# A YEAR IN REVIEW: ECONOMIC HIGHLIGHTS MAURITIUS

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*December 2025*

**In November 2024, Mauritius held its national elections and while the outcome of the poll was historic, the expectation and responsibilities of the new government are pharaonic. In this regards, the Government Programme 2025-2029 enunciates a gamut of measures which aim at nation building, fortifying economic prosperity and developing a whole new economic strategy for the country.**

With major structural policy shifts on the international scene, coupled with geopolitical risks and trade wars, the government along with the private sector has stepped up to mobilise investment towards growth-enabling sectors, driven by technology and innovation as it is essential to active stance to diversify the country's export basket and destinations.

At the same time, skill mismatch and labour market constraints remain a top priority, especially given its relevance to the exodus of young professionals looking for a brighter future outside of Mauritius. Considerations for climate-oriented policies and planning remain key as testified by the sustained drought that hit the country recently. Like many other Small Island Developing States (SIDs), Mauritius is significantly impacted by the escalating effects of climate change and as such there is a growing need to revive investor interest in sectors such as the Blue Economy, which is yet to become a major contributor to the economy, while boosting renewable energy development and food security.

## Key Statistical Highlights | 2025

| Economic Growth | Unemployment Rate | Inflation | Foreign Direct Investments | Tourist Arrivals | Tourism Receipts | Debt as a % of GDP |
|---|---|---|---|---|---|---|
| GDP at market prices in 2025 is forecasted to grow by **3.1%** compared to **4.9%** in 2024.<br><br>GVA at basic prices in 2025 is expected to grow by **3.1%** compared to **4.7%** in 2024. | For 2024, unemployment rate stood at **6%,** and for the 2nd quarter of 2025 is estimated at **5.9%,** compared to **6.1%** at the 2nd quarter of 2024. | Headline inflation rate for 2025 is forecast to reach **3.8%**, up from **3.6%** in 2024. | FDI flows have risen to **Rs 33.5 billion** in 2022, from Rs 18.5 in 2021, and since then have kept pace to reach **Rs 33 billion** in 2024. | Tourist arrivals has hit the **1.3 million** milestone for the period January to November 2025. While European countries remain the main source market, significant increase is observed among Indian tourists (40%). | Tourism earnings reached **Rs 94 billion** in 2024.<br><br>As at October 2025, **Rs 81 billion** worth of tourism revenue was achieved compared to **Rs 74 billion** for the same period last year. | Government Debt for 2025/2026 as percentage of GDP was 78.3% compared to 79.4% in 2024/2025. |

## Sectoral Progress and Achievements

### Vision 2050

Launching of national consultations on Vision 2050, which will serve as a roadmap for sector-wide economic transformation, long term resilience and economic growth.

### Blue Economy

Les Assises de l'Océan was organised in October 2025.

The government will organise a multi-stakeholder consultative forum to co-develop a national Blueprint for the Ocean Economy.

Rs 5.4 billion (USD 115 million) worth of investments by Mauritius Ports Authority

### Tourism

Mauritius earned three prestigious accolades at the 2025 World Travel Awards.

- Indian Ocean's Leading Beach Destination
- Leading Tourist Board in the Indian Ocean- Mauritius Tourism Promotion Authority (MTPA)
- Indian Ocean's Leading Wedding Destination

### Financial Services

Launch of Blueprint for the sector : **Rethinking the future of the financial services industry 2025-2030**

Mauritius maintains its status as a prominent International Financial Centre (IFC) in the Middle East and Africa region, holding the 5th position, as per the Global Financial Centres Index (GFCI).

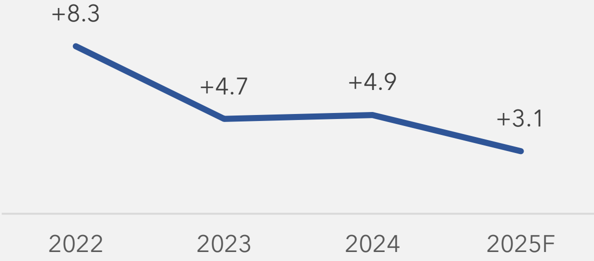
### Ease of Doing Business

Mauritius has secured the **premier position** as the most stable and least risky country in Africa, according to the Africa Country Instability Risk Index (ACIRI) in November this year, thus fortifying the country's international appeal as among the best destinations for doing business in Africa.

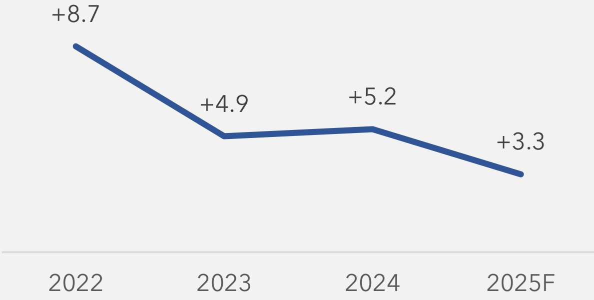
*Source: Statistics Mauritius,*

# Macroeconomic Indicators

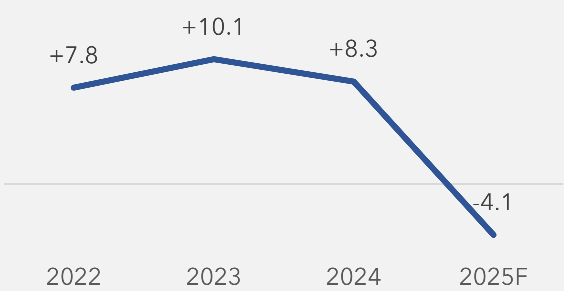
Gross Domestic Product (GDP) at market prices (Real Growth)



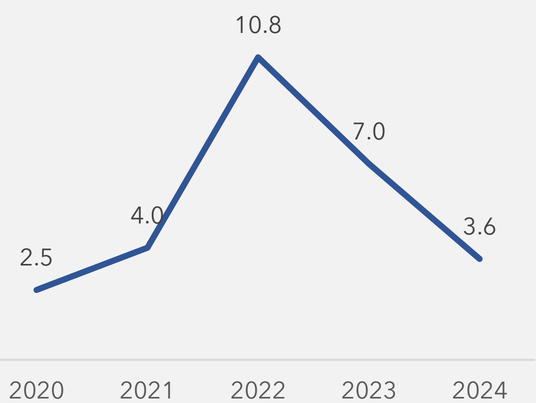

Per capita GDP (Real Growth)



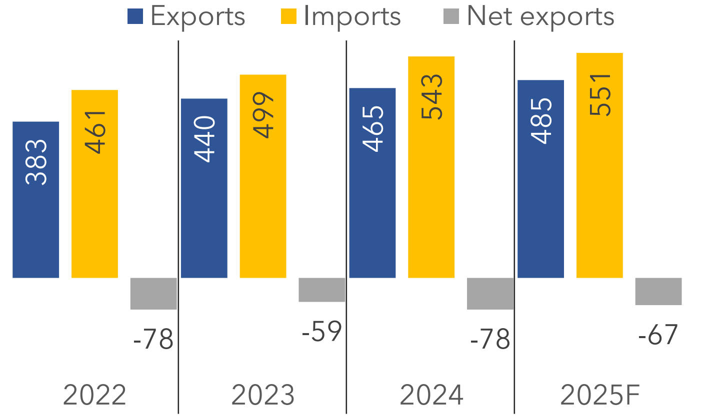

Gross Fixed Capital Formation (GFCF) (Real Growth)




Headline inflation rate (%)




Exports and Imports of Goods and Services | Rs Billion




**Key Messages from the IMF 2025 Article IV Mission to Mauritius | June 2025**

- There is a need for strengthening of macroeconomic policy to cater for more fiscal maneouvering.
- Macroeconomic risks need to be continuously monitored in view to maintain financial stability and fortify resilience to external shocks.
- Efforts to foster business-friendly environments which are conducive for private investments are strongly recommended – while giving due attention to climate resilience.
- Keep close eye on the financial sector risks, , including of non-residents and GBCs operating in the Mauritius International Financial Centre, and the real estate sector while maintaining strict AML/CFT compliance.

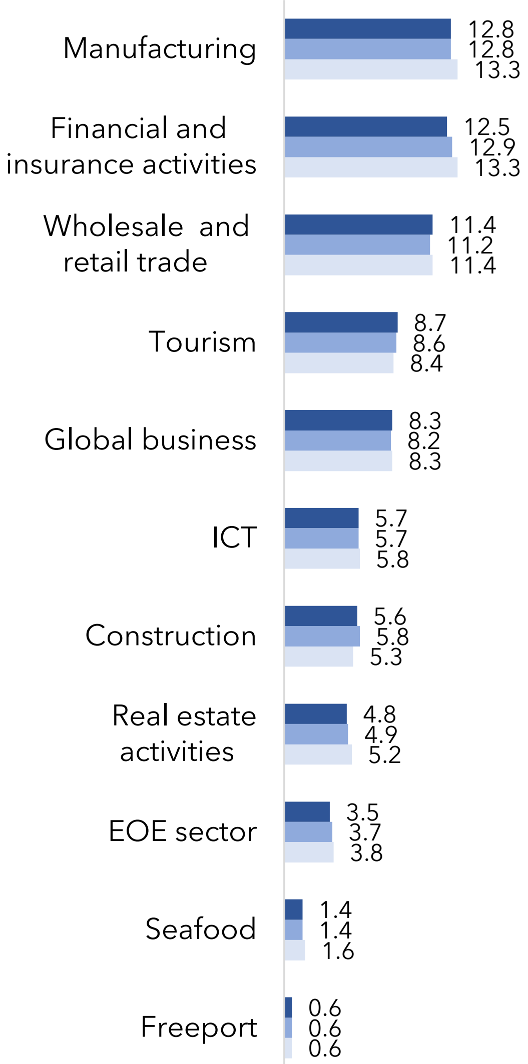
Real GDP growth rate settled at 4.9% in 2024 from 4.7% in 2023. It is observed that since 2022, real GDP growth rate has been on a decline, and while national GDP in value terms maintains an upward trajectory rising from Rs 572 billion in 2022 to Rs 693 billion in 2024, its speed of growth remains a priority for the government, heralding the need to invest in productivity, capacity building while leveraging on regional trade agreements such as the AfCFTA, in a bid to improve export competitiveness and overall sectoral growth. Investment (Gross Fixed Capital Formation) is expected to hit Rs 146 billion for the year 2025 with an investment rate of 20% (Investment as percentage of GDP), but looking at real growth rates in investment, it is expected to drop by 4.1% this year.

Exports of goods and services is forecast to reach Rs 485 billion this year over Rs 465 billion last year, representing a growth of 4%, while imports will grow by 2%, yielding an improved deficit of Rs 67 billion, down from Rs 78 billion in 2024. As for headline inflation rate, it peaked at 10.8% in 2022 to then witness a downward trend to reach 3.6% in 2024. This drop in inflation indicates a certain level of stability, which is within the target range of 2-5 % as set by the Bank of Mauritius' new monetary policy framework introduced in January 2023.

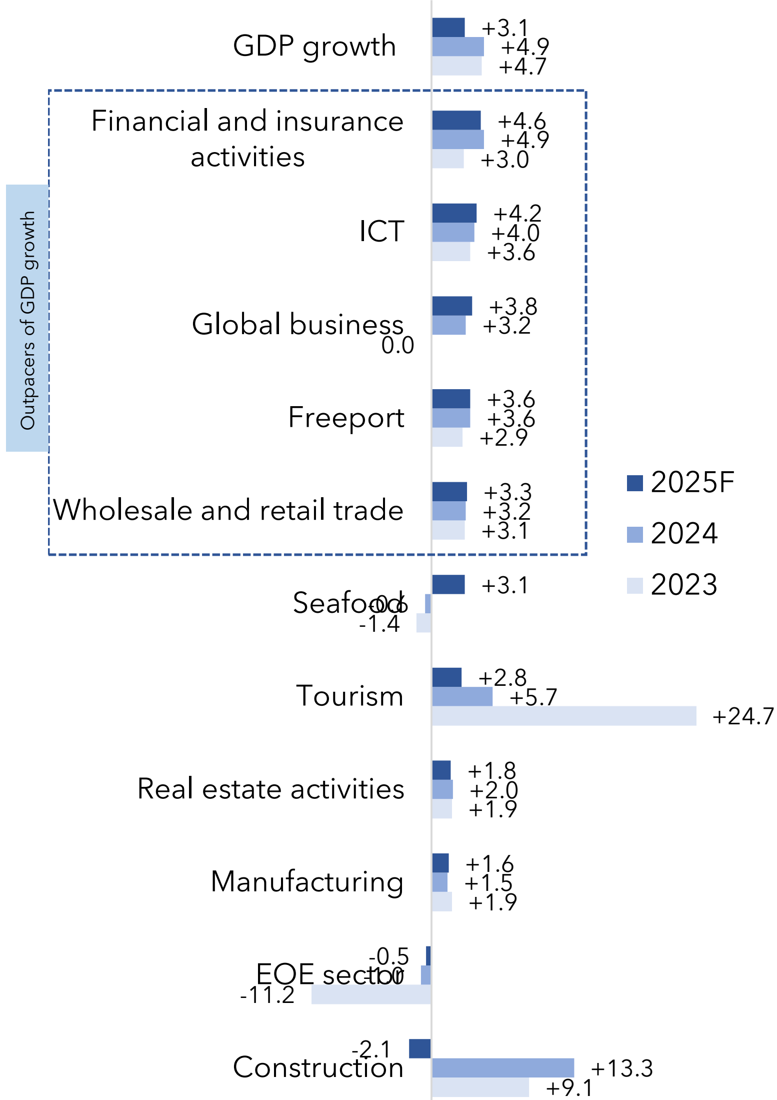
*Source: Statistics Mauritius, National Accounts Estimates (September Edition) , Bank of Mauritius, Monthly Statistical Bulletin (October Edition) , IMF Country Report 25/136*

# Sectoral Overview

## Key sectors' contribution to Gross Value Added




## Key sectors' growth rate




- Mauritius has made significant strides in the financial services sector and continues to be recognised as an International Finance Centre (IFC) of substance within the Middle East and Africa region. In fact, for 2025, the sector is even forecast to outpace the national GDP growth (4.6% vs. 3.1%). However, various challenges persist such as: skills shortage, absence of strategy in target markets (Indian and Africa), low branding and promotion, and lack of diversification in product and service offerings – as highlighted in the latest sectoral blueprint "Rethinking the future of the financial services industry 2025-2030".

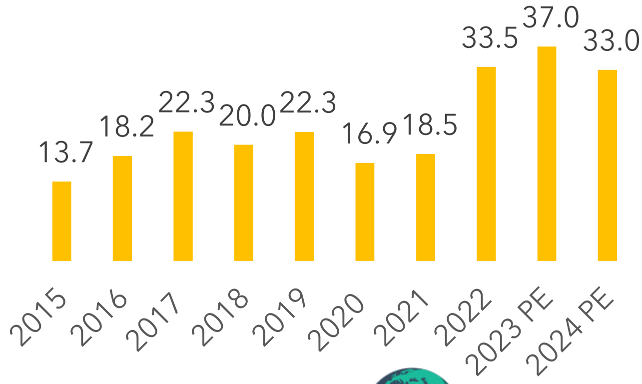
- The manufacturing sector is undergoing a phase of industrial transformation, driven by the efforts of the Association of Mauritian Manufacturers (AMM) and the Mauritius Export Association (MEXA). capitalising on regional integration opportunities and embracing Industry 4.0 technologies remain key in enhancing the Export Oriented Enterprises (EOE) sector, which has been witnessing negative growths for the past years. For this reason, renewed efforts have been ongoing to improve the competitiveness of the export sector, both in terms of products and markets, and the budget 2025-2026 emphasises the governments' aggressive approach to maximising opportunities from the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) with India, the Free Trade Agreement with China and the African Continental Free Trade Area (AfCFTA).

- With 1.4 million tourist arrivals in 2024 and tourism receipts reaching Rs 94 billion, Mauritius is actively cultivating its tourism industry. Greater emphasis is being placed on eco-tourism, the silver economy, and medical tourism, positioning the sector as a key driver of economic growth.

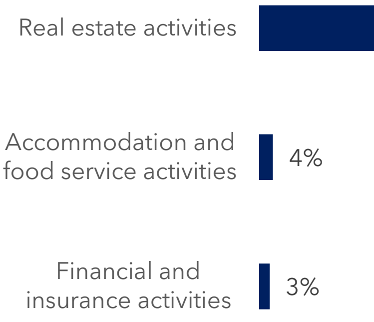
*Source: Statistics Mauritius, National Accounts Estimates (September Edition) , Bank of Mauritius, Monthly Statistical Bulletin (October Edition)*

# Foreign Direct Investment

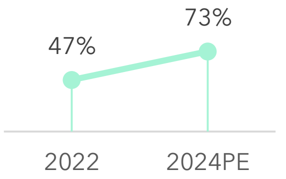
FDI flows | Rs Billion



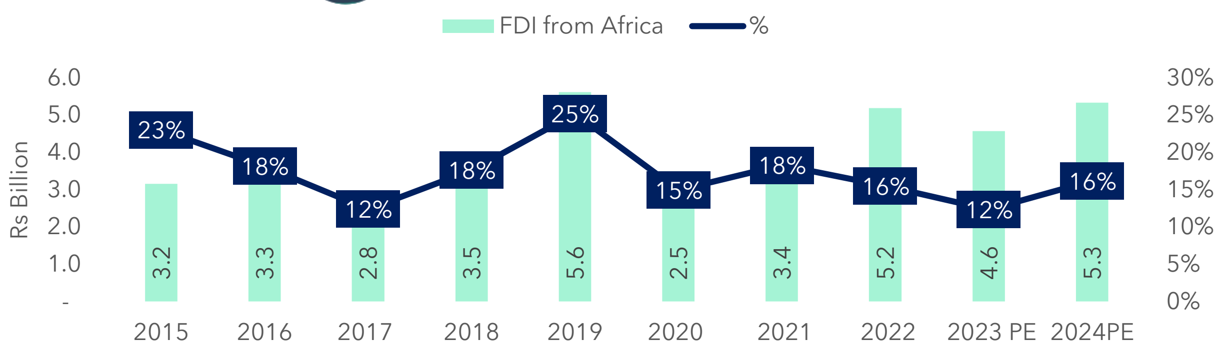

Foreign Direct Investment Flows | by sector 2024 (PE)



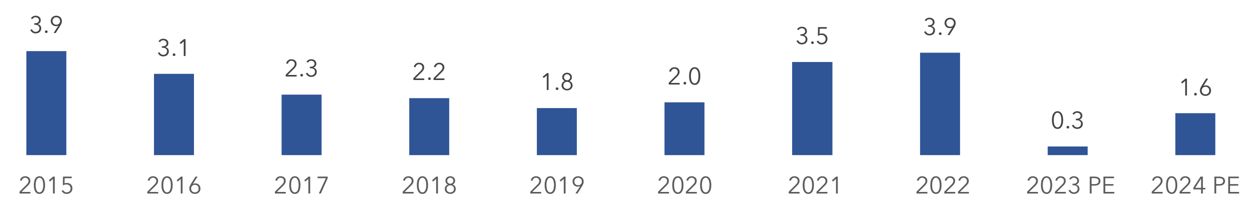

Share of Real Estate in Total FDI




FDI flows from Africa




FDI Flows to Africa | Rs Billion




Looking at FDI flows, Mauritius has made significant progress in the last decade to continuously attract high volumes of foreign investments, from Rs 13.7 billion in 2015 to around Rs 33 billion in 2024 (preliminary estimate), representing a growth rate of 140%, which testifies Mauritius' growing status as a jurisdiction of substance for investment at the cross-roads of Asia, Europe and Africa. However, FDI flows is significantly biased towards the real estate sector which consumed 73% of total FDI in 2024, implying the need to provide or renew incentives to overcome lack of investor interests in other sectors such as the Blue Economy, by introducing Blue Economy Funds and attractive PPPs (Public Private Partnerships).

While the majority of FDI is sourced from Europe, which in 2024, contributed around 59% in total FDI, it is also interesting to note that FDI flows from Africa has also been catching up over the past years, moving from Rs 2.5 billion in 2020 to Rs 5.3 billion in 2024, which made up 16% of total FDI. Likewise, FDI flows from Mauritius to Africa has witnessed fluctuations since 2015, and there is evidently an untapped potential for more Mauritian investments into mainland Africa.

*Source: Bank of Mauritius, Monthly Statistical Bulletin (October Edition)*

| Mauritian FDI outflows to Africa | | |
|---|---|---|
| African Countries | 2015 | 2024 PE |
| Total (Rs Billion) | 3.9 | 1.6 |
| Reunion | 1% | 86% |
| Madagascar | 6% | 7% |
| Other | 37% | 3% |
| South Africa | 2% | 3% |
| Kenya | 19% | 1% |
| Seychelles | 18% | 0% |
| Mozambique | 17% | 0% |
| Comoros | 0% | 0% |



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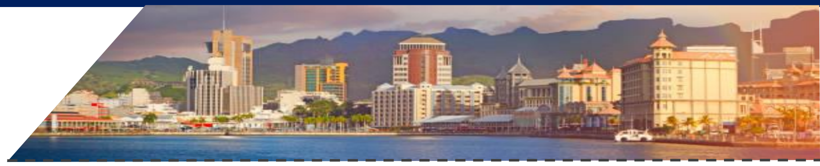
# Key Messages



### 1. Keeping inflation within limits

Understandingly, managing inflationary pressures is a priority for the government as domestic price levels remain vulnerable imported inflation. The Central Bank should continue to intervene to keep prices stable through its regular monetary instruments and monitor closely the depreciation of the Mauritian Rupee.

### 2. Fiscal Consolidation

With an ageing population and the growing burden of old age pensions and related expenditures on the state purse, the government is called upon to strike a balance between managing public debts and revenue to support the socio-economic challenges looming ahead. Further tax reforms are necessary to reduce over dependence on VAT and eventually derive more revenues from direct taxes instead, to avoid the regressive effects of the former.

### 3. Enhancing Economic Diversification

Efforts have been ongoing to broaden the economic landscape and foster the creation of new economic poles such as the Green and Blue Economy. However, such initiatives are yet to take a stronger foothold in the Mauritian economy. Economic diversification also calls for export diversification and improved complexity. The government should continue to support emerging local industries manufacturing high-end complex products such as medical devices and pharmaceuticals/nutraceuticals, so that such products can make a bigger share in the country's export basket in the years to come.  Supporting Domestic Oriented Manufacturing Enterprises (DOMEs) is also strongly recommended who often have been surpassed in national priority by the EOEs (Export Oriented Enterprises), as they are pivotal in reducing dependence on imports, improving food security and creating employment for the youth.

### 4. Re-evaluation of trade agreements

Mauritius boasts a number of trade agreements with several countries such as Turkey, Pakistan, the UAE, China, India and various African countries under the SADC, COMESA and the AfCTA. However, trade with Turkey, Pakistan and the UAE under their respective trade agreements represents a negligible share in Mauritius' domestic exports – which underscores the need for renegotiation and devising of strategies to capture the best potential under these agreements.

The government is encouraged to redouble its efforts in terms of promotion strategies, especially in untapped regions across Africa such as Western Africa and Northern Africa, in a bid to boost trade under the AfCTA. Whilst uncertainties persist over the renewal of AGOA, it also creates opportunities for deeper regional trade. In fact, Mauritius has secured the premier position as the most stable and least risky country in Africa, according to the Africa Country Instability Risk Index (ACIRI) in November this year, thus fortifying the country's international appeal as among the best destinations for doing business in Africa.

### 5. Pursuing Structural Reforms

Although Mauritius enjoys a strong education system, there seems to be a gap between the education offered and the skills demanded in the job market. Therefore, addressing labour shortages, skill mismatches while promoting innovation and entrepreneurship are crucial areas of focus, which collectively can help in reducing brain drain and attracting FDIs in a broad range sectors, beyond the real estate sector. As brain drain continues to be a growing problem, the country's reliance on migrant workers is likely to heighten. As such, the government will have to devise labour migration policies and frameworks to manage the influx of foreign workers and minimise the rise of xenophobic sentiments.

### 5. Addressing climate change

Building climate resilience is imperative and climate-related policies need to permeate all levels of government planning and administration. With the help of the private sector and regional institutions, the government should look into external sources of climate finance and devise a proper master plan aimed at building economic and climate change resilience.



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