

CIEL GROUP

FLOREAL GROUP

50TH ANNIVERSARY CELEBRATIONS

**SPEECH BY HON PRAVIND KUMAR JUGNAUTH
PRIME MINISTER**

**WEDNESDAY 26 OCTOBER 2022 AT 1900 HRS
(*HON PRIME MINISTER TO ARRIVE AT 1915 HRS*)**

**VENUE: NOUVELLE USINE (EX-FLOREAL KNITWEAR FACTORY),
MANGALKHAN, FLOREAL**

Colleague Ministers,

Members of the Diplomatic Corps,

CEO, CIEL Group,

CEO, CIEL Textile,

CEO, Floreal Group,

Mayor, Municipal Council of Curepipe,

Distinguished guests,

Ladies and gentlemen,

Good Evening.

Ladies and Gentlemen,

I am delighted to be with you this evening for the Golden Jubilee of one of our major economic operators, CIEL Floreal Knitwear. 50 years of business is an important milestone!

Allow me at the outset to extend my heartiest congratulations to the entire CIEL family for completing 50 glorious years of success.

Warm greetings to the Founding fathers, the current Directors and, of course, all the dedicated employees, past and present, who built over the years, a company which has entered the global arena.

There is cause for celebration. You have achieved incredible accomplishments, and you are on your way to better and bigger things, not only for your organisation, but for the whole textile and clothing industry in Mauritius.

Floreal Knitwear came to life in 1972 as one of the pioneers which led the industrialisation process of the country. It gradually evolved to become the CIEL Textile cluster.

I wish to pay a special tribute to late Sir Pierre Dalais and other members of the Dalais Family for their far-sighted vision and deep commitment to transform a small textile business into a powerhouse.

CIEL Textile has gone international with manufacturing plants in India, Bangladesh, and Madagascar. Locally, CIEL Textile, as a group, is the largest exporter of textile and clothing products with six production units, and employs more than 5,000 persons.

Revenue for the Textile Cluster of CIEL Group has increased by Rs 5 billion to reach Rs 15.5 billion for the year ended 30 June 2022. This performance is the outcome of well-elaborated strategies based on technological advancement, continuous talent development, market expansion, and sustainable production.

Ladies and Gentlemen,

The development of the textile and clothing sector has always been high on Government's agenda. We firmly believe in its capacity to generate more gainful employment, foreign exchange earnings, and higher value addition. The textile industry has played a crucial role in promoting economic diversification, helping our economy to move away from a monocrop economy, and creating opportunities in sectors such as tourism, ICT, financial services, and real estate development.

Today, the textile and clothing sector accounts for 48 percent of domestic exports and provides employment to more than 30,300 persons.

Despite the ups and downs associated with trade liberalisation and globalisation, BREXIT, Covid-19 pandemic, and the ongoing war between Ukraine and Russia, Mauritius continues to enjoy a very good reputation as a reliable supplier of quality products to a wide clientele of international brands.

This credit goes to our hard working textile and clothing operators. The CIEL Textile Cluster can be proud of being a supplier of prestigious brands such as Lacoste, Tommy Hilfiger, Calvin Klein, Levis, Puma, and Asos.

Ladies and Gentlemen,

In the textile and clothing business, social and environmental compliance has become increasingly important as exporters are under constant pressure from consumers, NGOs and trade unions to ensure that their supply chain is clean, ethical, and abide to human rights principles.

The adoption of cleaner and greener technologies is no longer a matter of choice but a necessity for survival in the global market. These new business dynamics constitute an urgent call to implement a green textile strategy by operators to gain a competitive edge.

I am glad that CIEL Textile Cluster has embraced sustainable practices in a quest to meet the stringent requirements of international buyers.

Similarly, the human dimension in the production process is vital for the growth of an enterprise. For the smooth operation of production plants, a motivated labour force having developed a sense of ownership is a significant advantage.

The good track record of CIEL Floreal Knitwear serves as evidence for the unflinching engagement of its workforce.

Ladies and Gentlemen,

The celebration of the 50 years of CIEL Floreal Knitwear is a moment of joy but let us not forget the difficult phase that the economy went through since the outbreak of the pandemic. We had to undergo two lockdown situations which brought the economy to a standstill. The main pillars of the economy were heavily impacted.

Government made timely decisions to safeguard the health and safety of the population and to preserve employment. A massive support of Rs 715 million was provided to manufacturing enterprises under the

Wage Assistance Scheme to avoid laying off of workers.

Mauritius has re-surfaced strongly after these shocks. The economy has bounced back. Manufacturing has been among the front runners who have recovered their pre-Covid levels with 13.2 percent progression in output last year. Similarly, export of manufactured goods increased by 16.5 percent. At the national level, export of Textile and Clothing went up from Rs 20 billion in 2020 to Rs 22.9 billion in 2021.

This rising trend is being maintained. In the first semester of 2022, domestic export registered a

growth of 20.3 percent compared to the same period last year. In particular, export of textile and clothing witnessed a surge of 16.7 percent. All other sub-sectors, including Fish and Fish Preparations, Medical Devices, Jewellery, and Watches and Clocks performed equally well.

The feedback that I have received from business operators indicates that the feel-good factor is back and export enterprises are riding the wave with full orders in hand.

I acknowledge that the sector is in need of additional labour force to cope with increasing demand. Government is fully attentive to the requests of

operators for recruitment of skilled foreign workers and every effort is made to expedite processing of applications.

Ladies and Gentlemen,

The growth momentum being observed nowadays is the result of a close collaboration between industry operators, private sector associations, and Government institutions. We are all working together to speed up recovery.

Support measures have been put in place to assist manufacturing enterprises. Exporters are benefitting from the Trade Promotion and Marketing Scheme, the Freight Rebate Scheme, the Export Credit

Guarantee Insurance Scheme, and the Africa Warehousing Scheme.

For the period July 2015 to September 2022, Government has disbursed more than Rs 1 billion to support manufacturers in their export drive.

Similarly, the services of the Industrial Finance Corporation of Mauritius Ltd have been reinforced to cater for the needs of business operators.

This institution is providing funding options on preferential terms through leasing and factoring facilities to accelerate technological transformation and ease cash flow problem of businesses.

Furthermore, I wish to stress that the implementation of the Industrial Policy and Strategic Plan (2020-2025) is well entrenched, and we have started to reap the benefits as demonstrated by the buoyancy in manufacturing activities.

Ladies and Gentlemen,

The evolution of Floreal Knitwear factory has gone hand-in-hand with the development that has taken place in the region surrounding it. Today, Floreal is a modern, vibrant, and cosmopolite place that is compatible with the Live-Work-Play concept, the new mantra for a modern lifestyle.

Even the building in which we are today will soon be transformed into a lively and upmarket business center. Not far away, the Floreal Metro Station has completely changed the landscape of the region and will improve living conditions of residents in that area.

The infrastructural development taking place in Floreal is testimony to our commitment and determination to drive progress, create jobs for all, and improve living standards of our people.

I am convinced that with the support of our industry partners, our country is heading towards brighter days.

Let me wish you all the best in your future endeavours because I am sure that as you are celebrating the past, you are also shaping the future of the company.

Thank you for your attention.
