood hub, land-based oceanic industry, property development, knowledge hub, medical hub, pharmaceutical cluster, and hospitality and leisure.

In fact, Government has since 2005 adopted bold economic reforms to provide greater resilience to the economy. Thus, the Business Facilitation Act of 2006 has removed several unnecessary business hurdles. Another major measure is the setting up of the Manufacturing Adjustment and SME Development Fund of Rs 500 m to foster competitiveness. Some 50 projects under this Fund will be implemented for consolidation, modernization, expansion and diversification of the manufacturing and SME sector.

A sum of Rs 200 m out of Rs 500 m is destined primarily for SMEs for which there are a number of schemes such as Management Support Program, International SME Technology Expo Scheme, Market Link Fund, Technology Diffusion Scheme, Scheme to assist Export Oriented Textile Enterprises to undertake marketing trips abroad. Other projects under MASMED include productivity and competitiveness improvement, market intelligence and export promotion, market development and market, marketing diversification and product development.

Stimulus Package

To confront the challenges arising out of the global economic crisis, Government has introduced an additional stimulus package with an allocation of Rs 10.4 billion to shore up the economy. This package focuses on infrastructure development, promotion of private sector investment, building human capacity and supporting vulnerable sectors such as manufacturing and tourism.

As you may be aware, we are also implementing the Fashion and Design Institute to promote design and creativity, help our enterprises to move up market and reach target niche markets. Our products need to be differentiated from our competitors so as to have a competitive advantage and hence to pave the way to a higher level of excellence. A number of projects are in the pipeline e.g. A Science and Technology Park, A Bio Informatics Centre to promote the Pharmaceutical sector.

Government has put at your disposal an array of facilities and schemes and it is up to you, who are in business, to be properly informed of and hence take advantage in accordance to your requirements. You may liaise with *Enterprise Mauritius*, *SEHDA* and other relevant authorities. Enterprise Mauritius has been requested to run a special desk to assist enterprises in need of support. Government and its support institutions will do their utmost to assist enterprises to face the harsh economic realities that have set in, and to prune them to be strong, healthy and competitive.

MBEA 2009

I once again pay my tribute to all entrepreneurs and appeal to their deep sense of patriotism to help the country overcome its present predicament. My Ministry will give due recognition to all businesses which have taken part in the MBEA 2008. In this respect for the nominees in the different categories, a “Nominee Certificate” will be awarded. And for other participants, a “Participant Certificate” will be handed over. In the light of the experience of the first edition of MBEA, some adjustments have been made so as to reflect better the business realities.

Award 2009

Thus for the second edition of MBEA, the size of a business which will be in terms of small, medium and large will be defined on the annual turnover instead of the employment criterion. The turnover figure to be used will be that of the last financial/calendar year. A small business is one with turnover less than Rs 10 m, a medium business is one with turnover from Rs 10 m to Rs 100 m and a large business is one with turnover over Rs 100m. I am pleased to announce today the launching of the second edition of the MBEA. Awards will be allotted to the two best enterprises in each of the three categories. Workshops will be organized to sensitise and explain businesses to better understand the MBEA and its requirements.

Conclusion

As I stated at the outset, I am proud to recognize the efforts of all the participants who have started a journey towards excellence. As excellence is not absolute but relative, all Mauritian businesses will have to benchmark with international competitors. The journey has just started, I believe, should never end. Otherwise, progress is stifled and the business may perish. Progress must always go on ... moving towards higher levels of excellence. In fact businesses need to harness all their resources to forge ahead and push further the frontiers of development. I am happy that the private sector and the Government are working closely together to nurture excellence and innovation in all sectors.

May I end on this note by reiterating my due recognition to all the participants of the first edition of MBEA Competition. May I welcome all those who will participate in the second edition of the Mauritius Business Excellence Award Competition version 2009, and wish them good luck !

I would like to conclude by stating these thoughts of Martin Luther King:

*“The ultimate measure of a man is not where he stands
in moments of comfort and convenience but where
he stands in times of challenge and controversy.”*

Thank you.

D. G.

