



International Economics
Strategic Analysis For Growth & Development

UNITED KINGDOM – MAURITIUS TRADE UPDATES



April 2024



TRADE OVERVIEW



67
Million
Population

Region
Europe

1.3
Million
Population

Region
Africa

£36,222
GDP per Capita
2022

Total Exports **\$411 B** 2023
Total Imports **\$625 B** 2023

£8,071
GDP per Capita
2022

Total Exports **£1.5 B** 2022
Total Imports **£5.2 B** 2022

- **Mauritius** ranks **109th** in UK's exports partners
- Share: **0.02%**



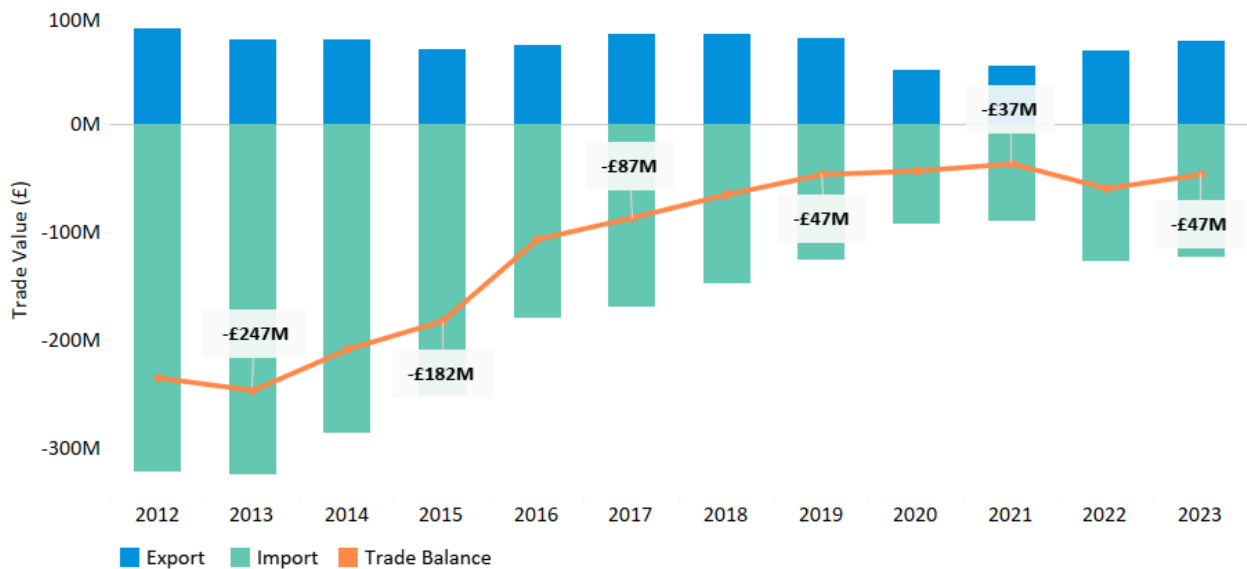
- **UK** ranks **4th** in Mauritius' exports partners
- Share: **9%**



Source: IEC Calculations; UNComtrade; World Bank

Trade in Goods

UK merchandise trade with Mauritius, 2012-2023

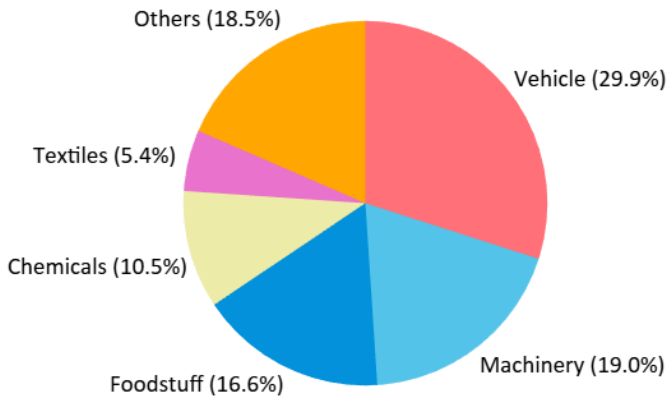


Source: IEC Calculations, based on UNComtrade

Export growth: **-1.4% CAGR** | Import growth: **-9.2% CAGR** | Total trade: **-7.0% CAGR**



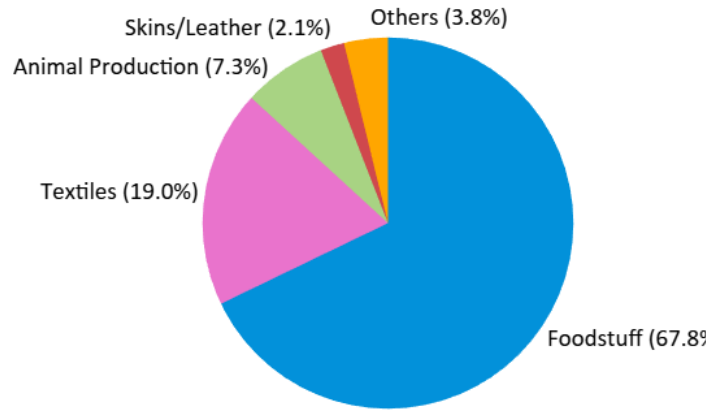
UK exports to Mauritius in 2023



£135 million: UK's Export Potential to Mauritius



Mauritius exports to the UK in 2023



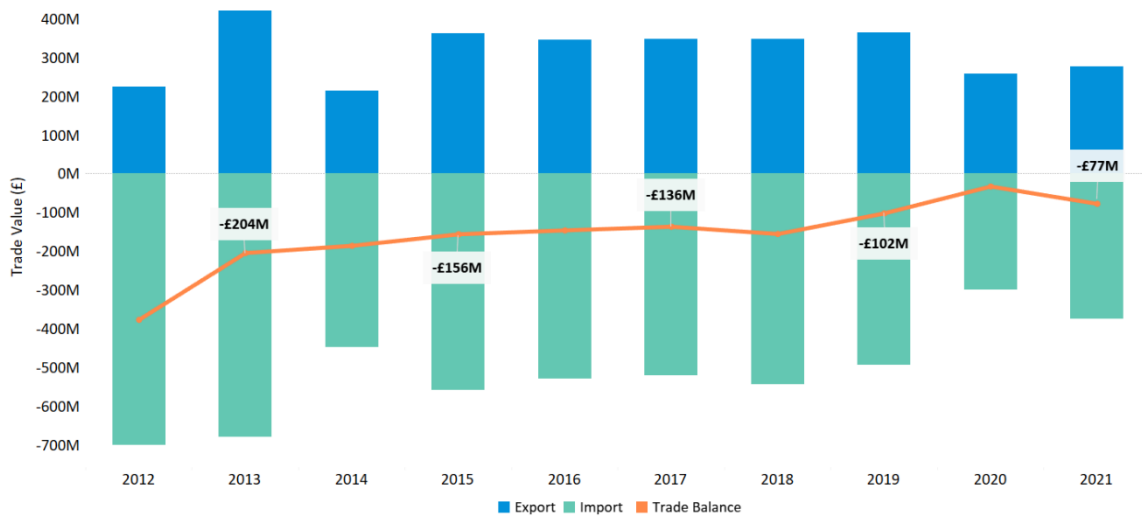
£189 million: Mauritius' Export Potential to UK



Source: IEC Calculations; UNComtrade; ITC Export Potential

Services Trade

UK Trade in Services with Mauritius, 2012-2021

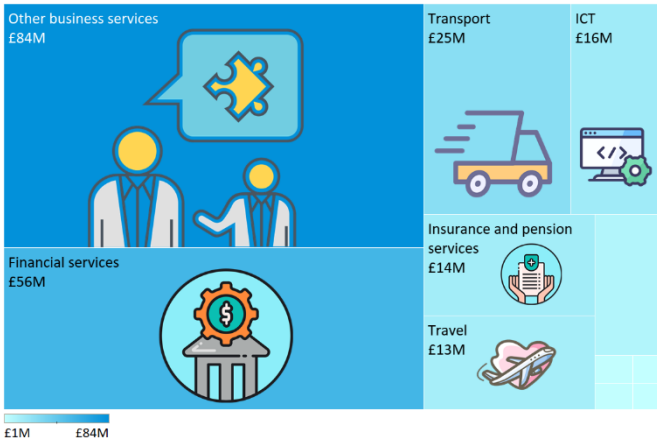


Source: IEC Calculations, based on OECD BaTIS

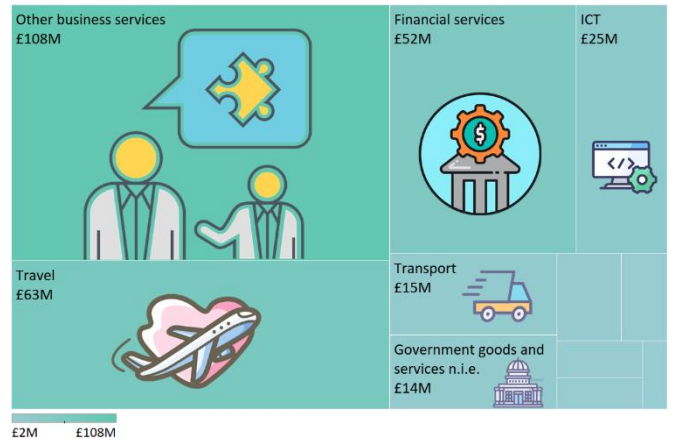
Export growth: **2.4% CAGR** | Import growth: **-6.7% CAGR** | Total trade: **-3.8% CAGR**



UK Services export to Mauritius, 2021



UK Services import from Mauritius, 2021

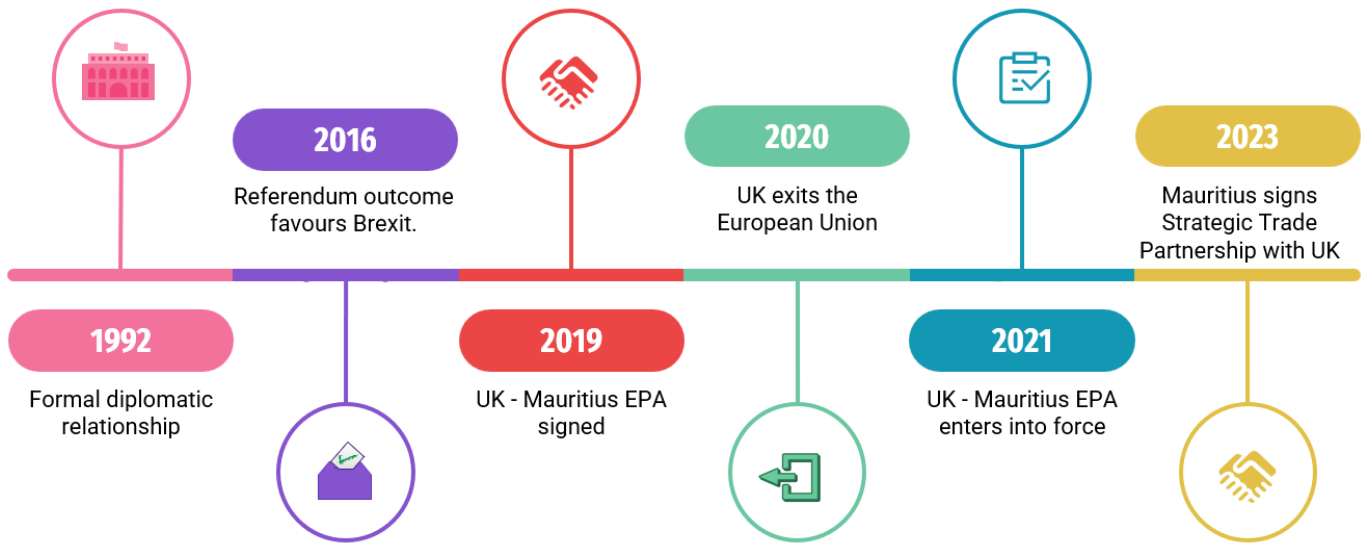


Source: IEC Calculations, based on OECD BATIS

- For the last decade, the **United Kingdom** has had a trade-in services **deficit** with Mauritius.
- **Other business services and financial services are the top 2 sectors** traded between the two countries.

Trade Partnership

A Timeline of the United Kingdom – Mauritius Partnership

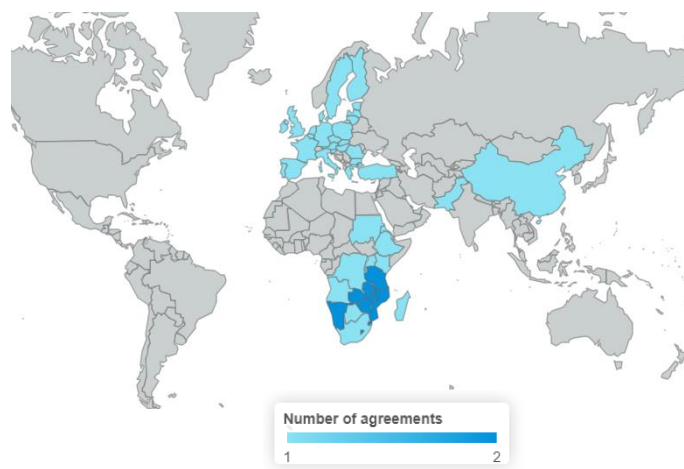
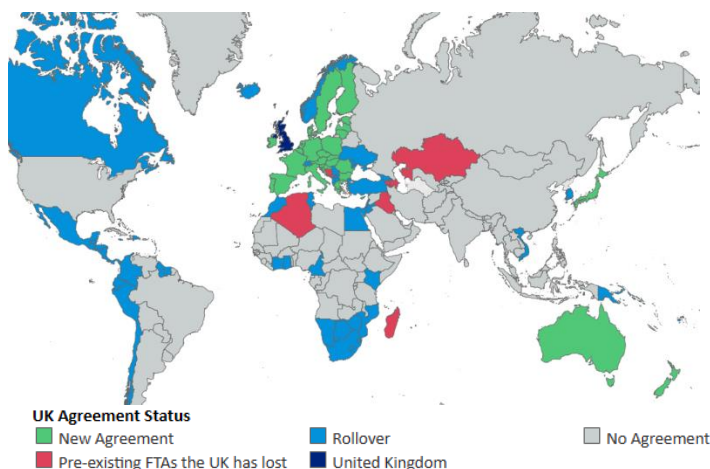


The strategic partnership between the United Kingdom and Mauritius has been growing in strength. Following the UK exit from the EU, the Economic Partnership Agreement (EPA) allowed the continuation of duty-free export to the UK. The Strategic Trade Partnership (STP) provides an opportunity for Mauritius to increase its trade with the UK and promotes investment and economic growth in both countries.



UK's Global Trade Partnerships following Brexit

Mauritius's Global Trade Partnerships



Source: IEC Trade Insights

UK has signed **38 FTAs** with more than **80 countries** globally. Mauritius, on the other hand, is a party to **8 FTAs** with more than **50 countries** globally. All **8** agreements cover **goods** whereas **3** of them include **services** as well. Mauritius is member of **2** regional trade agreements, **SADC**, and **COMESA**, and as part of the Eastern and Southern Africa States, it has secured an **EPA** with both the **EU** and the **UK**.

Investment

In 2021, the stock of foreign direct investment (FDI) from the UK in Mauritius was **£1.3 billion (\$1.8 billion)**, accounting for **0.1%** of the total UK outward FDI stock. This showed a decrease of **83.3%** or **£6.5 billion** lower than in 2020.

In 2021, the stock of foreign direct investment (FDI) in the UK from Mauritius was **£726 million (\$603 million)**, accounting for less than **0.1%** of the total UK inward FDI stock. This showed an increase of **20.5%** or **£123 million** compared to 2020.

Source: ONS (2023)

UK's investment potential in Mauritius span across various sectors:



➤ **Real Estate:** Between January - Septmeber 2023, foreign direct investment in real estate activities amounted to **£283 million (\$348 million)**, representing an increase of **59%** from the same period in 2022. Real estate activities accounted for over half of **£412 million (\$508 million)** foreign direct investment for the first three quarters of 2023, with the UK contributing **£22 million (\$27 Million)**. Fiscal incentives as well as schemes allowing non-citizens to acquire real estate and obtain a residence permit offer promising opportunities.



➤ **Financial Services (Offshore, Banking & Insurance):** With a strong regulatory framework, an extensive tax treaty network, a strategic geographic location and a simple tax regime, Mauritius presents a compelling opportunity for Foreign Direct Investments (FDIs). With **20 licensed banks** and **186 management companies**, financial and insurance activities contributed **14.0%** to GDP in 2023.



➤ **Tourism:** In 2023, the island welcomed **1.3 million** tourists compared to **997,290** in 2022. BMI, a Fitch solutions company, forecasts that arrivals will continue to increase over 2024, leading to full recovery to pre-pandemic levels. Before the COVID-19 pandemic, tourism contributed **8%** to GDP (**£1.4 billion**) and employed **13.3%** of the island's total workforce. Between January – September 2023, FDI flows in the sector amounted to **£44 million (\$54 Million)**, representing a **126%** increase from the same period in 2022.



➤ **Education:** **7 742** Mauritian students studied overseas in 2022, compared to **42 824** students who decided to remain in the island and enrol in public or private post-secondary educational institutions locally. **15%** of students enrolled in higher education opted to start their university education overseas in 2022, with the **UK** being in the top 4 preferred destinations for Mauritian international students.



Our Leadership Team in Mauritius



Paul Baker
Chairman of Group



Neetish Hurry
Director of Analytics and
Cognitive Computing



Pablo Quiles
Manager of Trade Advisory Services

International Economics Consulting Mauritius is part of the International Economics Consulting Group with Offices in Mauritius, UK, and Vietnam

Mauritius



International Economics Consulting Ltd
Grand Baie Business Park, Suites 207-208
Grand Baie – 30510
Mauritius
Tel: +230 263 33 24
Email: info@tradeeconomics.com

London



International Economics Consulting Ltd
31 Blenheim Road
SW20 9BA, London
United Kingdom
Tel: +44 7492 230 668
Email: info@tradeeconomics.com

Ho Chi Minh



International Economics Consulting Ltd
395/49, Nguyen Thi Kieu Street
Tan Thoi Hiep Ward, District 12
Ho Chi Minh, Vietnam
Tel: +84 763 281 367
Email: info@tradeeconomics.com

Our Values



Excellence

We strive for excellence in the quality of advice provided to our clients, ensuring meaningful impact and outcomes.



Innovation

We utilise the most reliable and up-to-date intelligence combined with state-of-the-art analytical tools.



Independence and Objectivity

Our perspective is underpinned by independence and objectivity, and we observe high ethical standards.



Technical Expertise

We mobilise and leverage the best technical expertise to implement projects.



Diversity and Inclusivity

We give utmost consideration to understanding the local, cultural, gender, and socio-economic realities of our clients and put their needs first.



Sustainability

We are committed to ensuring that our expertise and ideas promote sustainable outcomes without impairing the well-being and welfare of others.