



# **Mauritius- A Complete Eco-System for Information Technology and Business Process Outsourcing**

April 2010

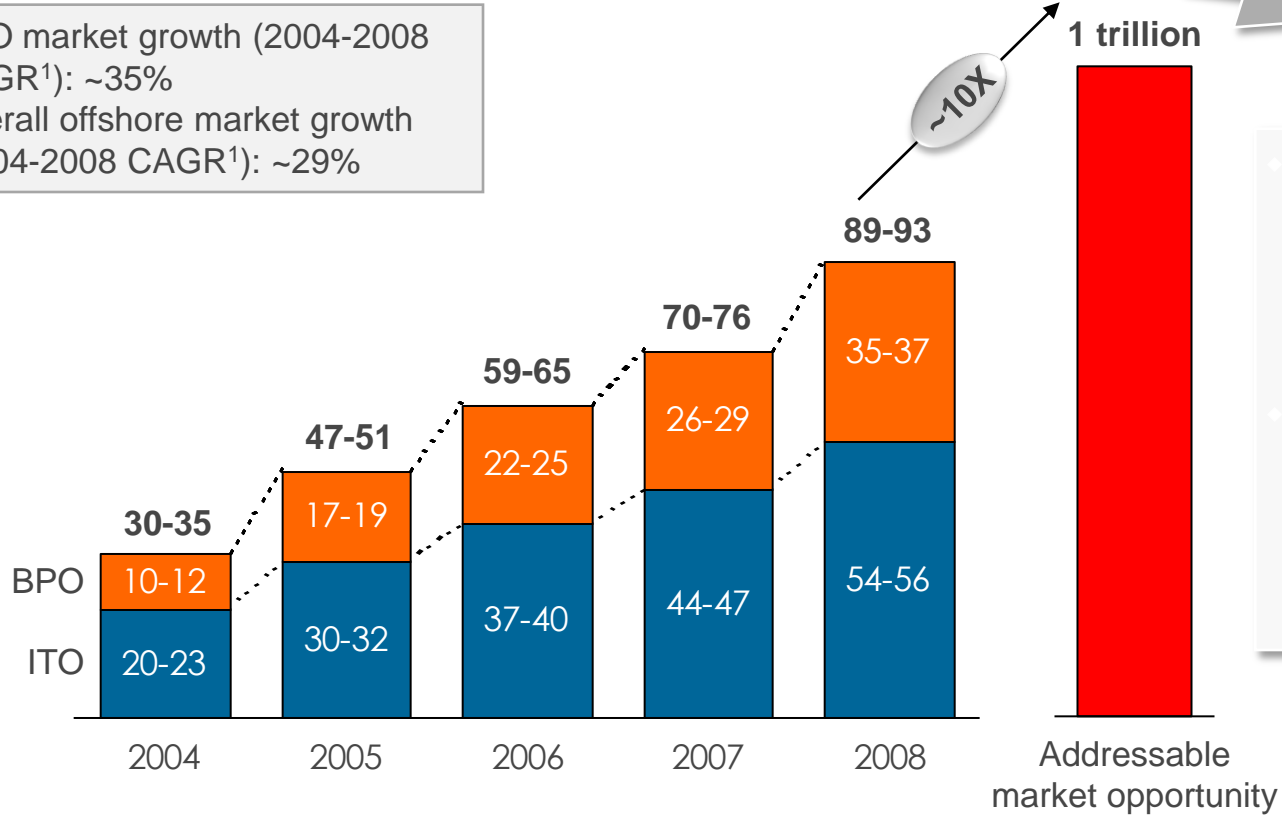
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# The global offshore IT-BPO market is large and has been growing rapidly

**Global offshoring market size and opportunity**  
2004-2008; US\$ billion

- ◆ BPO market growth (2004-2008 CAGR<sup>1</sup>): ~35%
- ◆ Overall offshore market growth (2004-2008 CAGR<sup>1</sup>): ~29%



Theoretical opportunity to grow market 10 times to US\$1 trillion

- Offshoring of business processes is becoming increasingly mainstream
- Within BPO, while voice work is likely to grow; non-voice is likely to become increasingly significant

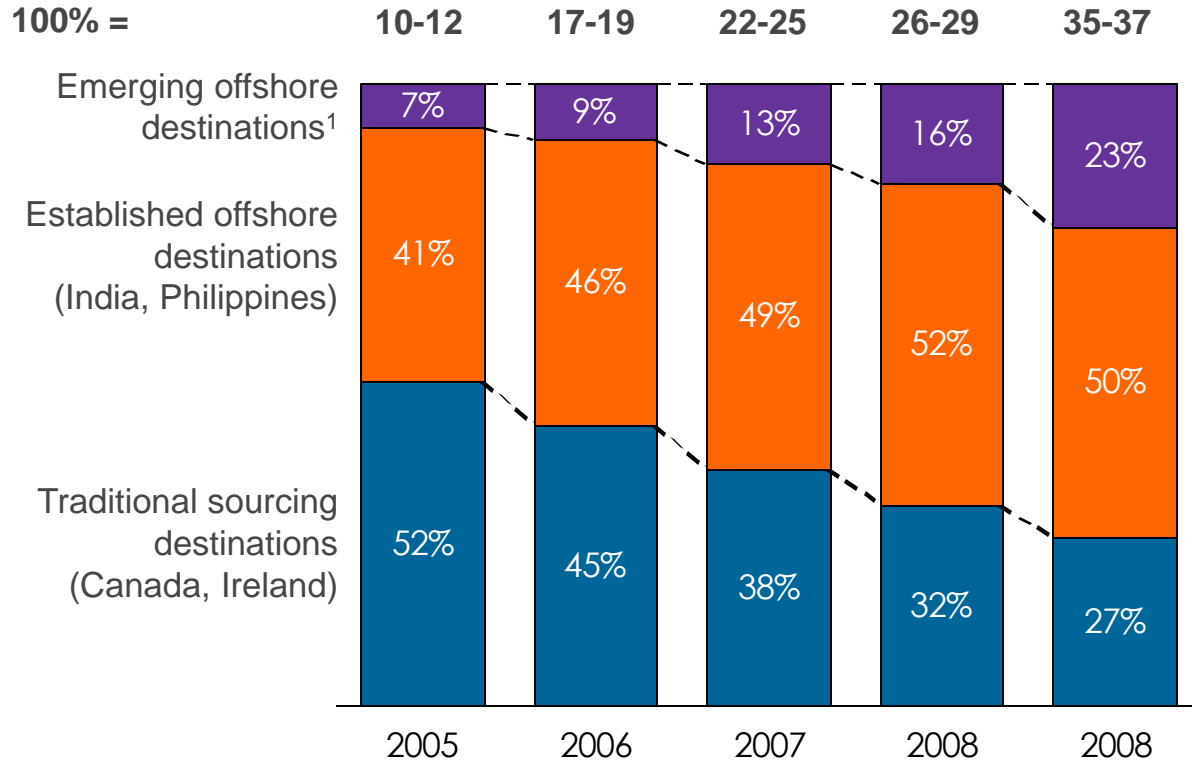
<sup>1</sup> Compounded Annual Growth Rate  
Source: Everest Research Institute (2009)



# Multiple countries are competing to grab a share in this growing offshore market

Share of offshore BPO market  
US\$ billion

BPO EXAMPLE



**India dominant in IT**

**Market share is shifting towards emerging offshore locations**

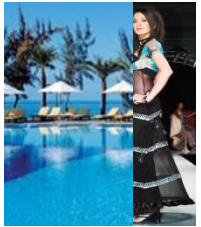
<sup>1</sup> Includes Czech Republic, Romania, Poland, Hungary, South Africa, Mauritius, Egypt, Nigeria, Morocco, Mexico, Brazil, Argentina, Colombia, Chile, Costa Rica, Singapore, Malaysia, Jamaica, El Salvador, Peru, Panama, etc.

Source: Everest Research Institute (2009)



# Mauritian Economy The Re-Invention Process

...to Global Competiveness



## 2009: Open & Diversified Platform

Knowledge-based economy

Per capita @ US\$ 7,500 and projected @ US\$10,000 by 2015

## 1990s: Export of Services

Financial Services, Logistics, IT Services and BPO

Per capita @ US\$ 2,500

## 1980s: Manufacturing & Tourism

Tourist arrivals hits 100K mark / Industrial boom through EPZ

Per capita @ US\$ 1,000

## 1970s: Sugar - 70% export earnings

Per capita @ US\$ 320

From Trade Preferences...



## New Business Environment... **We Make It Happen In 3 Days:**

**Business Entry**

**Make it easy to start a business**

Start Operations *within 3 days*  
for Non Regulated Activities  
Acquisition of freehold property  
for business purposes

**Low Tax Regime**

**Provide a competitive investment platform**

15% homogenized tax rate

**Work & Live in Mauritius**

**Attract Foreign Talents**

- Occupation permits issued within 3 days to Investors; Professionals and Self employed
- Eligibility for permanent residence after 3 years
- Acquisition of residential property under IRS and RES



## International Benchmarks

Index	Rank
World Bank Doing Business Survey 2010	✓ 17 <sup>th</sup> out of 183 countries 1 <sup>st</sup> in Africa
Outsourcing Readiness Index (Africa) 2009	2 <sup>nd</sup> out of 15 African countries
Ibrahim Index of African Governance 2009	✓ 1 <sup>st</sup> out of 48 African countries
Global Competitiveness Index 2008	55 <sup>th</sup> out of 122 countries
Democracy Index 2008	✓ 26 <sup>th</sup> out of 167 countries
International Property Rights Index 2007	✓ 30 <sup>th</sup> out of 70 countries
Index of Economic Freedom 2009	✓ 18 <sup>th</sup> out of 183 countries
A.T. Kearney Location Index Report – 2009	25 <sup>th</sup> out of 50 countries

*Mauritius is among Top 3 in Africa for all indexes*



## Attractiveness for Global Business Delivery



**Cost- competitiveness**

**Complete Eco-System**

**Broadband Readiness**

**Intelligent Habitats**

**Talent Availability**



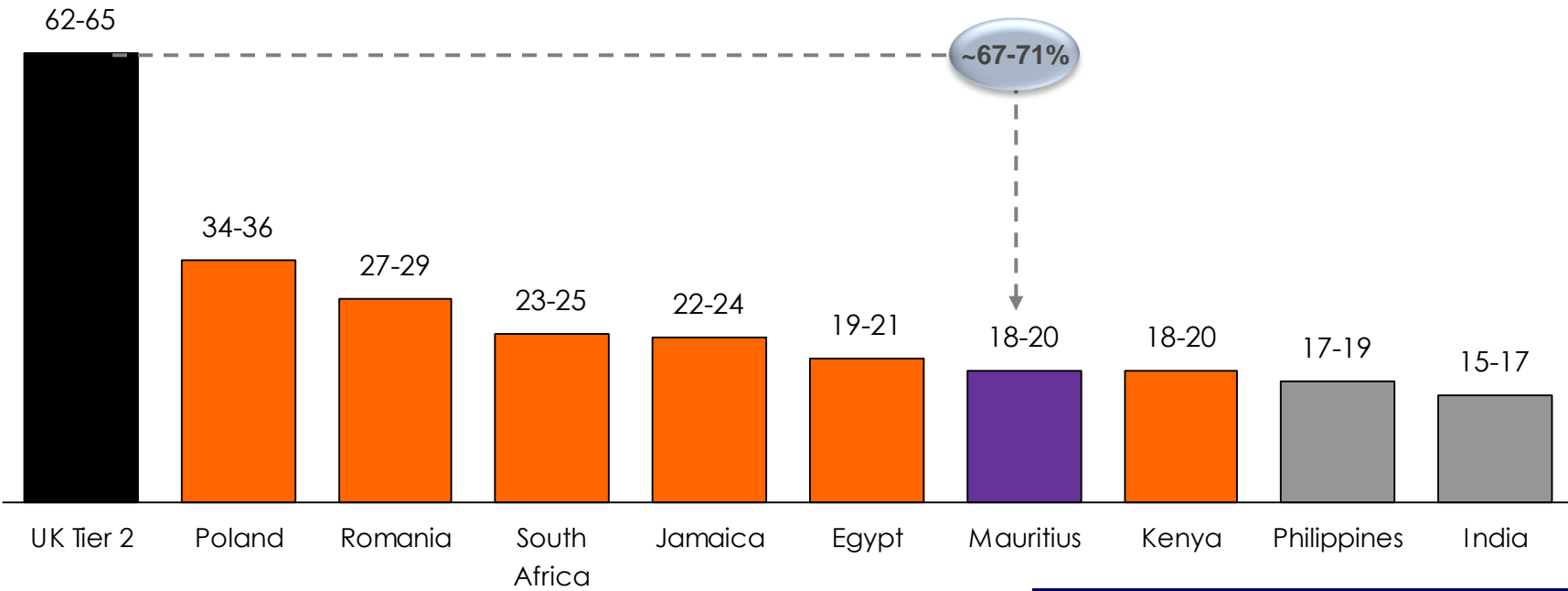
# Mauritius as Cost Competitive Destination for the Anglophone Market

**Direct operating cost<sup>1</sup> per FTE for F&A (2009)  
US\$ '000 per annum per FTE**

TRANSACTIONAL F&A



- Source destination
- Emerging offshore destinations
- Established offshore destinations



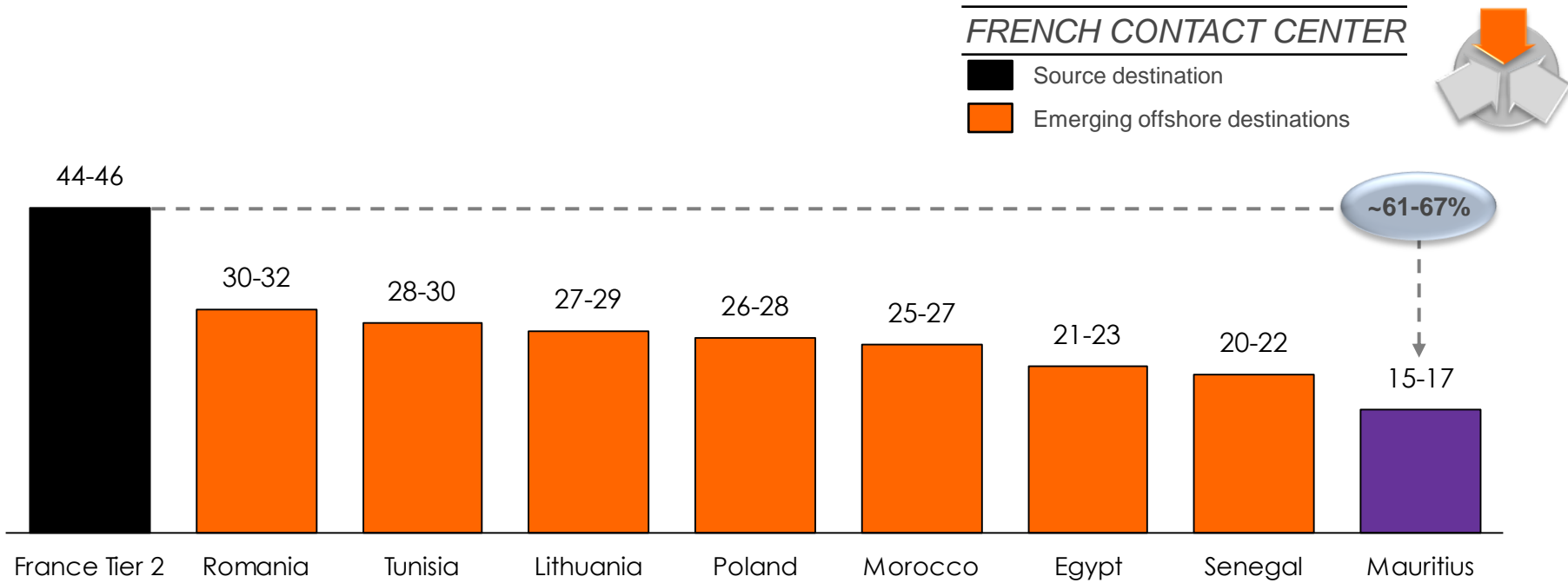
**Source: Everest Research Institute (2009)**

**Mauritius presents significant arbitrage opportunity (~70% on operating cost basis) over UK**



# Mauritius, Most Cost Competitive Country for the Francophone Market

**Direct operating cost<sup>1</sup> per FTE for French contact centre services (2009)**  
 US\$ '000 per annum per FTE



**Source: Everest Research Institute (2009)**

**Mauritius presents significant arbitrage opportunity (~65% on operating cost basis) over France**



# A Complete Eco-System for Global Business Delivery



## Technological Framework

SAFE/SAT 3  
fiber optic  
cable

Cyberparks  
&  
Intelligent  
Buildings

Second Cable  
and interisland  
cable  
2010

Green Data  
Centres  
End 2010

3<sup>rd</sup> Cable :  
End 2011

## Legal Framework

Electronic Transaction Act

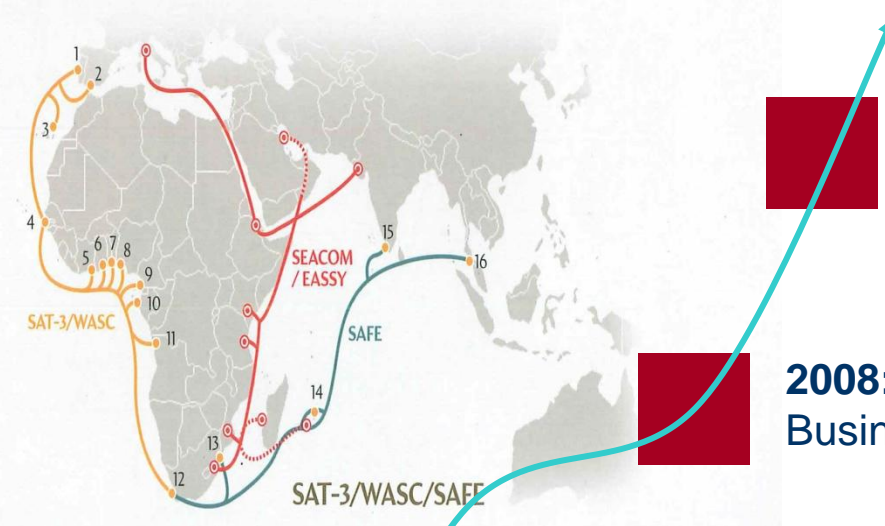
ICT Act

Cybercrime Act

Data Protection Act



# Broadband Development in Mauritius: Now and the Future



**2009 - 15 : Explosive demand forecasted to 10Gbps boosted by growth in all sectors**  
By 2015, Connectivity @ 1.5 Gbps per head equivalent to Hong Kong & Singapore

**2008: 1 Gbps International Internet Connectivity**  
Business Facilitation Act 2006

**April 2002: Breakthrough connection to SAFE**  
Liberalization of Telecom in Mauritius – Incumbent Operator, Mauritius Telecom Privatised

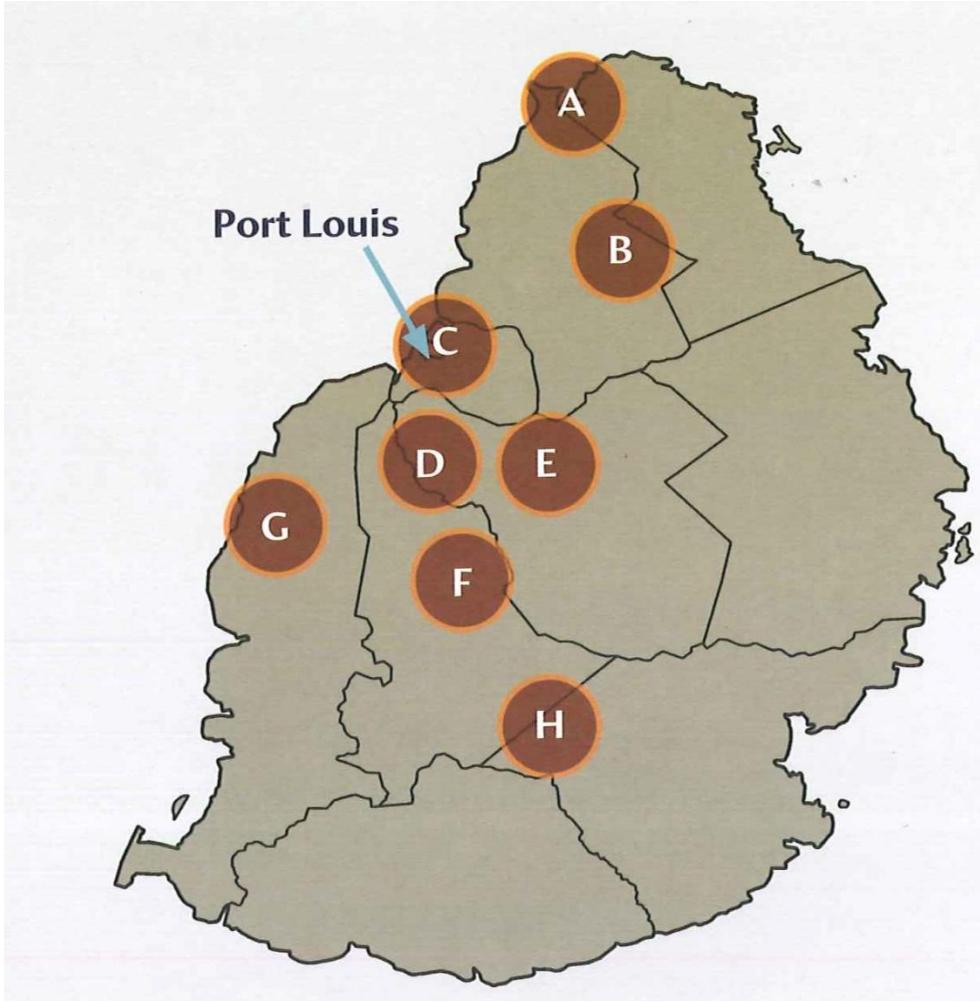
**2001: Internet connectivity at 130 Mbps**  
ICTA Act 2001

**1996: Internet Connectivity with 128 kbps via Satellite**



# Numerous Intelligent Habitats

- A** - Grand Baie Business Park
- B** - Beau Plan Business Park
- C** - La Tour Koenig Business Park
- D** - Moka Business Park
- E** - Ebene: A Thriving Cybercity
- F** - Giga Park
- G** - Eco-Park: Green Data Centres Planned for Q1 2010
- H** - Rose Belle Business Park







# Talent Pool in the ICT/BPO Sector



1

**Alternative pools available to augment supply**

School-leavers (HSC and SC) in addition to tertiary graduates

4

**Willingness to work in IT-BPO**

IT-BPO is a relatively attractive career option, compared to other sectors

**Talent pool in meaningful scale to support 5-8 new centers in a year**

3

**High employability of entry-level talent**

2

**Competitive advantage in Bilingual skills**

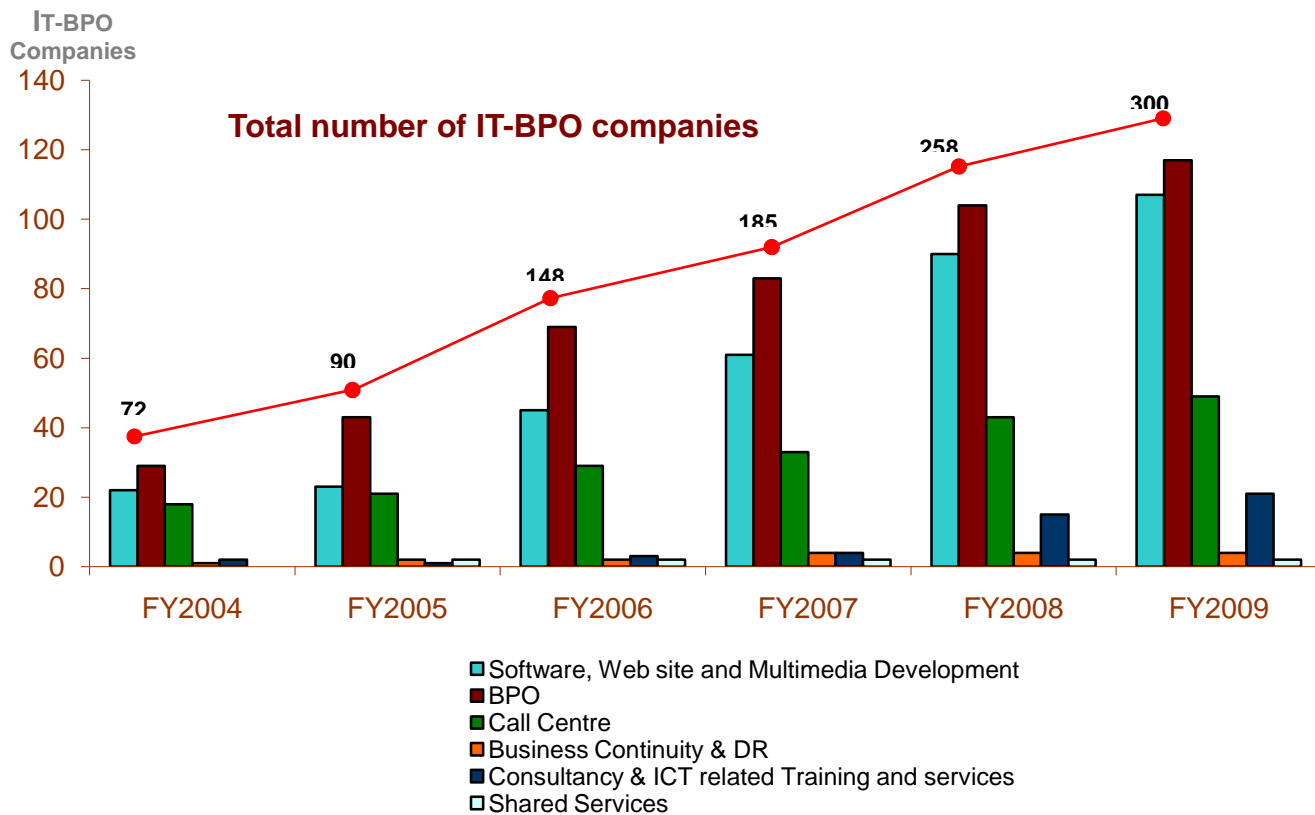
Ability to support both French and English



# Evolution of the IT/BPO Industry in Mauritius

Employment in the Industry exceeds 12,000 as at end of 2009

Steady growth against backdrop of economic downturn and diversified & higher value



Source: Board of Investment



# ICT/BPO Service Delivery From the Mauritian Platform

## CRM

- Telemarketing, helpdesk

## BPO / KPO

- Finance & Accounting
- HR Outsourcing
- Publishing and content development
- Procurement
- Architectural & Engineering Design
- Legal

## IT Services

- Data Centres including hosting
- IT Help Desk
- Disaster Recovery

## Application Development

- Software Design and Development
- Website development
- IT Consulting





# Some global companies in the IT/BPO Space

## Representative list of suppliers and captives operating in Mauritius



1 Board of Investment estimations



## Contact Information

Thank You

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