

FOCUS ON INTERNATIONAL TRADE

MAURITIUS

THE REPUBLIC OF MAURITIUS TODAY

Location	The Republic of Mauritius lies in the Indian Ocean. The Principal island, from which the country takes its name, lies about 800 km (500 miles) east of Madagascar. The other main islands are Rodrigues, the Agalega Islands and the Cargados Carajos Shoals (St Brandon Islands).
Size	2,040 Sq. K.M. (788 Sq. miles). Land: 2030 Sq.Km. and Water 10 Sq. Km. Coastline: 177 Km.
Geographic coordinates	20° 17" south to the Equator and 57° 33" east to the Prime Meridian.
Geographic note	The main island, from which the country derives its name, is of volcanic origin and is almost entirely surrounded by coral reefs.
Coastline	177 km
Maritime claims	Territorial Sea: 12 nm, exclusive economic zone: 200 nm and continental shelf: 200 nm or to the edge of the continental margin.
Elevation extremes	Lowest point: Indian Ocean 0 m and highest point: Mont Piton 828 m.
Land Use	Arable land: 49.02%, Permanent Crops: 2.94% and Other: 48.04%.
Irrigated land	220 sq. km.
Population	1,308,222 (2022 est.)
Population Growth rate	0.1% (2022 est.)
Life Expectancy at birth	Total population: 74.86 years; male:72.04 years and female: 77.88 years *.(2022)
Birth rate	9.86 births/1,000 population (2022 est.)
Death rate	8.86 deaths/1,000 population (July 2022 est.)
Literacy	Adult literacy rate was 91.3%. Male:93.4% and female:89.4% *(2018).
Capital City	Port Louis
Other large cities	Beau Bassin, Rose Hill, Vacoas-Phoenix, Curepipe and Quatre Bornes.
Religion	The principal religious groups are Hindus, who comprise 52% of the population. About 33% are Christians, 10% are Muslims and 5% are of other communities.
Language	Most of the populations are Indian descent. The most widely spoken languages according to the census of 2000 were Creole (80.5%), Bhojpuri (12.1%), French (3.4%), Other (3.7%) and unspecified (0.3%). English is the country's official language.
Climate	The climate is maritime subtropical and generally humid. The average annual temperature in 23°C (73°F) at sea level, falling to 19°C (66°F) at an altitude of 600m (about 2,000 ft). Average annual rainfall varies from 890 mm (35 ins) at sea level to 5000 mm (200 ins) on the highest parts. Tropical cyclones, which may be severe, occur between September and May.
International Relations	Mauritius is a member of the UN, WTO, the Commonwealth, the African Union, African Development Bank, COMESA, and International Organization of the Francophonie, SADC and is an ACP member state of the ACP-EU relationship. Mauritius is also a founder member of the Indian Ocean Rim Association for Regional Co-operation.
International dialing code	+230
Currency	The unit of currency is Mauritius rupee (MUR).

*estimated figure

NATIONAL ECONOMY

Mauritius has been gradually recovering from the pandemic. The authorities have successfully managed the health impact of the pandemic and vaccinated most of the population. Real GDP expanded by 4 percent in 2021 as many sectors recovered to pre-pandemic levels of economic activity while the tourism sector remained subdued. Against this backdrop, the current account deficit widened substantially. Fiscal performance is expected to improve in FY2021/22 helped by quasi-fiscal operations although the pandemic and new pressures on current spending burden the fiscal balance. Inflation increased substantially from 2.7 percent at end-2020 to 6.8 percent at end-2021 and further to 11 percent at end-April 2022. The financial sector, including the Global Business Companies (GBCs) segment was stable in 2021. Mauritius exited from the Financial Action Task Force (FATF) list of jurisdictions under increased monitoring in October 2021 and the analogous EU and UK lists soon after.

Staff projects real GDP growth of 6.1 percent in 2022. The economic rebound is expected to be driven primarily by the tourism sector with tourist arrivals expected at 60 percent of pre-pandemic levels. Unemployment is expected to decline as the economy recovers and to return to trend in the medium-term. Annual inflation is expected to rise to 11.4 percent in 2022 due to surging commodity prices, past depreciation of the rupee, and recovering domestic demand. The economy is expected to converge to its pre-pandemic trend growth of 3-3½ per- cent in the medium term.

The outlook for Mauritius is subject to downside risks, including due to the war in Ukraine. Rising global inflation reduces real disposable income and may weigh on global demand, including for tourism, and freight costs.

Executive Board Assessment

In concluding the Article IV consultation with Mauritius, Executive Directors endorsed the staff's appraisal as follows:

The economy is recovering from the pandemic following a substantial contraction in 2020. The health impact of the pandemic was successfully managed, including by a remarkable vaccination campaign covering over 90 percent of the eligible population by May 2022. Economic growth has started to recover, with most sectors broadly back to pre-pandemic output levels, except tourism, where activity remains subdued.

The key macroeconomic challenge for Mauritius is to continue its economic recovery, while controlling inflation in a global environment with high fuel and food prices and slower recovery. The recovery in Mauritius is expected to continue, albeit at a slower pace than projected before the war in Ukraine, reflecting lower growth in trading partners, less optimistic prospects for tourist flows, and worsening terms of trade. Inflation has picked up substantially due to global supply bottlenecks, higher fuel and food prices, freight costs, and the past depreciation of the rupee.

The fiscal consolidation path needs to be carefully calibrated to balance recovery from the pandemic with long-term fiscal and debt sustainability. Adhering to fiscal rules remains critical to preserve fiscal sustainability and reduce debt vulnerabilities in the medium term. Public debt is elevated after increasing during the pandemic. Fiscal performance continues to be impacted by the pandemic and renewed pressures on current spending. Targeted transfers to the vulnerable may be needed in the face of sharp increases in food and fuel prices. If the economy continues to recover, revenue should increase and spending be reduced, including through pension system reform, to put debt on a declining path in the medium term.

The monetary policy normalization cycle needs to proceed to minimize potential second-round effects from supply-side shocks and to control inflation in the medium term. Supply-side pressures on inflation and inflation expectations have presented a challenge post pandemic. The war in Ukraine adds to these pressures and will require engineering tighter policy in an increasingly complicated environment.

The monetary policy framework needs to be modernized and credibility and independence of the central bank to be safeguarded. Staff recommends that the new monetary policy framework be rolled out soon to support policy effectiveness. Consistent with the inflation targeting framework, the Bank of Mauritius' (BOM's) FX intervention strategy should aim to smooth volatility while generally

allowing for exchange rate flexibility, facilitating macroeconomic adjustment. The government needs to recapitalize the BOM per existing legislation for the BOM to accommodate the monetary policy costs. To strengthen the central bank's operational independence and financial position, the reform of the BOM law should prohibit central bank's transfers to the government and quasi-fiscal financing. Relinquishing the BOM ownership of the MIC would also help in this regard.

The external position of Mauritius at end-2021 was substantially weaker than is suggested by fundamentals and desirable policies, although official foreign reserves remained broadly adequate. The current account gap was large and negative, pointing to substantial overvaluation of the rupee compared to its level consistent with the long-term fundamentals. The external assessment remains highly uncertain due to the transitory supply shock to tourism. The financing of the current account will continue to depend on the financial and capital flows in the GBC sector. While the successful exit from the AML/CFT listings of FATF, EU, and the UK should support the flows, the indirect impact of sanctions on Russia may pose risks.

Mauritius should embrace structural transformation to continue along the path to sustainable and resilient long-term growth. Priorities should be on enhancing diversification and competitiveness, including greater digitalization of the economy and adaptation and mitigation policies to tackle climate change vulnerabilities.

Mauritius: Selected Economic and Financial Indicators, 2019-2023					
	2019	2020	2021	2022	2023
National income, prices, and employment					
Real GDP (percentage change)	3.0	-14.9	4.0	6.1	5.6
Consumer prices (period average, percentage change)	0.5	2.5	4.0	11.9	5.8
Unemployment rate (percent)	6.7	9.2	9.5	7.8	7.5
Money and credit (percent change)					
Net foreign assets	13.5	16.4	18.6	2.0	-1.3
Net claims on government	-3.8	8.8	34.8	7.5	9.5
Credit to non-government sector	17.1	2.7	-0.4	5.5	8.2
Broad money	6.2	17.7	8.6	1.9	4.0
Central government finances ¹ (percent of GDP)					
Overall borrowing requirement ²	-13.1	-23.1	-7.6	-3.9	-6.1
Revenues, including grants	22.7	22.7	24.0	23.9	23.8
Expenditure, excluding net lending	34.5	42.3	33.1	29.5	29.5
External sector					
Current account balance (percent of GDP)	-5.1	-9.2	-13.7	-13.5	-8.1
Gross international reserves (millions of U.S. dollars)	7,329	7,242	8,513	6,801	6,371
<i>Memorandum items:</i>					
GDP at current market prices (billions of Mauritian rupees)	498.3	429.7	465.1	520.1	581.3
Public sector debt, fiscal year (percent of GDP)	84.6	99.2	92.4	88.1	86.1
Sources: Country authorities; and IMF staff estimates and projections					
¹ <i>GFSM 2001</i> concept of net lending/net borrowing, includes special and other extrabudgetary funds. Fiscal data reported for fiscal years (e.g., 2018=2018/19).					
² Following the <i>GFSM 2014</i> , Sections 5.111.5.116, the transfers from the BOM to the Central Government are considered as financing.					

“NATIONAL ECONOMY” is based on IMF Executive Board Concludes 2022 Article IV Consultation with Mauritius June 17, 2022.

FOREIGN TRADE

Mauritius’s total exports in 2017 were of the order of US\$ 2,103 million. It decreased to US\$ 1,672 million in 2021. Exports during the period from 2017 to 2021, in terms of percentage, grew highest (8.29%) in 2021 and fell maximum (-17.70%) in 2020 in comparison with 2019 and 2020 respectively. The annual average compound growth rate worked out at -5.57%.

Imports, on the other hand, were of the order of US\$ 5,147 million in 2021 while in 2017 it was US\$ 5,269 million. Imports during the period from 2021 to 2021, in terms of percentage, grew

highest (21.85%) in 2021 and fell maximum (-24.58%) in 2019 as compared to 2020 and 2021 respectively. The annual average compound rate of growth worked out at -0.58%.

Volume of trade registered an annual average (compound) growth rate of -1.93% from US\$ 7,372 million in 2017 to US\$ 6,819 million in 2021.

Mauritius's export and import, volume and balance of trade between 2017 and 2021 along with their growth rates are given in **Table-I**.

Principal trading partners of the country are South Africa, Australia, Belgium, China PR, France, Germany, Hong Kong, India, Italy, Indonesia, Japan, Korea Rep., USA, UK, Switzerland, Netherlands, and Reunion etc.

Sir Seewoosagar Ramgoolam international airport is at Plaisance, 4 km from Mahebourg. Numerous foreign shipping lines serve Mauritius. In 1990 Port Louis was established as a free port to expedite the development of Mauritius as an entrepot center. In 1995 the World Bank approved a loan for a programme to develop the port.

BILATERAL TRADE WITH INDIA

Indo-Mauritius bilateral trade in 2017-18 was of the order of Rs.7,069.54 crores. It decreased to Rs.5,861.98 crores in 2021-22. The annual compound growth rate of volume of trade during the period from 2017-18 to 2021-22 was -4.57%. India enjoyed a surplus balance of trade during the said period (**see table II**). The average annual compound growth rates of exports and imports worked out at -6.39% and 41.54% respectively.

India's exports to, and imports from Mauritius of Merchandise Goods between 2017-18 and 2021-22 along with their growth rates are presented in **Table II**.

India's top ten merchandise goods exported to and imported from Mauritius during 2017-18 to 2021-22, along with their growth rates are depicted in **Table III & IV** respectively.

SOME IMPORTANT LINKS

High Commission of India, Port Louis

6th Floor, LIC Building,
President John Kennedy Street,
Port Louis, Mauritius.

Telephone: 00-230-2083775 / 76, 2080031, 2111400

Fax: 00-230-2086859

E-Mail: hicom.ss@intnet.mu (HC); hicomdhc@intnet.mu (DHC); hicomcc@intnet.mu (Counsellor Comm); hicompol@intnet.mu (SS Pol & Eco); coined@intnet.mu (HOC); hicomedu@intnet.mu (SS Education); hicombc@intnet.mu (Business Centre); indhse@intnet.mu (India House); igcic@intnet.mu (IGCIC)

Web: indiahighcom.intnet.mu

Mauritius High Commission in India

EP 41, Jesus & Mary Marg

Chanakyapuri

New Delhi-110021

Telephone: +91-11-2410 2161, 62,63**Fax:** +91-11-2410 2194**Email:** mhcnd@bol.net.in**Export Processing Zones Development Authority in PORT LOUIS, Mauritius**

St. Denis Street, 7th Floor

St. James Court

PORT LOUIS

Mauritius

City: PORT LOUIS**Phone:** (00230) 2129760**Fax:** (00230) 2129767**Web Site:** <http://www.mauritius-industry.com>**Email:** epzda@intnet.mu**Plantation House, Place d'Armes in PORT LOUIS, Mauritius**

Duke of Edinburgh Street

PORT LOUIS

Mauritius

City: PORT LOUIS**Phone:** (00230) 2008747**Fax:** (00230) 2081269**P.O. Box:** 312**Web Site:** <http://www.prosi.net.mu>**Email:** mca312@bow.intnet.mu**Small and Medium Industries Development Organization (SMIDO) in COROMNDEL, Mauritius**

Industrial Zone, Royal Road

COROMNDEL

Mauritius

City: COROMNDEL**Phone:** (00230) 2335030**Fax:** (00230) 2335545**Web Site:** <http://www.intnet.mu/smido>**Email:** smes@intnet.mu**Trade Point Port Louis in PORT LOUIS, Mauritius**

MIDA

25, Pope Hennessy Street

PORT LOUIS

Mauritius

City: PORT LOUIS**Phone:** (00230) 2087750**Fax:** (00230) 2085965**P.O. Box:** 1184**Web Site:** <http://www.neb.intnet.mu/mida>**Email:** mida@media.intnet.mu

Names and addresses of the organizations engaged in foreign trade in Mauritius are:-

Ministry of Industry, Commerce and International Trade
President John Kennedy Street
PORT LOUIS
Tel: (00230) 2012157
Fax: (00230) 2126368
Email: motas@bow.intnet.mu
URL: <http://neb.intnet.mu/mic.htm>

Mauritius Industrial Development Authority (MIDA)
BAI Building
25, Pope Hennessy Street, 2nd floor,
P. O. Box 1184
PORT LOUIS
Tel: (00230) 2087750
Fax: (00230) 2085965
Email: mida@media.intnet.mu
URL: <http://www.mauritius-exports.com>

Trade Point Port Louis (MIDA)
25 Pope Hennessy Street
P. O. Box 1184
PORT LOUIS
Tel: (00230) 2087750
Fax: (00230) 2085965
Email: mida@media.intnet.mu
URL: <http://ncb.intnet.mu/mida>

Export Processing Zones Development Authority (EPZDA)
St. Denis Street, 7th Floor
St. James Court
PORT LOUIS
Tel: (00230) 2129760
Fax: (00230) 2129767
Email: epzda@intnet.mu
URL: <http://www.mauritius-industry.com>

Source: The Statesman Year Book, the Europa World Year Book,
Monthly Bulletin on Statistics UN Publication, IMF, World Bank.org,
the World Fact Book, World Development Indicator, MEA,
wikipedia.org, expresstextile.com, xe.com
and D.G.C.I & S etc.

"NOTICE"

**Rights of permission for reproduction in part or entirely
of these official papers published in the Indian Trade Journal
is reserved by the Directorate General of Commercial
Intelligence & Statistics, Kolkata – 700 107.**

TABLE I
MAURITIUS'S TOTAL EXPORTS AND IMPORTS, VOLUME AND BALANCE OF TRADE
BETWEEN 2017 TO 2021.

(Figures in US MILLION DOLLARS)

<i>Year</i>	<i>Exports</i>	<i>Percentage Growth in Exports</i>	<i>Import</i>	<i>Percentage Growth in Imports</i>	<i>Volume of Trade</i>	<i>Percentage Growth in Vol. of Trade</i>	<i>Balance of Trade</i>
2017	2103		5269		7,372		-3166
2018	1988	-5.47	5669	7.59	7,657	3.87	-3681
2019	1876	-5.63	5601	-1.20	7,477	-2.35	-3725
2020	1544	-17.70	4224	-24.58	5,768	-22.86	-2680
2021	1672	8.29	5147	21.85	6,819	18.22	-3475

Annual Compound Growth Rate

	-5.57	-0.58	-1.93
--	--------------	--------------	--------------

NOTE : Figures relate to calendar year, January to December.

SOURCE : *UN COMTRADE PUBLICATION*

TABLE -II**INDIA'S EXPORT TO AND IMPORT FROM MAURITIUS MERCHANDISE
GOODS DURING 2017-2018 TO 2021-2022**

(Value in Rs. CRORES)

Year	Exports	Percentage Growth in Exports	Import	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2017-18	6935.98		133.56		7069.54		6802.42
2018-19	8090.97	16.65	546.85	309.44	8637.82	22.18	7544.12
2019-20	4663.51	-42.36	215.76	-60.54	4879.27	-43.51	4447.75
2020-21	3125.16	-32.99	324.14	50.23	3449.30	-29.31	2801.02
2021-22	5325.93	70.42	536.05	65.38	5861.98	69.95	4789.88

**Annual
Compound
Growth Rate****-6.39****41.54****-4.57**

NOTE : Figures relate to Financial Year April to March.

SOURCE : Directorate General of Commercial Intelligence & Statistics,
Ministry of Commerce & Industry, Kolkata 700 107.

TABLE -III
INDIA'S MAJOR MERCHANDISE EXPORT TO MAURITIUS
2017-2018 TO 2021-2022 AND THEIR GROWTH RATES

(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2017-18	2018-19	2019-20	2020-21	2021-22	18-19 over 2017-18	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21
1	Petroleum Products	4323.94	5191.34	18878.88	727.27	2154.61	20.06	263.66	-96.15	196.26
	Share in total export	62.34	64.16	404.82	23.27	40.46				
2	Drugs Formulations, Biologicals	172.42	197.83	228.68	285.25	353.36	14.74	15.59	24.74	23.88
	Share in total export	2.49	2.45	4.90	9.13	6.63				
3	Cotton Yarn	242.33	251.36	217.25	230.32	313.77	3.73	-13.57	6.02	36.23
	Share in total export	3.49	3.11	4.66	7.37	5.89				
4	Motor Vehicles/Cars	92.01	150.28	153.68	118.03	298.33	63.33	2.26	-23.20	152.76
	Share in total export	1.33	1.86	3.30	3.78	5.60				
5	Products Of Iron And Steel	35.83	83.23	103.63	30.38	203.65	132.29	24.51	-70.68	570.34
	Share in total export	0.52	1.03	2.22	0.97	3.82				
6	Rice (Basmati)	235.16	258.02	216.98	233.90	182.39	9.72	-15.91	7.80	-22.02
	Share in total export	3.39	3.19	4.65	7.48	3.42				
7	RMG Cotton Including Accessories	82.30	98.31	103.90	144.87	120.31	19.45	5.69	39.43	-16.95
	Share in total export	1.19	1.22	2.23	4.64	2.26				
8	RMG Manmade Fibres	77.37	79.72	119.52	101.70	114.34	3.04	49.92	-14.91	12.43
	Share in total export	1.12	0.99	2.56	3.25	2.15				
9	Manmade Yarn, Fabrics, Madeups Etc	105.22	105.25	105.34	86.28	96.89	0.03	0.09	-18.09	12.30
	Share in total export	1.52	1.30	2.26	2.76	1.82				
10	Electric Machinery And Equipments	62.19	110.18	84.88	35.32	93.60	77.17	-22.96	-58.39	165.01
	Share in total export	0.90	1.36	1.82	1.13	1.76				
	Total export to MAURITIUS	6935.98	8090.97	4663.51	3125.16	5325.93	16.65	-42.36	-32.99	70.42

NOTE : Figures relate to Financial Year, April to March.

SOURCE : Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce & Industry, Kolkata : 700 107.

TABLE IV
INDIA'S MAJOR MERCHANDISE IMPORT FROM MAURITIUS
2017-2018 TO 2021-2022 AND THEIR GROWTH RATES

(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2017-18	2018-19	2019-20	2020-21	2021-22	18-19 over 2017-18	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21
1	Iron And Steel	2.98	6.56	22.26	79.51	167.28	120.13	239.33	257.19	110.39
	Share in total imports	2.23	1.20	10.32	24.53	31.21				
2	Medical & Scientific Instruments	41.53	53.53	76.69	108.79	128.41	28.89	43.27	41.86	18.03
	Share in total imports	31.09	9.79	35.54	33.56	23.95				
3	Aluminium, Products Of Aluminium	13.25	18.67	12.74	15.63	63.97	40.91	-31.76	22.68	309.28
	Share in total imports.	9.92	3.41	5.90	4.82	11.93				
4	Electronic Components	1.30	2.37	6.39	13.67	40.51	82.31	169.62	113.93	196.34
	Share in total import	0.97	0.43	2.96	4.22	7.56				
5	Copper And Products Made Of Copper	18.35	6.74	4.21	5.29	29.88	-63.27	-37.54	25.65	464.84
	Share in total import	13.74	1.23	1.95	1.63	5.57				
6	Paper, Paper Board And Products	9.99	13.13	9.13	8.82	17.15	31.43	-30.46	-3.40	94.44
	Share in total import	7.48	2.40	4.23	2.72	3.20				
7	Railway Transport Equipments, Parts				15.50	16.14				4.13
	Share in total import				4.78	3.01				
8	Marine Products			4.97	12.35	12.19			148.49	-1.30
	Share in total import			2.30	3.81	2.27				
9	Other Construction Machinery				6.43	10.72				66.72
	Share in total import					2.00				
10	Other Wood And Wood Products		0.07	1.14	9.27	10.58		1528.57	713.16	14.13
	Share in total import		0.01	0.53	2.86	1.97				
	Total import from MAURITIUS	133.56	546.85	215.76	324.14	536.05	309.44	-60.54	50.23	65.38

NOTE : Figures relate to Financial Year, April to March.

SOURCE : Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce & Industry, Kolkata : 700 107.

