The ICT Sector in Mauritius – A success story? - September 2012

By the late 20th century, the rapid development and convergence of Information and Telecommunications technologies gave rise to an ICT industry on the island along with many incentives provided by the government. The government thus aims to make the ICT sector the 5th pillar of the Mauritian economy and Mauritius a Cyber Island.

The ICT sector is well on its way to being an important engine of economic development, along with the tourism and financial sectors. ICT contributed 6.5 percent to the Gross Domestic Product in 2011 and employs some 15,000 people - nearly 5 percent of the total workforce. Employment in this sector is projected to reach 30,000 by 2014. However, there is still room for improvement to assure continued growth of the ICT/business processing outsourcing (BPO) sectors.

The World Economic Forum's (WEF) Report in April 2012 noted weaknesses in individual and government internet usage and connectivity. The WEF Report ranked Mauritius ranked 73 out of 142 for individual usage, 52/142 for government usage and 63 out of 142 in IT skill development. Internet access, however, had a very good rating for affordability (23/142). Developing skilled "knowledge" workers continues to be a challenge. "Mauritius still suffers from a long response time in building up the human capital required, including the major transformation needed to re-skill workers in the traditional agricultural industry for the emerging sector," the case study said. Most notably is the resistance of Mauritian workers to accept the demands of round-the-clock schedules required of the international telecommunications field. These challenges have invariably had a spillover effect on government policies, private-sector strategies and existing institutional arrangements.

The success of this sector will depend on "committed and visionary political leadership that truly believes in the adoption of emerging technologies," the case study said. Despite these challenges, Mauritius has the most advanced sector in Africa. The recent addition of two subsea fibre optic cables (Lower Indian Ocean Networks 1 and 2) to the South African Far East (SAFE) cable has provided the capacity to turn Mauritius into a digital information hub, says Honourable Pillay Chedumbrum, ICT Minister. “There is a big debate on infrastructure, especially telecoms connectivity,” says Vidia Mooneegan, the local managing director of US-based Ceridian Global Workforce. “It has got better, but it still isn't sufficient. Mauritius needs more competition, especially on internet providers. The national rate of internet penetration is poor – roughly 25 to 30 per cent. That needs to be trebled in the next three years. In a remote country, internet connection is vital,” he says.

Most countries in sub-Saharan Africa showed significant lags in connectivity due to insufficient development of ICT infrastructure, which remains too costly, and displaying poor skill levels that do not allow for an efficient use of the available technology. Our main competitor are North African countries like Morocco and Tunisia, which has good infrastructure facilities, talent and a multi-lingual workforce but these countries lack political stability “Arab spring uprisings “, which Mauritius has in abundance and which will definitely work to our advantage.