Republic of Mauritius

Country Partnership Framework

May 23, 2017

Chair Summary*

Executive Directors discussed the World Bank Group Country Partnership Framework (CPF) (R2017-0111[IFC/R2017-0094, MIGA/R2017-0030]) FY17-FY21 for the Republic of Mauritius. They expressed broad support for the WBG’s new framework of engagement in Mauritius, in particular its design and its alignment with the Systematic Country Diagnostic (SCD) and national priorities.

Directors commended the country’s strong track record of growth and poverty reduction over the years and welcomed the flexible design and selectivity of the CPF, including the use of reimbursable advisory services. They welcomed the authorities’ strategy for pursuing growth opportunities through its Africa Strategy and endorsed the CPF objective of improving the environment for regional trade and investment.

Directors commented on the potential for boosting private sector growth through trade facilitation, including through regional trade development, and public-private partnerships. They encouraged a coordinated role of the Bank, IFC, and MIGA, highlighting advisory services or technical assistance to address credit constraints in the SME sector, South-South investment promotion, and improvements to the business climate. Directors were interested in the evolution of regional and global value chains, noting the potential for Mauritius to become a hub for private sector development and a bridge with both African and Asian countries. They noted that the experience of Mauritius could provide important lessons for other small and ocean economies.

Directors recognized the challenges posed by increasing inequality and vulnerability, particularly those associated with gender parity, employment, and income. They urged the Bank to conduct further analysis to understand the drivers of gender inequality and consider targeted measures to address this issue. Directors encouraged reform and better targeting of both social protection and pension programs, noting the aging population. They underscored the critical importance of building human capital, including through reforms in the education sector and efforts to address skills shortages.

In discussing the sectoral focus of the CPF, Directors emphasized WBG assistance in infrastructure and natural resources, asking about the potential for engagement in energy access and utilities. They emphasized the importance of the blue economy and continued collaboration with other development partners to strengthen resilience to natural disasters and climate change, including its regional dimensions. Directors supported the provision of technical assistance to strengthen financial sector governance and supervision, including AML/CFT efforts and coordination with the IMF.

*This summary is not an approved record.