



# Rodrigues Investment Policy Forum

13 - 14 October 2015

## Agro Industry



# Current Investment Environment

## Investment Environment : Livestock

- Pig (mix breed) – 8300 heads / 970 breeders
- Poultry layers – 2900 heads / 28 breeders
- Broiler Poultry – 2900 heads / 41 breeders
- Local fowl ( mix) – 9750 heads / 650 breeders
- Cattle – 7500 heads
- Goats – 12000 heads/ 800 breeders
- Sheep – 10 000 heads/600 breeders
- Honey production: 25 Tons

# Current Investment Environment

## Investment Environment : Crops

- Red bean
- Lemon
- Onion
- Garlic
- Vegetables
- Small Chilli
- Groundnuts
- Maize
- Casava
- Turmeric
- Sweet potato
- Other Fruits
- Banana

# Top 10 Challenges

## **MAIN CHALLENGE: Extension of area under cultivation and livestock production**

Select specific products (limon, ti-piment, haricot rouge, miel, cochon noir et poulet pays)

Target objectives and road map for each production

Create a favourable framework with specific 'cahier des charges'

- Challenge 1 : Improve connectivity through entire production channel : strong supply chain
- Challenge 2: Branding and commercialisation
- Challenge 3 : Emphasize on the uniqueness of the product (Geographical Indication Label)
- Challenge 4 : Implement organic agriculture for further certification
- Challenge 5 : Training and technical support to local farmers
- Challenge 6 : Improve processing techniques of local products such lemon and chilli.
- Challenge 7 : Create a favorable legal framework
- Challenge 8 : Create a sustainable partnership between private and public sector
- Challenge 9 : Resolve environmental inputs : water, fodder, compost...

# Identifying Opportunities

- Opportunity 1 : Specificity of Rodrigues through its size.
- Opportunity 2 : Experience of farmers through its culture.
- Opportunity 3 : Unique environment for ecological production
- Opportunity 4 : Recognition of specific local products (Taste Differentiation)
- Opportunity 5: Possibility of import substitution in Mauritius  
(livestock, beans and fruits)

## Way Forward - Quick Wins & Long Term Strategy

- Strategy 1 : Master Plan for sustainable agricultural development
- Strategy 2 : Target high value specialty products for export (chilli, coffee, black porc ham, lime)
- Strategy 3 : Obtain appropriate certifications (ECOCERT, PGI)
- Strategy 4 : Capacity and infrastructural building
- Strategy 5: Sustainable Management of Agricultural land
- Strategy 6: Introduction of Animal Regulation
- Strategy 7: Implementation of Natural Farming Techniques



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## Fisheries



# Current Investment Environment

## Investment Environment:

- ✓ Open fisheries sector where sustainable fisheries projects are welcomed.
- ✓ Existing facilities put at the disposal of investors by the RRA (Maison des pêcheurs, boat house,...). No specific licensing requirements for Rodrigues
- ✓ Presence of a labour force with the high population of fishers willing to work as employees on fishing vessels



# Key Challenges

- Challenge 1: The sector is still dominated by artisanal fisheries characterised by low level of investments. There are no industrial fishing vessels to exploit the marine resources available in the outer lagoon
- Challenge 2: Poor investment capacity of local fishers, even where fishing vessels are put at their disposal, insufficient working capital and fishing gears is a major obstacle to sustainable profitable fishing campaigns
- Challenge 3: Currently no value-chain addition in the fisheries sector
- Challenge 4: Low export due to lack of adequate facilities like a fishing port, poor connectivity by air or by sea and absence of certification systems (EU Quality Assurance Standards), accreditation and branding
- Challenge 5: Poor and/or lack of knowledge of the fisheries resources and risks of over fishing
- Challenge 6: Inadequate access control to marine and fisheries resources, and lack of surveillance (MCS)
- Challenge 7: Absence and/or lack of strategic partnership to support investment and fisheries management
- Challenge 8: Limited access and relatively high cost of professional fishing equipment & gears

# Identifying Opportunities

- Opportunity 1: Population is becoming responsive to policy change as means to improve fisheries
- Opportunity 2: There is plentiful of resources in our sea that can be exploited sustainably. There is thus room for the expansion of the sector
- Opportunity 3: Existence of well established national firms in Mauritius with know-how and investment capacities that can develop joint-venture with Rodriguan operators to develop the fisheries sector
- Opportunity 4: Market opportunities through regional trade agreements
- Opportunity 5: Increasing seafood demand worldwide

# Way Forward - Quick Wins & Long Term Strategy

To develop a master plan that define the course of actions on short; medium & long-term (A short-term strategy that will add on the existing)

The plan will comprise of several components:

- Strategy 1. Human Resource Capacity Development (internship on fishing vessels abroad, capacity building training on fishing techniques with modern technologies, assessment of the FRTU to define capacity development needs)
- Strategy 2. Access control & surveillance
- Strategy 3. Infrastructure development: fishing ports, Improving fleet capacity for off-shore fishing
- Strategy 4. Regional cooperation and export strategies
- Strategy 5. Research Development & Innovation
- Strategy 6. Sustainable aquaculture development
- Strategy 7. Processing & marketing of fisheries resources and products
- Strategy 8. Promote & support private sector investment
- Strategy 9. Quality Assurance Standards to improve fish quality assurance and standards to ease export to EU countries



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ICT



# Current Investment Environment

- List of Incentives available for foreign investors in the BPO sector
  - ✓ Rent free building
  - ✓ Rent free bandwidth
  - ✓ YEP (provision of labour force)
  - ✓ Free utilities for two years
  - ✓ Trained resources (Basic IT skills)

# Key Challenges

- Bandwidth capacity? Connectivity issues
- Labour force (skilled local manpower)
- Education (ICT not taught in primary schools, not all colleges offer ICT up to HSC level)
- Licensing regime specific for Rodrigues
- Investment threshold and annual turnover should be analysed according to type of specific business activities
- Incentives to attract our graduates back to the country after their study
- Cost of purchasing ICT devices still high in Rodrigues

# Identifying Opportunities

- ICT as one of the economic pillar
- ICT growth for job creation and economic growth
- Attract more tourist in Rodrigues
- Increase visibility of Rodrigues
- Create an ecosystem for ICT activities
- Partnership or franchise with local entrepreneur
- Enhance professional education among the population

## Way Forward - Quick Wins & Long Term Strategy

- Recruit consultants to develop ICT strategy & roadmap for Rodrigues
- Increase the awareness and culture in ICT
- Assess and align Rodrigues to the ICT index (available with ITU)
- Encourage youth to pursue higher studies in ICT
- To develop a mission statement for ICT in Rodrigues
- Extend incentives to local Rodriguan entrepreneur in the ICT sector



## Way Forward - Quick Wins & Long Term Strategy

- Exchange with foreign ICT Companies to help in capacity building
- Setting up of a knowledge hub
- Holding of ICT exchange forums/conferences with experts/experienced companies in the ICT sector from Mauritius or abroad
- Re-introduction of teaching of ICT in primary schools
- Setup the right infrastructure to facilitate ICT teaching at HSC level
- Promote setting up of ICT businesses through incubators
- Create start up scheme to create business environment for ICT
- Partnership/franchise with re-known foreigners

## Way Forward - Quick Wins & Long Term Strategy

- Adopt targeted skills development and certification programs
- Policy review frameworks and procedures
- Planned and coordinated capacity building and awareness campaign should be put in place
- Determine conditions for infrastructure sharing so that joint efforts can be done to fast track the fibre optic submarine connectivity to Rodrigues
- Encourage SMEs to make use of ICT for the delivery of their services
- ICT can act as an enabler for all sectors of the economy



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**Manufacturing/SMEs**



# Rappel Mapping Actuel

- Le secteur est constitué de micro-entreprises : 3 200 enregistrés à la SMEDA don't 60 % actifs
- Indicateurs mal connus
- Mapping du secteur de la production
- 620 Sme's soit équivalent 2 à 3 emplois / entreprise en moyenne
- Entreprises individuelles , familiales ( 60 % femmes , schéma mères/ filles) :1475 emplois  
Chiffre d'affaires Mur 170 Millions soit Mur 115 000/ an en moyenne
- Besoin de formaliser : identifier, accompagnement
  - ✓ Agro-alimentaire et boissons : à fort potentiel
  - ✓ Textile: marché touristique et de proximité mais pas de volume
  - ✓ Artisanat et bijoux: valorisation des fibres naturelles: Attention Pbm de matières premières .
  - ✓ Filière Bois: Ameublement, menuiserie, charpente. , A mieux inclure dans la chaine de valeur du développement touristique
- Nécessité d'une étude précise: Localisation par zone: volume d'activité.. niveau de normes/ qualité Marchés existants + identification des potentiels
- Il s'agit moins de développer une stratégie industrielle pour RODRIGUES que de s'appuyer sur l'existant, booster le niveau des PME Mapping secteur services: environ 300 ( coiffure, esthétique, spa, mécanique, imprimerie, etc..)

## Atouts/Faiblesses/Challenges (Secteur Production)

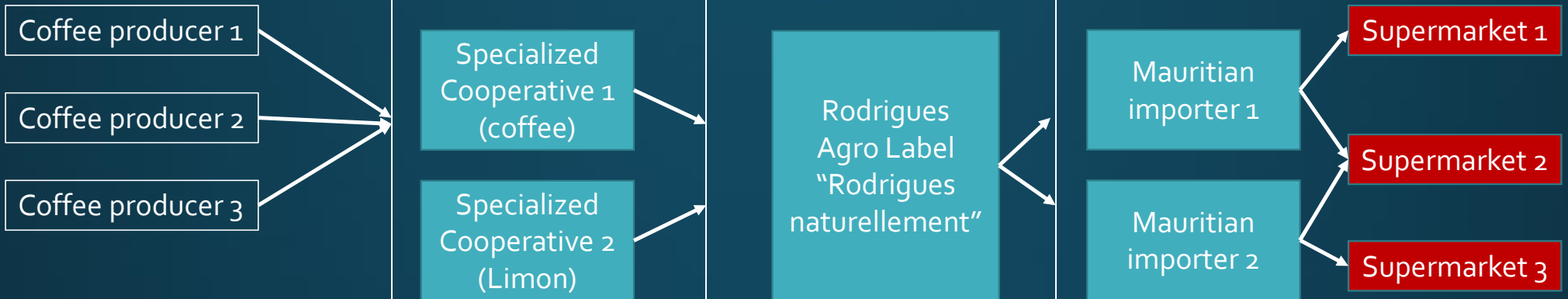
- **Atouts du secteur de la production**
- Des savoir-faire traditionnels , un environnement favorable au bio, des produits agricoles aux spécificités uniques ...
- **Faiblesses et Challenges**
- Taille limitatif du marché local > augmenter les volumes en gardant les spécificités rodriguaises
- Faible niveau d'équipement technologique > mutualiser les équipements (incubateurs, cuisine communautaire, coopératives, concept de sel-help group: mutualisation)
- Faible capacité financière > financements publics (Banque des PME) et financement privés alternatifs (business angels crowdfunding, etc)
- Pas de Marketing > Se fédérer sous la Marque Ombrelle Rodrigues Naturellement
- Faible niveau de formation: capacités techniques à renforcer mais aussi gestion, innovation, entrepreneurship, leadership...
- Faible niveau de qualité: favoriser un système d'amélioration continue . Normes et standards à développer progressivement avec appui extérieur (ex CIRAD BIO)

# Identifying Opportunities

## REPOSITIONNER LES PRODUITS AGRICOLES RORIGUAIS SUR DES NICHE MARKETS PREMIUM (Valeur bio, écologique) et DIVERSIFIER

- A travers les coopératives: créer du volume pour le marché touristique, l'exportation vers Maurice et Réunion
- **RODRIGUES NATURELLEMENT:**
  - ✓ Boutique textile , artisanal à Port Mathurin
  - ✓ Présence au Duty free Shop de Rodrigues
  - ✓ Pop up stores dans les centres commerciaux à Maurice
  - ✓ Corner au Duty Free Shop de Maurice
  - ✓ E- commerce: créer une plate-forme logistique Maurice/ Rodrigues
- **Exemplarité de la filière LIMON:**
  - ✓ Partenariat avec les VERGERS de LABOURDONNAIS > intégrer une chaîne de valeur ajoutée industrielle : fournisseur de matières premières valorisées à plus grande échelle
  - ✓ R& D sur propriétés du Limon et du Miel de Rodrigues avec CIDP . Valorisation pour industrie cosmétique .
- Exemplarité de la filière Café: 12 Arpents plantés pour exportation sur Japon. Appui CIRAD . Exportation via Copérative de Bourbon Pointu
  - ✓ Projet sur 3 ans . Coopératives de 35 membres à élargir
- Exemple la filière Vannerie
- Diversification : d'autres fruits à exploiter Ex Bananes en mien avec la filière Café (2,500 plants entre les lignes de café. 6,000 Prévus à exporter / et transformer: chips),
- Papayes, Pitaya .. Noni etc ...

**Intégrer la filière bois dans chaîne de valeur de l'industrie de la construction: Partenariat avec la Chambre des Métiers de la Réunion; Définir un style architectural Rodriguais; Favoriser l'achat local dans la construction des développements futurs**



- Harvest
- Crop
- Transport

- Processing
- Packaging
- Labelling

- Collect & manage the SME's financings
- Manage the brand "Rodrigues naturellement" with an advertising agency
- Supply packaging and labelling materials to the specialized cooperatives

- Deals only with "Rodrigues naturellement" sales team
- Place products in Mauritian supermarkets



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## Tourism Development





# Current Investment Environment

## 1. Investors limited (Mauritians and Rodriguans)

- i. 4+5 hotels
- ii. 154 rooms from big 4 hotels
- iii. Rs200m annual turnover

## 2. Main Sector of Investment

- Tourism accommodation – Middle range establishments
- Small businesses for Rodrigues entrepreneur (Gites, chambres et table d'hotes)
- Luxury hotels for foreign investors

# Top 10 Challenges

1. Rodrigues – Quality Destination
2. Improving Air/Sea access and review transportation
3. Visibility
4. Physical and zone planning – Architectural design
5. Improving Service Delivery
6. Human Resource
  - Training and Retraining
  - Institutional Strengthening
7. Enforcement
8. Guidelines including policies
9. Preservation of Environment
10. Rating, classification and standardisation

# Identifying Opportunities

1. **Niche Market** – Eco-tourism, diving, cruise tourism, honeymooners, kite surfing, nature based tourism
2. **Marketing**
  1. Digital Marketing – Blogs, internet, communication plan, social media
  2. Identify main target and apply a suitable advertising campaign strategy
3. **UNESCO – Cultural Heritage**, for e.g natural sites, cuisine
4. **Investment in other sub-sectors**, e.g: Food, volunteer/participative tourism, Parks

# Way Forward - Quick Wins & Long Term Strategy

1. Repositioning of Rodrigues as a quality destination
2. Zoning and Physical planning strategy
3. Digital Marketing Plan; Branding, calendar of events
4. Updating of reference documents



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## Investment Climate



## Current Investment Environment

- Compared to Mauritius, investment in Rodrigues is sluggish and disproportionately low in terms of average investment per capita.
- Unemployment rate is currently at 8.9%\* and lack of opportunity is leading to forced migration and is threatening to destabilize social harmony.

*\*As per International Labour Organisation, a person working at least one (1) hour per week is considered as employed.*

# Main Challenges

## Policy & Legal Framework

1. Loosely defined policies and processes
2. Rodrigues is not top of mind for investors (Lack of visibility)
3. No approved strategic orientation
4. Misalignment of national laws vs regional

## Processes

5. Cumbersome decision making
6. Lack of coordination among departments/commissions
7. Perception of bureaucracy

## People

8. Mismatch of skills (Demand and supply)
9. No workplace training

## Infrastructure & Technology

10. Insufficient access (real time ) to information/economic data
11. Utilities infrastructures inadequate and unplanned
12. Connectivity – Transport, technology - The objective is to make Rodrigues an E-Island by say 2020

# Identifying Opportunities

- Rodrigues is at a crossroad where it can reshape its future. Different options exist
- Rodrigues **must** capitalize on its uniqueness.
- Rodrigues is already positioned as an eco-friendly island.
- Given the scale of the island, bridging the gaps should not present unsurmountable obstacles



# Way Forward - Quick Wins & Long Term Strategy

	Quick Wins	Long Term Strategy
Policy & Legal Framework	<ul style="list-style-type: none"> <li>• Creation of a working group to fast track decision making</li> </ul>	<ul style="list-style-type: none"> <li>• Review and streamline existing regulations to remove obstacles</li> <li>• A strategic impact assessment</li> </ul>
Processes	<ul style="list-style-type: none"> <li>• Classification of activities and businesses</li> <li>• Streamline procedures specifically tailored for Rodrigues</li> <li>• Investment process documentation/Business facilitation guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Detailed outline planning scheme and zonal development</li> <li>• Single Licensing Authority</li> </ul>
People	<ul style="list-style-type: none"> <li>• Twinning opportunities</li> <li>• Transfer of know how and placement</li> <li>• Develop work experience platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Regional human resource development strategy</li> </ul>
Infrastructure & Technology	<ul style="list-style-type: none"> <li>• Fully serviced business center (plug and play) with flexi rental</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility, mobility and wide scale connectivity – The objective is to make Rodrigues an E-Island by say 2020</li> <li>• Clean &amp; Green Technology</li> </ul>

Thank You