

## **PRESS RELEASE - BREXIT**

The Ministerial Committee on Brexit met today under the chairmanship of Honourable Pravind Kumar Jugnauth, Prime Minister and Minister of Finance and Economic Development.

The Committee reviewed recent developments on Brexit following UK's decision to trigger Article 50 of the Lisbon treaty on 29 March 2017.

The Joint Working Group (JWG) submitted a report on the impact of BREXIT on our economy with particular focus on the following three strategic thrusts:

- Support to vulnerable companies;
- Addressing the potential threats with regard to trade relations with UK; and
- Seizing the new opportunities that may emerge.

With respect to support to vulnerable companies, the Speed to Market scheme (STMs) has already been implemented as from 01 April 2017, providing 40% rebate on air freight and the need to formulate additional instruments to support overexposed companies have been discussed.

Regarding potential threats, the main issue is to ensure the maintenance of our preferences on the UK market. Mauritius has raised this issue in different regional and international fora such as African Caribbean Pacific (ACP) group, African Union (AU), Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Economic Partnership Agreement (EPA) Committee with the EU and Commonwealth organisation.

At the ACP Trade Ministerial meeting held on 09 December 2016 in Brussels and at the Commonwealth Trade Ministers Meeting held on 10 March 2017 in London, the UK Permanent representative in Brussels, Ambassador Augus Lapsley and the UK Minister of State at the Department for International Trade, Lord Price, have respectively given assurances that the preferential market access will be maintained for all ACP and Commonwealth countries. This should give comfort to our exporters.

With regard to emerging opportunities, we will pursue our diversification strategy and, in particular, capitalise on our strengths in the financial sector such as:

- ▶ Position Mauritius as an attractive choice for asset managers to house their activities in Mauritius.
- ▶ Develop synergies between Mauritian services providers and new European Access Centres such as Luxembourg and Malta to set up support units in Mauritius.
- ▶ Market Mauritius as an 'Insourcing Centre' for UK's banking and insurance institutions.
- ▶ Attract High Net Worth Individuals to shift part of their wealth to be managed from Mauritius.

The Joint Working Group has been mandated to work further on these strategies and to come up with action plans to deal with the BREXIT issues.

**MOFED**

**13 April 2017**