



Letter from Mauritius

When AfrAsia bank opened for business in Mauritius three years ago, CEO and executive director James Benoit (above) wanted to position it as a bridge between Africa and Asia. How far has this been achieved?

Nasseem Ackbarally in discussion with Benoit.

Playing a winning hand – AfrAsia's Benoit

JB: We have plenty of interest. Just this week we had three of our private bankers and corporate bankers in Madagascar and we have a pending banking licence application there. We are looking at the Seychelles as well, and often visit Réunion. We are very active.

AB: China is a huge investor in Africa. Have you any specific project with Chinese investors using Mauritius as a base into Africa?

JB: Yes, we bank many companies from China that already use Mauritius as an investment holding company and treasury centre.

We also have a working partnership with Rand-Asia Trade Finance in Johannesburg, which is partly owned by China Construction Bank. We are active with many trade finance transactions between Africa and Asia through that. Also, we have launched a renminbi bank account service which will further support that effort.

AB: AfrAsia is present in South Africa.

Any plans for offices elsewhere – in Asia, for example?

JB: Yes, most likely Singapore.

AB: How do you see the general economic situation right now in Mauritius, given the very uncertain global economic and financial situation?

JB: We remain all right but if the global slowdown continues, then we might have to face some strong headwinds to our growth plan.

I don't think inflation is anywhere near the problem most policy makers are worrying about. I think the order of the day is to deregulate, lower taxes and ensure interest rates and currencies reflect fundamental, not theoretical, price level targets, or stability goals. If we don't have people working, that is a far bigger worry.

Mauritius has good cards in its hand to play but it needs to ensure it is betting bold when it needs to and can cut its losses on some policies which have low odds of making a winning hand. ■