

**PRODUCTIVITY
AND COMPETITIVENESS
REVIEW**
FEBRUARY 2016



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List of acronyms/ abbreviations

CPE	Certificate of Primary Education
GDP	Gross Domestic Product
GDP	Gross Domestic Product
HBS	Household Budget Survey
IMF	International Monetary Fund
PPP	Purchasing Power Parity

Introduction

Often cited as a success story, Mauritius has over the past 45 years successfully transformed itself from a monocrop economy to a service-oriented and knowledge-based economy, whilst still maintaining a solid industrial base. It has graduated to middle income economy status since the 1990's and is now considered as an “Upper Middle Income” country by the World Bank.

Today, Mauritius is among the most successful economies in Africa. Mauritius tops Sub-Saharan African economies and is ranked 32nd out of 189 economies according to the 2016 Doing Business Report entitled 'Measuring Regulatory Quality and Efficiency'. It ranks 1st in Africa and occupies the 46th place out of 140 countries according to the Global Competitiveness Report 2015-2016 of the World Economic Forum. It also scores well in terms of Human Development, with a Human Development Index of 0.777 (63 out of 188 countries in 2014) and governance (1st in the 2015 Ibrahim Index of African Governance ranking among 54 countries) .Mauritius has also achieved most of the Millennium Development Goals (MDGs) targets.

The country also displayed impressive resilience to the global economic crisis. Economic performance did not collapse and fiscal stability has been preserved so far.

Notwithstanding the significant progress that Mauritius has made, the economy is once more at a tricky juncture because the conditions that fuelled its rapid growth are changing considerably. The country's growths barely surpass the 4% according to data from Statistics Mauritius: 3.6% in 2011, 3.4% in 2012, 3.2% in 2013 and 3.5 % in 2014. Mauritius is not an exception. Globally, growth is still weak and the IMF reviewed its growth forecast for the world economy to a disappointingly low 3.1 % in October 2015 from its previous forecast of 3.3 %.

The government is fully committed to transforming “Mauritius into a truly forward looking, environmentally sustainable, economically vibrant and innovative country with modern infrastructure, global connectivity, high skills and technology” (Government Programme 2015 – 2019). Attainment of this aspiration is hinged on the country's ability to achieve rapid and sustainable economic and productivity growth.

This report highlights the salient points of the productivity and competitiveness performance of the country to guide specific policy choices to be made to bolster inclusive and sustainable growth.

Structure of the Report

This report is organised as follows:

- Chapter 1: Sets the socio- economic performance of Mauritius
- Chapter 2: Highlights the productivity trends in the different sectors of the economy
- Chapter 3: Discusses about Mauritius's competitiveness performance in 2015
- Chapter 4: Discusses about Mauritius's innovation performance in 2015
- Chapter 5: Gives the conclusion and the way - forward



1. Chapter 1: Socio- Economic performance of Mauritius

1.1. Performance of key indicators and impact of the global economic slowdown on Mauritius

The Mauritian economy continued to register positive growth amid international economic uncertainties. Despite its resilience, Mauritius today finds itself at crossroads. Headline figures related to Mauritius’s economic performance are given in table 1.

Table 1: Selected economic indicators for Mauritius, 2011- 2014

	Unit	2011	2012	2013	2014
GDP growth rate	%	3.6	3.4	3.2	3.5
GDP per capita	USD	8,975	9,134	9,483	10,013
Unemployment	Average, %	7.8	8	8	7.8
Headline inflation	Dec, %	6.5	3.9	3.5	3.2
Total investment	% of GDP	26	24.8	25.1	22.9
Gross National Saving	% of GDP	13.1	18.4	19.7	18.3
Gross Domestic Fixed Capital Formation	% of GDP	24	23	21.2	19.1
Budget deficit	% of GDP	3.2	1.8	3.5	3.2
Balance of visible trade deficit	Rs Billion	74.2	81.3	77.5	76.8
Current account deficit	% of GDP	13.8	7.3	6.3	5.5
Overall balance of payments	Rs Billion	5.2	6	16.6	23
Government debt	% of GDP	52.1	51.5	53.9	56.2
Exports of goods and services	% of GDP	51.8	52.9	47.3	50
Imports of goods and services	% of GDP	65.6	66	61.6	62.4
Trade balance on goods	% of GDP	-20.9	-21.5	-19	-17.9
Net Foreign Direct Investment	% of GDP	-9	49.5	10.1	4.4

Source: IMF, World Economic Outlook, October 2015, Statistics Mauritius and MCB Focus

1.2. GDP Growth Rate

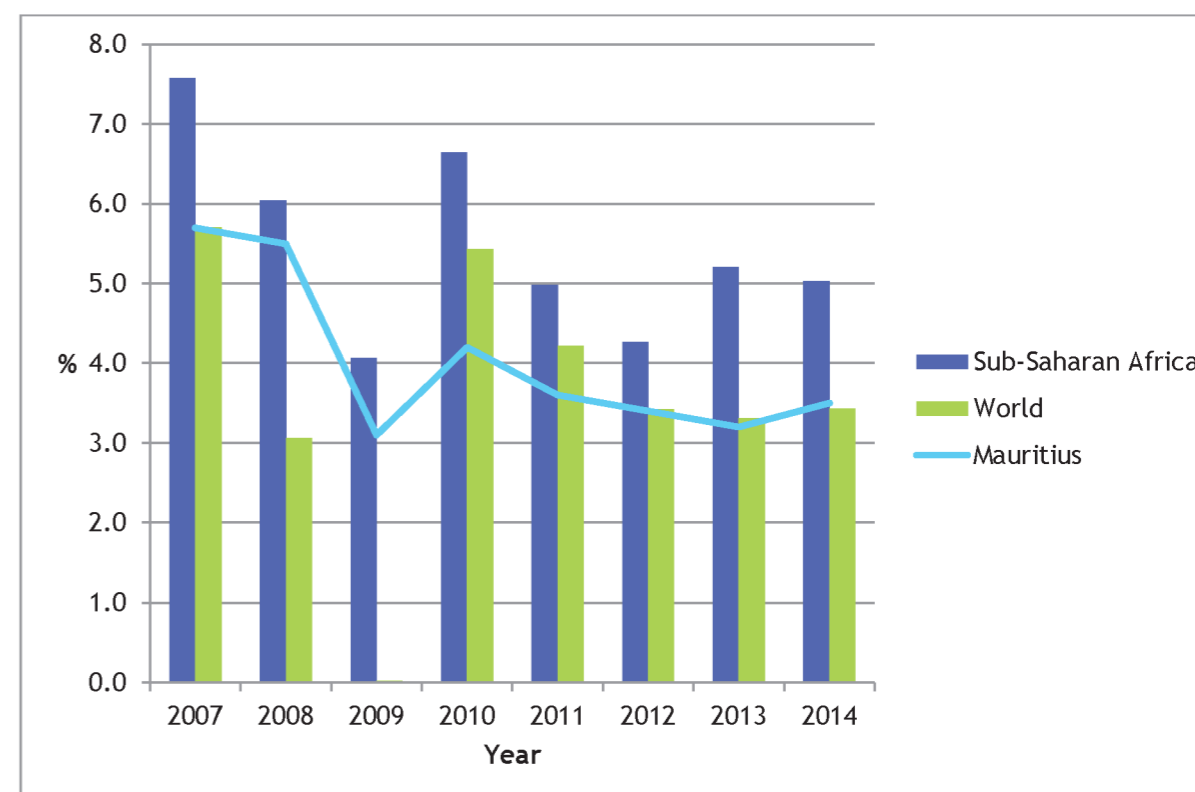
Real GDP growth averaged around 4 % for the period 2007-2014 compared to 5.5 % for sub-Saharan Africa and 3.6 % for the global economy (figure 1).

Outlook for 2015- 2016

The IMF’s latest World Economic Outlook (WEO) foresees lower global growth in 2015 compared to 2014. Global growth for 2015 is projected at 3.1 % , 0.3 % point lower than in 2014, and 0.2 % point below the forecasts in the July 2015 World Economic Outlook (WEO) Update (table 2) .

Likewise, GDP growth for Mauritius has been revised downward by the IMF from 3.5 % as forecasted in April 2015 to 3.2 % in October 2015. This is below the rate forecasted by Statistics Mauritius, which has also revised its GDP growth estimates for the country from 3.8 % in June 2015 to 3.6 % in September 2015.

Figure 1: Real GDP Growth in Mauritius; 2007- 2014 (%)



Source: IMF, World Economic Outlook, October 2015 and Statistics Mauritius

Table 2: GDP Growth, World Economic Outlook

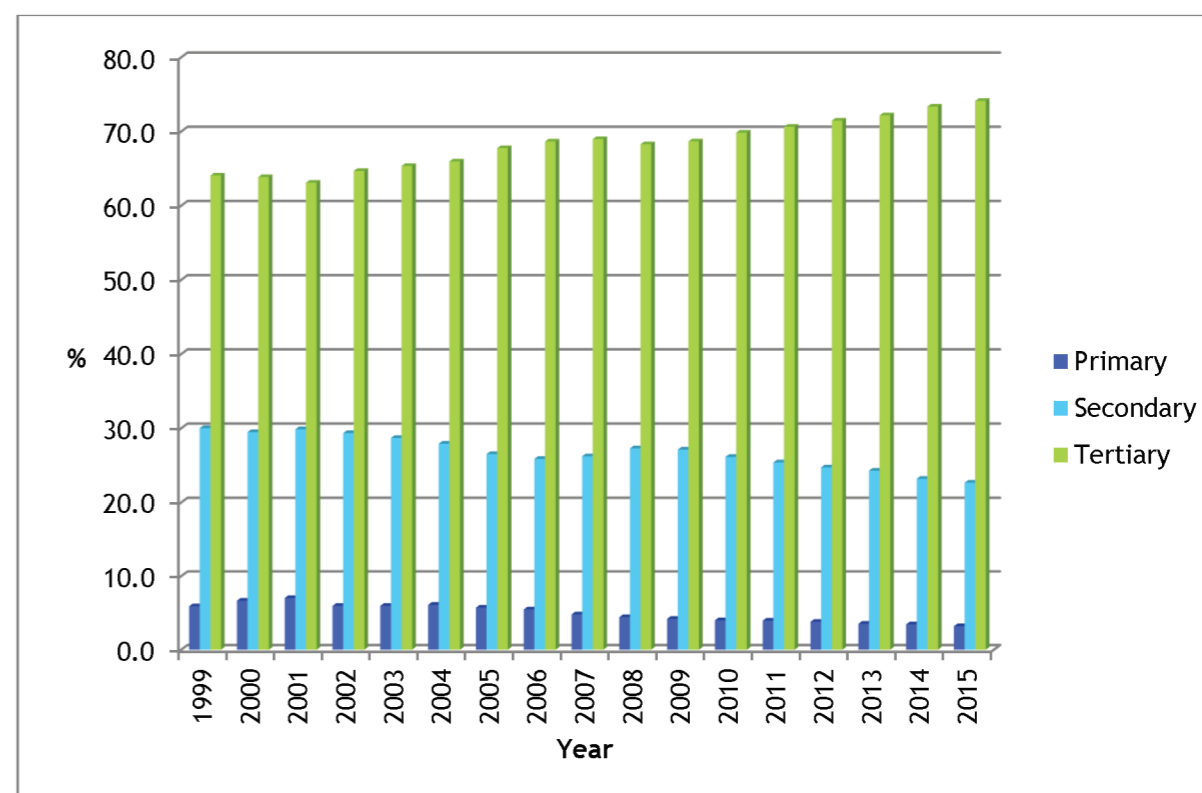
Country/ Group Name	2013	2014	2015	2016	2017	2018	2019	2020
World	3.3	3.4	3.1	3.6	3.8	3.9	4.0	4.0
Advanced economies	1.1	1.8	2.0	2.2	2.2	2.2	2.0	1.9
Euro area	-0.3	0.9	1.5	1.6	1.7	1.6	1.6	1.6
Major advanced economies (G7)	1.2	1.7	1.9	2.2	2.1	2.1	1.9	1.7
Other advanced economies (Advanced economies excluding G7 and euro area)	2.2	2.8	2.3	2.7	2.9	2.9	2.9	2.9
European Union	0.2	1.5	1.9	1.9	2.0	1.9	1.9	1.9
Emerging market and developing economies	5.0	4.6	4.0	4.5	4.9	5.1	5.2	5.3
Commonwealth of Independent States	2.2	1.0	-2.7	0.5	2.0	2.4	2.5	2.5
Emerging and developing Asia	7.0	6.8	6.5	6.4	6.3	6.4	6.5	6.5
Emerging and developing Europe	2.9	2.8	3.0	3.0	3.4	3.3	3.3	3.4
ASEAN-5	5.1	4.6	4.6	4.9	5.3	5.4	5.5	5.5
Latin America and the Caribbean	2.9	1.3	-0.3	0.8	2.3	2.5	2.7	2.8
Middle East, North Africa, Afghanistan, and Pakistan	2.3	2.7	2.5	3.9	4.1	4.3	4.4	4.5
Middle East and North Africa	2.1	2.6	2.3	3.8	4.1	4.1	4.3	4.3
Sub-Saharan Africa	5.2	5.0	3.8	4.3	4.9	5.0	5.0	5.1
Mauritius	3.2	3.6	3.2	3.8	3.6	3.6	3.6	3.6

Source: IMF, World Economic Outlook, October 2015

1.3. Contribution of main sectors to the economy

Over time, there has been a profound change in the sectoral composition of the Mauritian economy (figure 2). Between 1999 and 2015¹, the contribution of the primary sector to GDP declined from 5.9 % to 3.2 %, secondary sector contribution to GDP dropped from 30 % to 22.7 % and tertiary sector contribution to GDP increased from 64.1 % to 74.1 %.

Figure 2: Sectoral Composition of GDP in Mauritius, 1999- 2015, GDP (%)



Source: Statistics Mauritius

¹ Estimated figures by Statistics Mauritius has been used

Table 3 illustrates the contribution of main sectors of the Mauritian economy from 2012- 2015. Mauritius has a well- diversified economic base with manufacturing, tourism, ICT and financial services constituting important pillars.

Table 3: Percentage Distribution of Gross Domestic Product/Gross Value Added by industry group at current basic prices, 2012 – 2015

	2012	2013	2014	2015 ²
Agriculture, forestry and fishing	3.5	3.2	3.2	2.9
Sugarcane	1.2	1.0	0.9	0.8
Other	2.2	2.2	2.3	2.1
Mining and quarrying	0.3	0.3	0.3	0.3
Manufacturing	16.7	17.0	16.5	16.3
Sugar	0.4	0.3	0.2	0.2
Food (excluding sugar)	6.6	6.5	6.1	6.0
Textile	4.9	4.9	4.9	5.0
Other	4.9	5.3	5.2	5.1
Electricity , gas, steam and air conditioning supply	1.4	1.4	1.5	1.6
Water supply; sewerage, waste management and remediation activities	0.4	0.4	0.4	0.4
Construction	6.3	5.5	4.8	4.4
Wholesale & retail trade; repair of motor vehicles and motorcycles	12.2	12.3	12.5	12.6
of which: Wholesale and retail trade	11.2	11.3	11.5	11.5
Transportation and storage	5.9	5.8	5.8	5.8
Accommodation and food service activities	7.0	6.1	6.3	6.6
Information and communication	4.5	4.3	4.3	4.2
Financial and insurance activities	10.3	10.2	10.3	10.3
Monetary intermediation	6.2	5.9	6.0	6.0
Financial leasing and other credit granting	0.6	0.6	0.7	0.6
Insurance, reinsurance and pension	3.0	3.1	3.0	3.1
Other	0.5	0.6	0.6	0.6
Real estate activities	5.5	5.6	5.5	5.4
of which: Owner occupied dwellings	4.4	4.4	4.3	4.2
Professional, scientific and technical activities	4.6	4.8	4.9	5.0
Administrative and support service activities	2.5	2.6	2.7	2.8
Public administration and defense; compulsory social security	5.9	6.6	6.7	6.7
Education	4.4	4.8	4.8	4.8
Human health and social work activities	3.9	4.3	4.5	4.6
Arts, entertainment and recreation	2.9	3.1	3.2	3.2
Other service activities	1.8	1.9	1.9	1.9
GDP/Gross Value Added (GVA) at basic prices	100.0	100.0	100.0	100.0
Export oriented enterprises	6.2	6.2	6.0	6.0
Sea food	1.4	1.5	1.4	1.3
Freeport	0.5	0.5	0.5	0.6
Tourism	8.2	6.9	7.2	7.7
ICT	6.4	6.3	6.4	6.4

Source: Statistics Mauritius

1.4. Sectoral performance

Table 4 shows the real growth rates of main sectors of the economy from 2012 to 2015. The highest sectoral growth rates were registered by accommodation and food service activities and information and communication sector.

Growth in the agricultural sector declined from 3.9 % in 2014 to -0.2 % in 2015. The same trend is seen in the manufacturing sector, with growth declining from 2.2 % in 2014 to 1.5 % in 2015. Growth in the wholesale and distributive trade sector decreased from 3.2 % in 2014 to 3.0 % in 2015. The accommodation and food service activities grew from 4.1 % in 2014 to 8.6 % in 2015. Growth in the information and communication sector increased from 6.4 % in 2014 to 6.9 % in 2015. The financial and insurance activities registered a growth of 5.2 % in 2015 compared to 5.4 % in 2014. Growth in the real estate activities declined from 2.7 % in 2014 to 2.2 % in 2015.

² Estimated figures by Statistics Mauritius has been used

Table 4: Gross Domestic Product/Gross Value Added at basic prices - sectoral real growth rates (% over previous year), 2012 – 2015

	2012	2013	2014	2015 ³
Agriculture, forestry and fishing	-0.2	+0.4	+3.9	-0.2
Sugarcane	-7.3	-1.9	-1.7	-8.2
Other	+3.7	+1.7	+6.5	+3.0
Mining and quarrying	-8.3	-4.6	-5.0	0.0
Manufacturing	+2.2	+4.4	+2.2	+1.5
Sugar	-6.4	-1.0	+0.6	-7.6
Food (excluding sugar)	+7.6	-0.3	+2.6	+3.6
Textile	-1.1	+2.6	+1.0	-1.0
Other	0.0	+12.7	+3.0	+1.8
Electricity , gas, steam and air conditioning supply	+4.5	+4.4	+4.0	+3.9
Water supply; sewerage, waste management and remediation activities	+2.2	+2.5	+3.0	+3.0
Construction	-3.0	-9.4	-8.5	-4.3
Wholesale & retail trade; repair of motor vehicles and motorcycles	+3.9	+3.1	+3.2	+3.0
of which: Wholesale and retail trade	+3.5	+2.7	+2.9	+2.7
Transportation and storage	+2.1	+2.0	+2.5	+3.0
Accommodation and food service activities	0.0	+2.5	+4.1	+8.6
Information and communication	+8.6	+6.9	+6.4	+6.9
Financial and insurance activities	+5.7	+5.4	+5.4	+5.2
Monetary intermediation	+6.3	+5.5	+5.5	+5.4
Financial leasing and other credit granting	+6.0	+6.5	+6.5	+6.3
Insurance, reinsurance and pension	+4.6	+4.9	+5.0	+4.5
Other	+5.0	+5.4	+5.5	+5.3
Real estate activities	+2.8	+2.9	+2.7	+2.2
of which: Owner occupied dwellings	+1.1	+1.4	+1.1	+1.0
Professional, scientific and technical activities	+7.8	+7.2	+5.9	+5.5
Administrative and support service activities	+7.5	+7.4	+7.4	+6.0
Public administration and defense; compulsory social security	+2.2	+2.2	+5.8	+2.3
Education	+2.9	+2.7	+2.9	+3.7
Human health and social work activities	+7.4	+6.4	+6.4	+4.5
Arts, entertainment and recreation	+8.5	+8.2	+6.7	+4.7
Other service activities	+6.7	+6.3	+5.2	+4.2
GDP/Gross Value Added (GVA) at basic prices	+3.4	+3.2	+3.4	+3.4
GDP/Gross Value Added at basic prices exc. sugar	+3.5	+3.3	+3.5	+3.5
Taxes on products (net of subsidies)	+2.3	+2.7	+4.7	+3.9
Gross Domestic Product at market prices	+3.2	+3.2	+3.6	+3.4
Export oriented enterprises	+1.4	-3.0	+0.8	+0.2
Sea food	+6.5	-1.1	+11.0	+9.1
Freeport	+2.8	+5.4	+6.2	+5.0
Tourism	0.0	+2.1	+4.5	+8.2
ICT	+9.1	+7.0	+6.6	+6.8

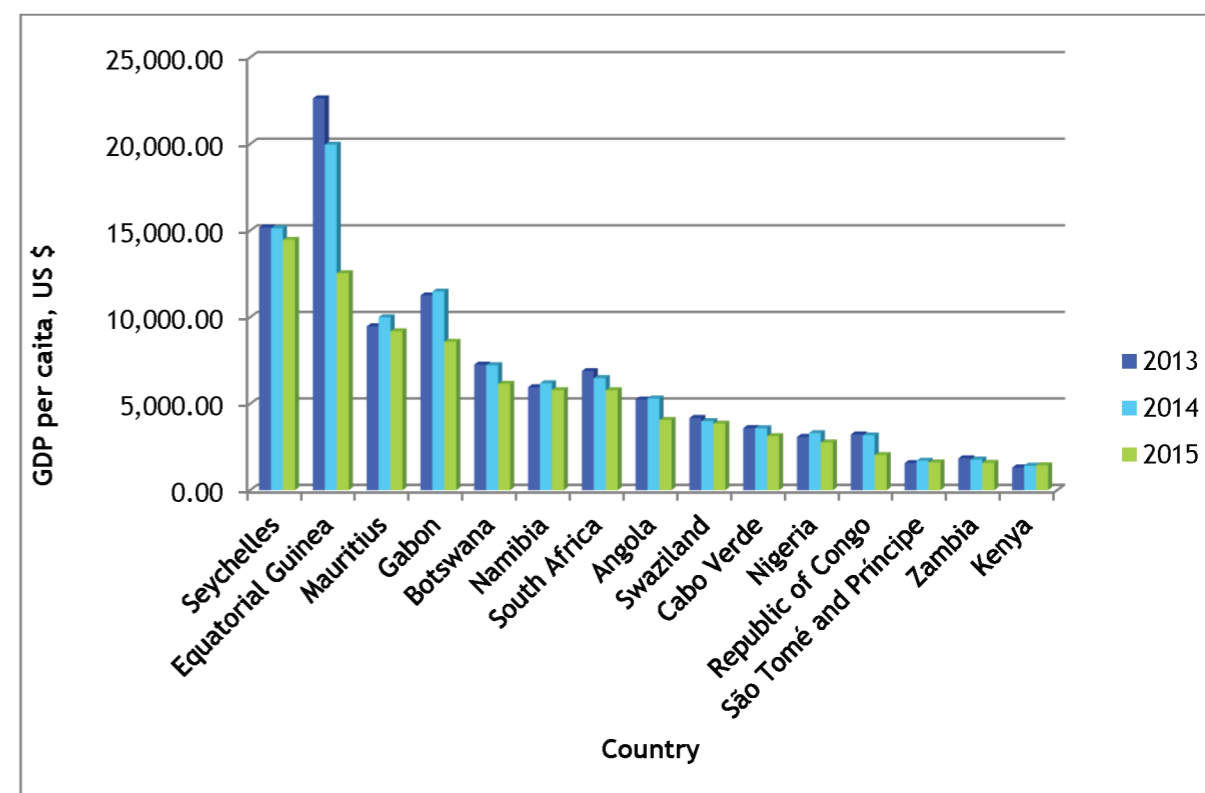
Source: Statistics Mauritius

³ Estimated figures by Statistics Mauritius has been used

1.5. Gross domestic product per capita

Mauritius has one of the highest GDP per capita in Sub-Saharan Africa (Figure 3) and is ranked 66th worldwide according to data published by the IMF's World's Economic Outlook, October 2015 (table 5).

Figure 3: Gross domestic product per capita, current prices; 2013- 2015, U.S. \$



Source: International Monetary Fund, World Economic Outlook Database, October 2015

Table 5: GDP per capita (US \$) for top ranked selected countries; 2013- 2015

Rank	Country	2013	2014	2015
1	Luxembourg	114,551.09	119,487.93	103,186.99
2	Switzerland	85,230.55	86,468.36	82,177.60
3	Qatar	98,709.95	93,990.41	78,829.24
4	Norway	102,495.75	96,930.49	76,266.46
5	United States	52,607.92	54,369.83	55,904.30
6	Singapore	55,979.76	56,286.55	53,224.27
7	Australia	64,271.09	61,066.15	51,641.63
8	Denmark	59,950.00	60,947.38	51,423.61
9	Iceland	47,774.62	52,315.10	51,068.20
10	San Marino	57,314.94	56,820.02	49,139.01
11	Sweden	60,086.49	58,538.06	48,965.95
12	Ireland	51,873.46	54,411.14	48,939.68
13	Netherlands	51,442.48	52,224.64	44,333.15
14	United Kingdom	41,792.86	45,729.27	44,117.80
15	Canada	52,392.73	50,304.03	43,934.81
16	Austria	50,738.02	51,433.00	43,546.60
17	Finland	49,620.50	50,015.70	42,159.31
18	Hong Kong SAR	38,181.98	40,032.53	42,096.88
19	Germany	46,386.11	47,773.58	41,267.31
20	Belgium	47,030.98	47,682.13	40,456.32
21	France	44,163.99	44,331.60	37,728.41
22	New Zealand	41,280.08	43,363.23	36,963.50
23	Israel	36,297.19	37,222.38	35,702.07
24	United Arab Emirates	42,874.60	42,943.78	35,392.17
25	Japan	38,633.16	36,221.81	32,480.66
26	Kuwait	45,202.08	43,167.92	29,982.63
27	Italy	35,814.81	35,334.82	29,847.38
28	Brunei Darussalam	44,540.15	41,460.17	27,759.05
29	Korea	25,997.88	27,970.49	27,512.89
30	Spain	29,907.26	30,271.52	26,326.87
31	The Bahamas	23,671.47	23,628.68	24,394.47
32	Bahrain	26,454.50	26,701.32	23,898.98
33	Taiwan Province of China	21,874.29	22,599.77	22,082.79
34	Malta	23,666.36	24,716.31	21,539.91
35	Cyprus	27,300.46	26,109.13	21,531.02
36	Slovenia	23,164.11	24,050.46	20,712.01
37	Trinidad and Tobago	20,278.82	21,374.85	20,380.24
38	Saudi Arabia	24,815.93	24,252.17	20,138.83
39	Portugal	21,514.43	22,122.98	18,983.78
40	Greece	21,903.39	21,648.20	17,656.92
41	Estonia	19,630.85	20,090.02	17,425.30
42	Czech Republic	19,810.38	19,526.40	17,330.08
43	Uruguay	16,956.90	16,882.46	16,091.91
44	Barbados	15,374.20	15,602.77	15,912.10
45	Slovak Republic	18,064.45	18,435.15	15,892.55
46	Oman	21,423.86	20,927.00	15,672.37
47	St. Kitts and Nevis	13,462.58	14,286.85	14,618.46
48	Palau	13,022.31	14,066.42	14,600.10
49	Seychelles	15,186.99	15,140.75	14,466.16
50	Antigua and Barbuda	13,555.73	14,126.16	14,390.64
51	Lithuania	15,693.90	16,467.13	14,318.08
52	Latvia	15,126.48	15,729.69	13,729.09
53	Argentina	14,739.60	12,735.20	13,428.32
54	Chile	15,691.13	14,479.83	13,330.87
55	Poland	13,825.65	14,411.50	12,662.21
56	Equatorial Guinea	22,635.76	19,959.53	12,540.99
57	Hungary	13,464.92	13,869.54	12,020.63
58	Lebanon	10,654.63	11,091.94	11,945.35
59	Panama	10,488.61	11,145.53	11,849.66
60	Croatia	13,569.16	13,473.33	11,551.37
61	Kazakhstan	13,508.67	12,400.28	11,028.07
62	Costa Rica	10,446.63	10,378.22	10,671.55
63	Malaysia	10,796.94	11,049.28	10,073.17
64	Mexico	10,657.85	10,784.46	9,592.12
65	Turkey	10,821.44	10,381.03	9,290.43
66	Mauritius	9,476.52	9,999.33	9,186.51

Source: International Monetary Fund, World Economic Outlook Database, October 2015

1.6. Labour Force and employment trends

The Mauritian economy has continued to grow and generate employment despite sluggish growth patterns. The addition of new economic pillars, namely the seafood hub, the tertiary education and the health sector hub have also opened new opportunities for employment (table 6).

Between 1990 and 2014, the total labour force of Mauritius – Mauritian and foreign combined – increased from 433,000, to 604,000 that is by 39.5 %. During the same period, the total male workforce rose by 22.8 % – from 302,100 to 371,100 while the total female workforce grew by a much higher rate of 77.9 % – from 130,900 to 232,900. The share of the female labour force in the total labour force increased from 30.2 to 38.6 %, whereas the share of the male labour force in the total labour force fell from 69.8 to 61.4 % during the same period, showing a declining trend since the early 1990s. Generally speaking, therefore, the increase in the female labour force participation rate has been substantially higher than the rise in the male participation rate.

Table 6: Labour force by nationality and sex, 1990- 2014(in thousands)

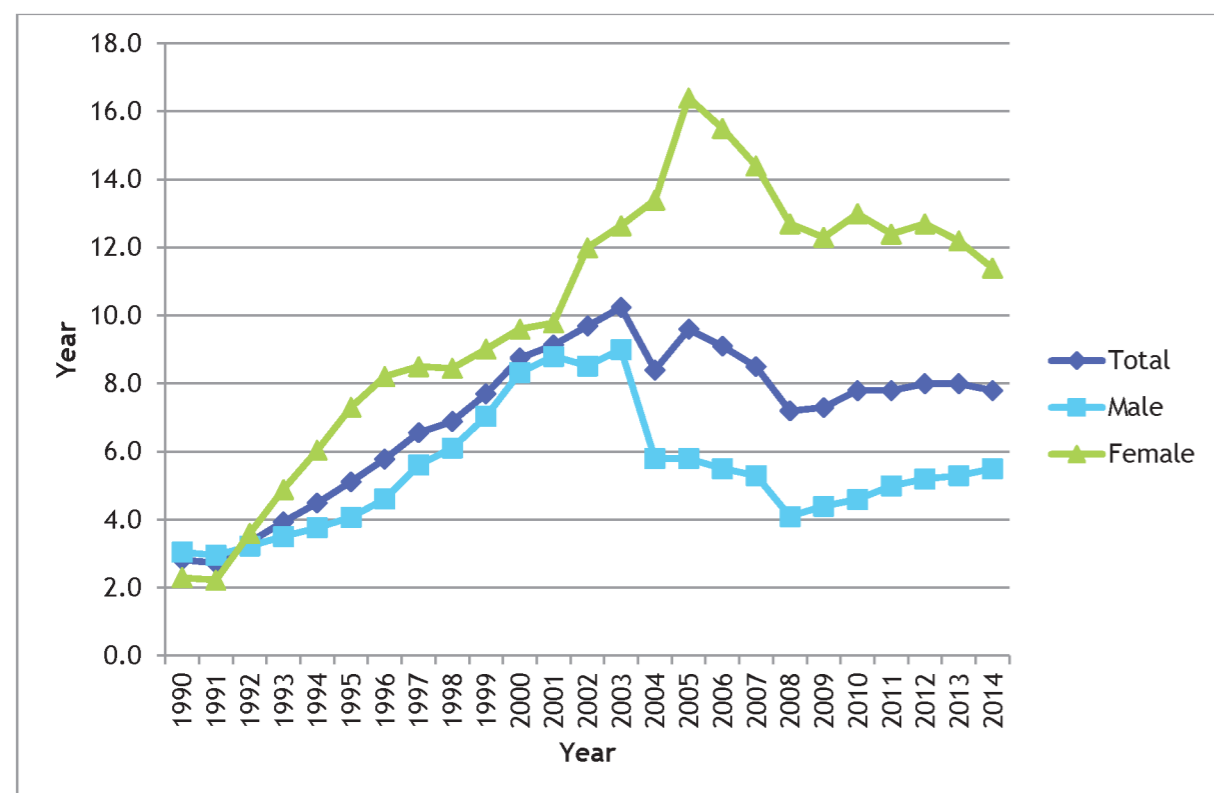
Year	Total labour force			Male			Female			% in labour force	
	Mauritian	Foreign	Total	Mauritian	Foreign	Total	Mauritian	Foreign	Total	Male	Female
1990	432	1	433	301.4	0.7	302.1	130.6	0.3	130.9	69.8	30.2
1991	439.2	2.2	441.4	304.4	1.8	306.2	134.8	0.4	135.2	69.4	30.6
1992	448.8	4.1	452.9	309.8	3.4	313.2	139	0.7	139.7	69.2	30.8
1993	457	6.9	463.9	313.8	4.9	318.7	143.2	2	145.2	68.7	31.3
1994	467.5	8.3	475.8	318.6	5.2	323.8	148.9	3.1	152	68.1	31.9
1995	475	9.8	484.8	321.7	5.6	327.3	153.3	4.2	157.5	67.5	32.5
1996	482.3	8.2	490.5	325.2	4.2	329.4	157.1	4	161.1	67.2	32.8
1997	490.8	8.6	499.4	329.7	3.7	333.4	161.1	4.9	166	66.8	33.2
1998	499.4	10	509.4	333.8	3.7	337.5	165.6	6.3	171.9	66.3	33.7
1999	506.6	12.9	519.5	338	4.4	342.4	168.6	8.5	177.1	65.9	34.1
2000	514	14.6	528.6	342.2	5	347.2	171.8	9.6	181.4	65.7	34.3
2001	510.3	16.5	526.8	337.9	5.8	343.7	172.4	10.7	183.1	65.2	34.8
2002	513	17	530	339.8	6.4	346.2	173.2	10.6	183.8	65.3	34.7
2003	520.9	18.2	539.1	343.1	7.9	351	177.8	10.3	188.1	65.1	34.9
2004	531.3	17.5	548.8	347.8	9	356.8	183.5	8.5	192	65.0	35.0
2005	542.5	16.6	559.1	349.6	9.1	358.7	192.9	7.5	200.4	64.2	35.8
2006	548.4	16.7	565.1	351.4	8.3	359.7	197	8.4	205.4	63.7	36.3
2007	548.9	21.6	570.5	353.6	12.1	365.7	195.3	9.5	204.8	64.1	35.9
2008	559.4	24	583.4	355.6	14.7	370.3	203.8	9.3	213.1	63.5	36.5
2009	566.3	21	587.3	358.1	13	371.1	208.2	8	216.2	63.2	36.8
2010	581.3	22	603.3	362.4	13.1	375.5	218.9	8.9	227.8	62.2	37.8
2011	548.6	23	571.6	343.3	13.4	356.7	205.3	9.6	214.9	62.4	37.6
2012	556.3	24	580.3	346.9	14.2	361.1	209.4	9.8	219.2	62.2	37.8
2013	571.2	26.3	597.5	350.4	16.5	366.9	220.8	9.8	230.6	61.4	38.6
2014	575.7	28.3	604	352.8	18.3	371.1	222.9	10	232.9	61.4	38.6

Source: Statistics Mauritius

1.7. Unemployment trends

Since the mid-1990s, the overall unemployment rate (figure 4) in Mauritius has been above 5 %; it reached as high as 10.2 % in 2003. The male unemployment rate peaked at 9 % in 2003, but fell to 5.5 % in 2012. By contrast, since the early 1990s female unemployment has been higher than male unemployment. Female unemployment has risen rapidly, from 6 % in 1994 to an estimated high of 11.4 % in 2014.

Figure 4: Rate of unemployment in the total labour force, 1990- 2014 (%)

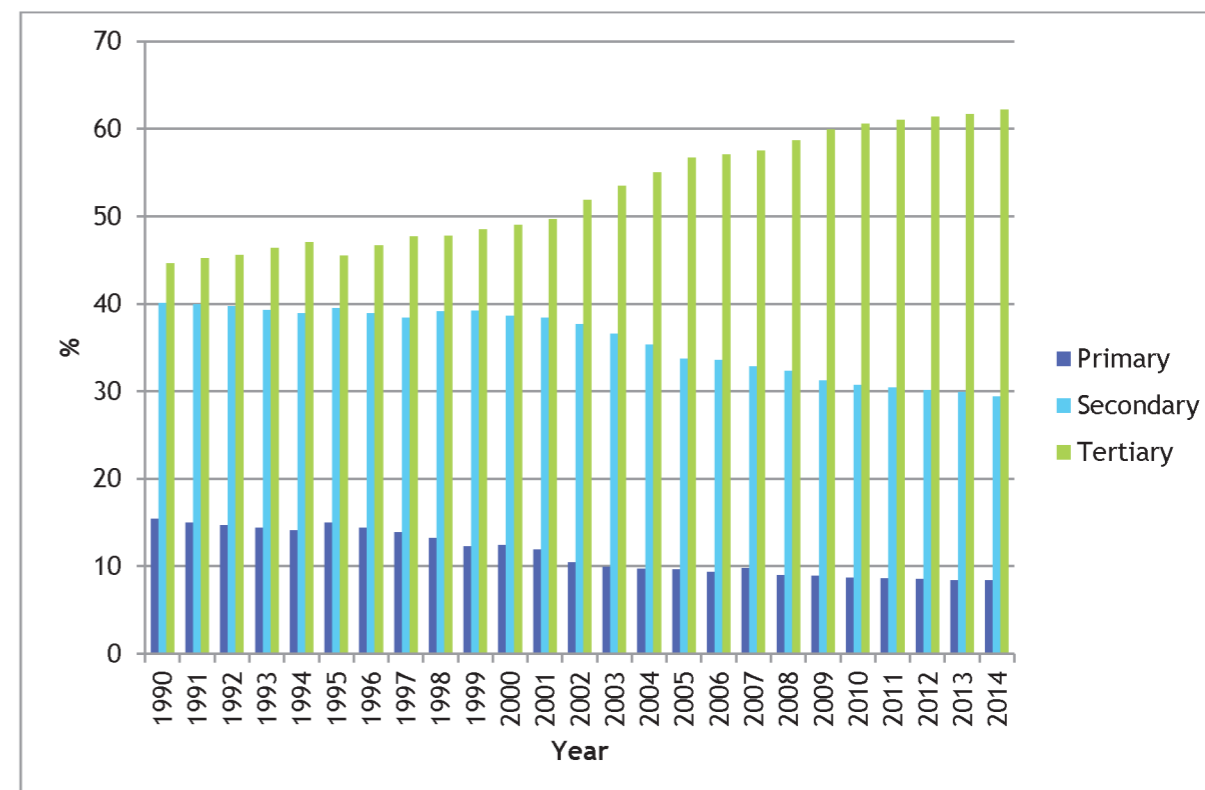


Source: Statistics Mauritius

1.8. Employment trend by key economic sectors

Employment in the tertiary sector has increased from 44.6 % in 1990 to 62.2 % in 2014, whilst that in the secondary sector and the primary sector has decreased from 40.1 % to 29.4 % and 15.4 % to 8.4 % respectively during the same period (figure 5).

Figure 5: Percentage Total Employment by sector⁴, 1990 – 2014



Source: Statistics Mauritius

Table 7 indicates the overall employment trends in various economic sectors between 2012 and 2014. Agricultural share in total employment continued to improve over this period, with a remarkable increase in the non- sugar sector. Employment in the manufacturing sector grew from 107, 400 in 2012 to 112,200 in 2014. Employment in various service sectors has also improved during this period. The number of workers employed in the wholesale and retail trade increased from 91, 600 in 2012 to 96,600 in 2014. Other service sectors which have also seen a similar upward trend are transport, information and communications and accommodation and food services.

⁴The sectors are categorised as follows: Primary sector: Agriculture, Fishing, Mining and Quarrying; Secondary sector: Manufacturing, Electricity, Gas, Water and Construction; Tertiary sector: Other Industry Groups

1.9. Economic and political governance

1.9.1. Ease of doing business in Mauritius

Mauritius tops Africa's Sub-Saharan economies and is ranked at the 32nd position worldwide on Overall Ease of Doing Business, according to the World Bank group's Doing Business 2016 Report entitled 'Measuring Regulatory Quality and Efficiency' (tables 8 and 9). The top ranked countries in the world are Singapore, New Zealand and Denmark.

Table 8: World Rankings - Ease of Doing Business – Ranks (Selected Countries)

Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Minority Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Singapore	1	10	1	6	17	19	1	5	41	1	27
New Zealand	2	1	3	31	1	1	1	22	55	15	31
Denmark	3	29	5	12	9	28	20	12	1	37	9
Korea, Rep.	4	23	28	1	40	42	8	29	31	2	4
Hong Kong SAR, China	5	4	7	9	59	19	1	4	47	22	26
United Kingdom	6	17	23	15	45	19	4	15	38	33	13
United States	7	49	33	44	34	2	35	53	34	21	5
Sweden	8	16	19	7	11	70	14	37	17	24	19
Norway	9	24	26	18	13	70	14	14	45	8	6
Finland	10	33	27	16	20	42	66	17	32	30	1
Taiwan, China	11	22	6	2	18	59	25	39	65	16	21
Macedonia, FYR	12	2	10	45	50	42	14	7	26	26	37
Australia	13	11	4	39	47	5	66	42	89	4	14
Canada	14	3	53	105	42	7	6	9	44	49	16
Germany	15	107	13	3	62	28	49	72	35	12	3
Estonia	16	15	16	34	4	28	81	30	24	11	40
Ireland	17	25	43	30	39	28	8	6	48	93	20
Malaysia	18	14	15	13	38	28	4	31	49	44	45
Iceland	19	40	45	8	15	59	20	36	64	35	15
Lithuania	20	8	18	54	2	28	47	49	19	3	70
Austria	21	106	47	17	26	59	36	74	1	6	18
Latvia	22	27	30	65	23	19	49	27	22	25	43
Portugal	23	13	36	25	27	97	66	65	1	20	8
Georgia	24	6	11	62	3	7	20	40	78	13	101
Poland	25	85	52	49	41	19	49	58	1	55	32
Switzerland	26	69	56	5	16	59	105	19	40	46	44
France	27	32	40	20	85	79	29	87	1	14	24
Netherlands	28	28	85	43	30	79	66	26	1	91	11
Slovak Republic	29	68	84	48	5	42	88	73	1	63	33
Slovenia	29	18	71	35	36	126	7	35	1	117	12
United Arab Emirates	31	60	2	4	10	97	49	1	101	18	91
Mauritius	32	37	35	41	99	42	29	13	66	27	39

Source: World Bank Group's Doing Business 2016 Report

Table 7: Employment by industry and sex, 16 years and over, 2012 - 2014 (000s)

Industry group	2012			2013			2014		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Agriculture, forestry and fishing	27.1	16.1	43.2	27	17.2	44.2	27.2	17.7	44.9
Of which Sugarcane	9.8	3.5	13.3	9.7	3.5	13.2	9.7	3.5	13.2
Non sugar	17.3	12.6	29.9	17.3	13.7	31	17.5	14.2	31.7
Mining and quarrying	2	0.1	2.1	2	0.2	2.2	2.1	0.2	2.3
Manufacturing	57.9	49.5	107.4	58.5	52.4	110.9	59	53.2	112.2
Of which Sugar	1.5	0	1.5	1.5	0	1.5	1.5	0	1.5
Food	7.7	5.9	13.6	7.9	6.6	14.5	8	7.1	15.1
Textiles	21.8	30	51.8	22	31	53	22.2	31.4	53.6
Other	26.9	13.6	40.5	27.2	14.7	41.9	27.3	14.7	42
Electricity, gas, steam and air conditioning supply	2.2	0.1	2.3	2.2	0.1	2.3	2.1	0.1	2.2
Water supply; sewerage, waste management and remediation activities	3.2	0.2	3.4	3.2	0.2	3.4	3.2	0.2	3.4
Construction	47.3	0.9	48.2	47.8	0.5	48.3	46.1	0.5	46.6
Wholesale and retail trade; repair of motor vehicles and motorcycles	51.4	40.2	91.6	53	42.2	95.2	54.3	42.3	96.6
Transportation and storage	26.1	5.1	31.2	26.5	5.9	32.4	27	6	33
Accommodation and food service activities	25.1	13.3	38.4	25.3	14.3	39.6	25.8	14.6	40.4
Information and communication	10	7.7	17.7	10.3	8.2	18.5	10.6	8.5	19.1
Financial and insurance activities	6.3	6.6	12.9	6.5	6.9	13.4	6.7	7.1	13.8
Real estate activities	0.7	0.1	0.8	0.9	0.3	1.2	1.1	0.3	1.4
Professional, scientific and technical activities	6	3.6	9.6	6.3	4.3	10.6	6.5	4.4	10.9
Administrative and support service activities	16.8	9.6	26.4	17.1	10.2	27.3	17.3	11.1	28.4
Public administration and defense; compulsory social security	30.9	8.9	39.8	31	9.6	40.6	31.7	9.8	41.5
Education	14	17.9	31.9	14.1	18.1	32.2	14.1	18.1	32.2
Human health and social work activities	10.1	9.8	19.9	10	9.9	19.9	10.1	9.9	20
Arts, entertainment and recreation	3.7	1.8	5.5	3.9	1.8	5.7	4	1.8	5.8
Other service activities	2.2	1.2	3.4	2.4	1.7	4.1	2.8	1.7	4.5
Total	343	192.7	535.7	348	204	552	351.7	207.5	559.2

Source: Statistics Mauritius

Table 9: Ease of Doing Business in Africa- Ranks (Selected Countries)

African Countries	Africa Rank	World Rank
Mauritius	1	32
Rwanda	2	62
Botswana	3	72
South Africa	4	73
Seychelles	5	95
Zambia	6	97
Namibia	7	101
Swaziland	8	105
Kenya	9	108
Ghana	10	114

Source: World Bank Group’s Doing Business 2016 Report

Despite a remarkable performance, Mauritius has lost one place, from its 31st position in the previous year and has regressed in several areas including starting a business, getting electricity, registering property, getting credit, protecting minority investors and resolving insolvency (table 10).

Table 10: Ease of Doing Business in Mauritius- Ranks

Indicator	Doing Business 2016 Rank	Doing Business 2015 Rank	Change in Rank
Starting a Business	37	29	-8
Dealing with Construction Permits	35	74	39
Getting Electricity	41	39	-2
Registering Property	99	98	-1
Getting Credit	42	36	-6
Protecting Minority Investors	29	27	-2
Paying Taxes	13	13	No change
Trading Across Borders	66	66	No change
Enforcing Contracts	27	28	1
Resolving Insolvency	39	36	-3

Source: World Bank Group’s Doing Business 2016 Report

Starting a business

Mauritius has undertaken several reforms that have eased the process of starting a business in the country. Globally, Mauritius stands at 37 in the ranking of 189 economies on the ease of starting a business, with five procedures required to start a business, taking six days and at a cost of 2 % of income per capita. This performance is better than the average for OECD countries. New- Zealand is the world topper in the area of starting a business, followed by Macedonia FYR and Canada respectively. Whilst it takes 6 days and 5 procedures to start a business in Mauritius, only half day and 1 procedure is required in New- Zealand (table 11).

Table 11: Starting a business

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	New Zealand
Procedures (number)	5	8	4.7	1
Time (days)	6	26.8	8.3	0.5
Cost (% of income per capita)	2	53.4	3.2	0.3
Paid-in min. capital (% of income per capita)	0	45.1	9.6	0

Source: World Bank Group’s Doing Business 2016 Report

Construction permits

Globally, Mauritius stands at 35 in the ranking of 189 economies in the ease of dealing with construction permits. Dealing with construction permits in Mauritius requires 15 procedures, takes 156 days and costs 0.6% of the warehouse value⁵. While Mauritius out- performs sub- Saharan African countries in the area of construction permits, there is still ample room for improvement when compared to OECD countries. Singapore tops the world in the area of dealing with construction permits, followed by United Arab Emirates and New- Zealand. It takes 156 days to deliver a construction permit in Mauritius, while Singapore takes only 26 days (table 12).

Table 12: Dealing with construction permits

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Singapore
Procedures (number)	15	14.4	12.4	10
Time (days)	156	162.2	152.1	26
Cost (% of warehouse value)	0.6	6.6	1.7	0.3
Building quality control index (0-15) ⁶	13	6.9	11.4	14

Source: World Bank Group’s Doing Business 2016 Report

⁵ All the fees associated with completing the procedures to legally build a warehouse are recorded, including those associated with obtaining land use approvals and preconstruction design clearances; receiving inspections before, during and after construction; obtaining utility connections; and registering the warehouse property. Nonrecurring taxes required for the completion of the warehouse project are also recorded.

⁶ The building quality control index is the sum of the scores on the quality of building regulations, quality control before construction, quality control during construction, quality control after construction, liability and insurance regimes, and professional certifications indices. The index ranges from 0 to 15, with higher values indicating better quality control and safety mechanisms in the construction permitting system.

Getting electricity

Access to reliable and affordable electricity is vital for businesses. Mauritius is ranked 41st globally in the area of getting electricity. Getting electricity in Mauritius requires 4 procedures, takes 81 days and costs 260% of income per capita. This is above the average in OECD countries. Korea, Republic tops the world in the area of getting electricity. It takes 18 days to get electricity in Korea compared to 81 days in Mauritius (table 13).

Table 13: Getting electricity

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Korea Rep
Procedures (number)	4	5.4	4.8	3
Time (days)	81	130.1	77.7	18
Cost (% of income per capita)	260	4,075.60	65.1	39.8
Reliability of supply and transparency of tariff index (0-8) ⁷	6	0.9	7.2	8

Source: World Bank Group's Doing Business 2016 Report

Registering Property

Mauritius is ranked 99th out of 189 countries in the area of registering property. Registering property in Mauritius requires 4 procedures, takes 14 days and costs 10.6% of the property value. The cost of registering property is above the average compared to both sub-Saharan African and OECD countries. New Zealand leads the world in the area of registering property. It takes twice the number of procedures to register property in Mauritius compared to New Zealand (table 14).

Table 14: Registering property

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	New Zealand
Procedures (number)	4	6.2	4.7	2
Time (days)	14	57.5	21.8	1
Cost (% of property value)	10.6	8.3	4.2	6.1
Quality of the land administration index (0-30) ⁸	14	8.4	22.7	26

Source: World Bank Group's Doing Business 2016 Report

Getting credit

Globally, Mauritius stands at 42 in the ranking of 189 economies on the ease of getting credit. The economy has a score of 7 on the depth of credit information index and a score of 6 on the strength of legal rights index. Mauritius fares better than other sub-Saharan African countries in this area.

⁷ The index ranges from 0 to 8, with higher values indicating greater reliability of electricity supply and greater transparency of tariffs.

⁸ The quality of land administration index is the sum of the scores on the reliability of infrastructure, transparency of information, geographic coverage and land dispute resolution indices. The index ranges from 0 to 30, with higher values indicating better quality of the land administration system.

New Zealand is the world-topper in the area of getting credit. The strength of legal right in New Zealand is twice that of Mauritius (table 15).

Table 15: Getting credit

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	New Zealand
Strength of legal rights index (0-12) ⁹	6	4.9	6	12
Depth of credit information index (0-8) ¹⁰	7	2.3	6.5	8
Credit registry coverage (% of adults)	82.6	5.8	11.9	0
Credit bureau coverage (% of adults)	0	7.1	66.7	100

Source: World Bank Group's Doing Business 2016 Report

Protecting minority investors

Protecting minority investors matters for the ability of companies to raise the capital they need to grow, innovate, diversify and compete. Globally, Mauritius stands at 29 in the ranking of 189 economies on the strength of minority investor protection index. The economy has a score of 6.5 on the strength of minority investor protection index, with a higher score indicating stronger protections. This is above the average in both sub-Saharan African countries and OECD economies. Singapore is ranked first globally in the area of protecting minority investors. Singapore obtains a score of 8 in the strength of minority investor protection index compared to Mauritius which scores 6.5 (table 16).

⁹ The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. The index ranges from 0 to 12, with higher scores indicating that collateral and bankruptcy laws are better designed to expand access to credit.

¹⁰ The index ranges from 0 to 8, with higher values indicating the availability of more credit information, from either a credit bureau or a credit registry, to facilitate lending decisions.

Table 16: Protecting minority investors

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Singapore
Strength of minority investor protection index (0-10)	6.5	4.5	6.4	8.3
Extent of conflict of interest regulation index (0-10) ¹¹	7.7	4.9	6.3	9.3
Extent of disclosure index (0-10) ¹²	6	5.4	6.4	10
Extent of director liability index (0-10) ¹³	8	3.6	5.4	9
Ease of shareholder suits index (0-10) ¹⁴	9	5.7	7.2	9
Extent of shareholder governance index (0-10) ¹⁵	5.3	4.1	6.4	7.3
Extent of shareholder rights index (0-10)	6	5.4	7.3	8
Extent of ownership and control index (0-10)	5	3.8	5.6	7
Extent of corporate transparency index (0-10)	5	2.9	6.4	7

Source: World Bank Group's Doing Business 2016 Report

Paying taxes

Globally, Mauritius stands at 13 in the ranking of 189 economies on the ease of paying taxes. On average, firms make 8 tax payments a year, spend 152 hours a year filing, preparing and paying taxes and pay total taxes amounting to 22.4% of profit. Unites Arab Emirates (UAE), leads the world in the area of paying taxes. While it takes 152 hours a year to file taxes in Mauritius, only 12 days are required in UAE (table 17).

¹¹ The index ranges from 0 to 10, with higher values indicating stronger regulation of conflicts of interest.

¹² The index ranges from 0 to 10, with higher values indicating greater disclosure.

¹³ The index ranges from 0 to 10, with higher values indicating greater liability of directors.

¹⁴ The index ranges from 0 to 10, with higher values indicating greater powers of shareholders to challenge the transaction.

¹⁵ The extent of shareholder governance index is the average of the extent of shareholder rights index, the extent of ownership and control index and the extent of corporate transparency index. The index ranges from 0 to 10, with higher values indicating stronger rights of shareholders in corporate governance.

Table 17: Paying taxes

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	UAE
Payments (number per year)	8	38.6	11.1	4
Time (hours per year)	152	308.6	176.6	12
Total tax rate (% of profit) ¹⁶	22.4	46.5	41.2	15.9
Profit tax (% of profit)	11.7	17.8	14.9	0
Labour tax and contributions (% of profit)	7.1	14.1	24.1	14.1
Other taxes (% of profit)	3.6	15	1.7	1.8

Source: World Bank Group's Doing Business 2016 Report

Trading across borders

Globally, Mauritius stands at 66 in the ranking of 189 economies on the ease of trading across borders. Denmark leads the world in this area (table 18).

Table 18: Trading across borders

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Denmark
Time to export: Border compliance (hours)	48	108	15	0
Cost to export: Border compliance (USD)	269	542	160	0
Time to export: Documentary compliance (hours)	9	97	5	1
Cost to export: Documentary compliance (USD)	128	246	36	0
Time to import: Border compliance (hours)	48	160	9	0
Cost to import: Border compliance (USD)	294	643	123	0
Time to import: Documentary compliance (hours)	9	123	4	1
Cost to import: Documentary compliance (USD)	166	351	25	0

Source: World Bank Group's Doing Business 2016 Report

¹⁶ The total tax rate measures the amount of taxes and mandatory contributions borne by the business in the second year of operation, expressed as a share of commercial profit. Doing Business 2016 reports the total tax rate for calendar year 2014. The total amount of taxes borne is the sum of all the different taxes and contributions payable after accounting for allowable deductions and exemptions. The taxes withheld (such as personal income tax) or collected by the company and remitted to the tax authorities (such as value added tax, sales tax or goods and service tax) but not borne by the company are excluded.

Enforcing contracts

Globally, Mauritius stands at 27 in the ranking of 189 economies on the ease of enforcing contracts. Contract enforcement takes 519 days and costs 25% of the value of the claim. Mauritius performs better than both sub-Saharan African and OECD countries in enforcing contracts. Singapore is the top-performer in this area. It takes 150 days to enforce contracts in Singapore while Mauritius takes 519 days (table 19).

Table 19: Enforcing contracts

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Singapore
Time (days)	519	653.1	538.3	150
Cost (% of claim)	25	44.9	21.1	25.8
Quality of judicial processes index (0-18)	13	6.4	11	15.5

Source: World Bank Group's Doing Business 2016 Report

Resolving insolvency

Globally, Mauritius stands at 39 in the ranking of 189 economies on the ease of resolving insolvency. Resolving insolvency takes 1.7 years on average and costs 14.5% of the debtor's estate, with the most likely outcome being that the company will be sold as going concern. The average recovery rate is 67.4 cents on the dollar. Finland leads the world in resolving insolvency. It takes 0.9 years to resolve insolvency in Finland compared to Mauritius which takes 1.7 years (table 20).

Table 20: Resolving insolvency

Indicator	Mauritius	Sub-Saharan Africa	OECD high income	Finland
Recovery rate (cents on the dollar)	67.4	20	72.3	90.1
Time (years)	1.7	3	1.7	0.9
Cost (% of estate)	14.5	23.1	9	3.5
Outcome (0 as piecemeal sale and 1 as going concern)	1	0	1	1
Strength of insolvency framework index (0-16) ¹⁷	9.5	6.3	12.1	14.5
Commencement of proceedings index (0-3) ¹⁸	3	2.2	2.8	3
Management of debtor's assets index (0-6) ¹⁹	4	4.1	5.3	6
Reorganization proceedings index (0-3) ²⁰	0.5	0.4	1.7	2.5
Creditor participation index (0-4) ²¹	2	1.1	2.2	3

Source: World Bank Group's Doing Business 2016 Report

¹⁷ The index ranges from 0 to 16, with higher values indicating insolvency legislation that is better designed for rehabilitating viable firms and liquidating nonviable ones.

¹⁸ The index ranges from 0 to 3, with higher values indicating greater access to insolvency proceedings.

¹⁹ The index ranges from 0 to 6, with higher values indicating more advantageous treatment of the debtor's assets from the perspective of the company's stakeholders.

²⁰ The index ranges from 0 to 3, with higher values indicating greater compliance with internationally accepted practices.

²¹ The index ranges from 0 to 4, with higher values indicating greater participation of creditors.

1.9.2. Mo Ibrahim Index of African Governance

Mauritius remains the top ranking country in overall governance in Africa according to the Mo Ibrahim Index of African Governance ²² (IIAG) 2015. With a total score of 79.9 points, the country ranks first in Africa followed by Cabo Verde with 74.5 points and Botswana with 74.2 points at the second and third positions respectively (table 21).

Table 21: Ranking of African countries- 2015 (top 10)

Rank/54	Score/ 100	Change since 2011
1 st Mauritius	79.9	-0.7
2 nd Cabo Verde	74.5	-1.9
3 rd Botswana	74.2	-1.8
4 th South Africa	73.0	+0.9
5 th Namibia	70.4	+2.0
6 th Seychelles	70.3	-0.8
7 th Ghana	67.3	-0.4
8 th Tunisia	66.9	+2.6
9 th Senegal	62.4	+4.5
10 th Lesotho	61.1	+2.2

Source: Ibrahim Index of African Governance 2015

Although Mauritius has remained in the top position for 15 years, in recent years some signs of weakness have started to emerge. The country showed its best overall governance performance in 2009 and has not regained this score ever since. It has not achieved its best performance in any underlying category since 2010. As a result, Mauritius shows a slight decline of -0.7 score points since 2011. A negative trajectory is seen in all three top performers in overall governance, including Cabo Verde and Botswana, however Mauritius shows the least decline of these three countries.

The overall governance decline seen in Mauritius' performance is triggered by deterioration in both Safety & Rule of Law (-1.7) and Participation & Human Right (-2.5). The other two categories, Sustainable Economic Opportunity (+0.3) and Human Development (+1.0), show improvement (table 22).

²² Published every year, the Ibrahim Index of African Governance (IIAG) provides a complete assessment of the state of governance in each of the 54 African countries. The 2015 IIAG is comprised of 93 indicators brought together under four categories: Safety & Rule of Law, Participation & Human Rights, Sustainable Economic Opportunity and Human Development.

Table 22: Mauritius governance performance

Mauritius				
δ = change since 2011				
	2014	δ	Africa average	rank / 54
Overall score	79.9	-0.7	50.1	1
Safety & rule of law	82.7	-1.7	51.3	1
Rule of law	94.6	-0.4	50.8	3
Accountability	69.8	-1.5	35.5	2
Personal safety	66.5	-5.0	44.0	2
National security	100.0	-0.0	74.8	2
Participation & human rights	73.8	-2.5	49.3	5
Participation	83.9	0.0	45.9	2
Rights	77.0	+0.3	47.3	2
Gender	60.4	-7.9	54.8	23
Sustainable economic opportunity	77.5	+0.3	43.2	1
Public management	57.5	-4.1	46.0	11
Business environment	87.7	-2.2	40.7	1
Infrastructure	83.6	+8.3	36.5	2
Rural sector	81.0	-0.8	50.5	1
Human development	85.7	+1.0	56.4	1
Welfare	81.1	-2.0	50.9	1
Education	84.2	+2.6	48.8	1
Health	91.9	+2.5	69.9	2

Source: Ibrahim Index of African Governance 2015

1.10. Social/ environment context and human development

1.10.1. Population

As at 1st July 2015, the population of the Republic of Mauritius was estimated at 1,262,879 of whom 624,943 were males and 637,936 females (table 23). There were 98 males for every 100 females. The population of the Islands of Mauritius and Rodrigues were estimated at 1,220,663 and 41,942 respectively. In both islands, females outnumbered males. Agalega and St. Brandon had an estimated population of 274 with 74 more males than females.

Table 23: Estimated resident population by sex, Republic of Mauritius, 1st July 2015

Island	Both sexes	Male	Female
Island of Mauritius	1,220,663	604,118	616,545
Island of Rodrigues	41,942	20,651	21,291
Agalega and St. Brandon	274	174	100
Republic of Mauritius	1,262,879	624,943	637,936

Source: Statistics Mauritius

The Republic of Mauritius, with a total land area of 2,040 square kilometres, had a population density of 619 persons per square km as at mid-2015. The population densities of the Island of Mauritius and the Island of Rodrigues were 655 and 403 respectively (table 24).

Table 24: Population density, Republic of Mauritius, 1st July 2015

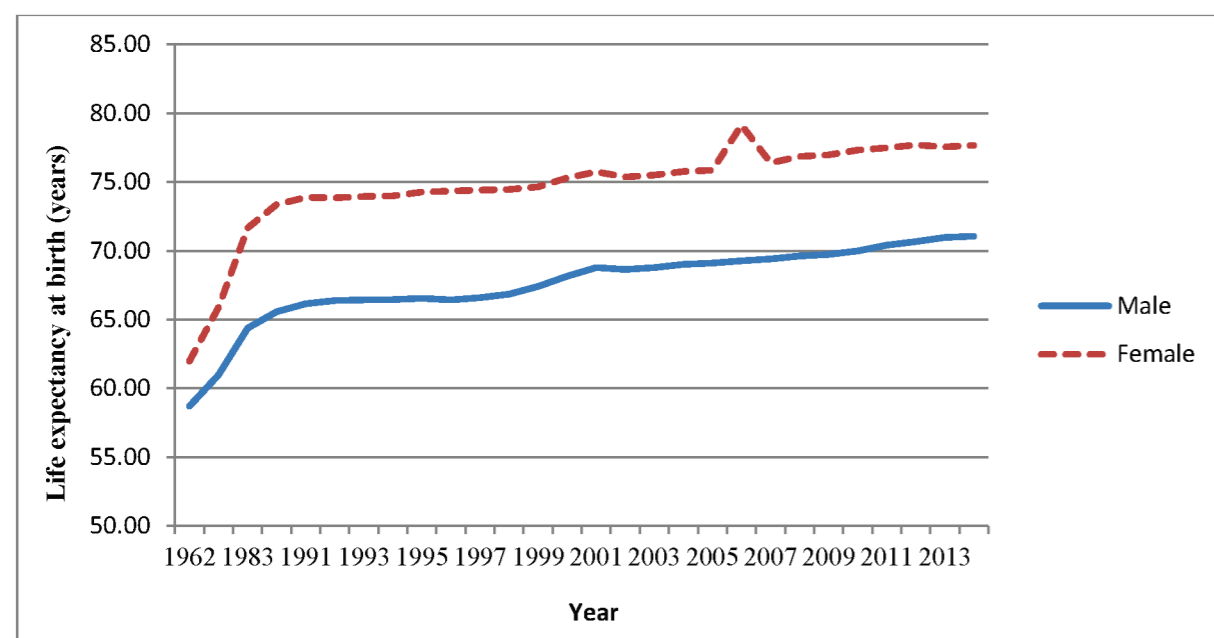
Island	Both sexes	Area (km ²)	Density per km ²
Island of Mauritius	1,220,663	1.864.8	655
Island of Rodrigues	41,942	104.0	403
Agalega and St. Brandon	274	71.2	4
Republic of Mauritius	1,262,879	2,040.0	619

Source: Statistics Mauritius

1.10.2. Life expectancy

Women have a higher life expectancy than men. In fact, women live 7 years longer than men. In 2014, life expectancy at birth for women was 78 years compared to 71 years for men. Life expectancy at birth has improved over the years for both men and women and over the past fifteen years, the gap between life expectancy of men and women tends to stabilise at around 7 years (figure 6).

Figure 6: Life Expectancy at birth, Republic of Mauritius, 1962 – 2014

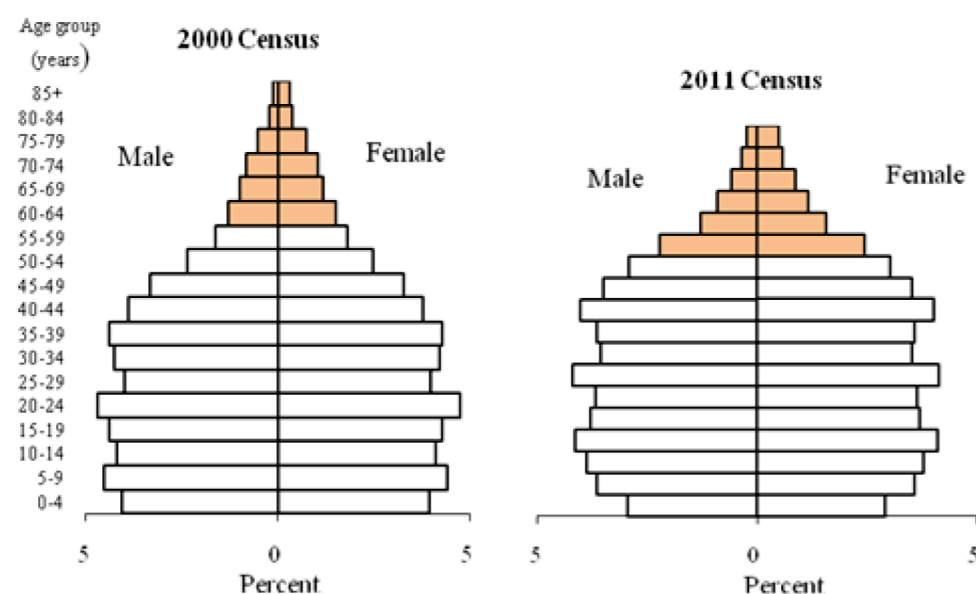


Source: Statistics Mauritius

1.10.3. Age and sex composition

Between 2000 and 2011, the population has undergone various changes in its age and sex composition. The proportion of women in the population is on the rise since women live longer than men. In 2000, there were 98 males per 100 females; by 2011 the ratio went down to 97 males per 100 females.

Figure 7: Population Pyramids, Republic of Mauritius, 2000 and 2011 Population Censuses



Source: Statistics Mauritius

The population is also ageing (figure 7) as a result of a decreasing number of births and longer life expectancy. Consequently, the proportion of

- child population aged under 15 years went down from 25% to 20% and
- elderly population aged 60 years and above increased from 9% to 13%.

At the same time, the median age rose from 29 to 34 years.

1.11. Poverty and inequality

Mauritius does not have a situation of extreme poverty as defined by the UN for MDG purpose (US\$ 1.0 per day). The country remains with less than 1 % of its population living in extreme poverty (table 25).

Table 25: Indicators of absolute poverty, Republic of Mauritius - 1996/97, 2001/02, 2006/07 and 2012

	1996/97	2001/02	2006/07	2012
Poverty line of \$1.25 per person per day				
- per person per month (Rs)	420	570	770	1,020
Proportion of poor persons (%)	<1%	<1%	<1%	<1%
Poverty line of \$2 per person per day				
- per person per month (Rs)	680	910	1,230	1,640
Proportion of poor persons (%)	2.9%	2.5%	2.2%	<2%

Source: Statistics Mauritius

Nevertheless, Mauritius has seen a growing proportion of its population living in relative poverty²³ during the last six years from 7.9 % in 2006 to an estimated 9.4 % in 2012 (table 26).

Table 26: Indicators of relative poverty, Republic of Mauritius -1996/97, 2001/02, 2006/07 and 2012

	1996/97	2001/02	2006/07	2012
Relative poverty line(Rs) per adult equivalent per month	2,004	2,804	3,821	5,652
Estimated number of households in relative poverty	23,800	23,700	26,100	33,600
Proportion of households in relative poverty (%)	8.7	7.7	7.9	9.4
Estimated number of persons in relative poverty	92,700	93,800	105,200	122,700
Proportion of persons in relative poverty (%)	8.2	7.8	8.5	9.8
Income gap ratio (%)	21.0	22.6	21.9	24.0
Poverty gap ratio (%)	1.7	1.8	1.9	2.3
Annual amount required to move people out of relative poverty (Rs Mn)	300	450	700	1,300

Source: Statistics Mauritius

²³ Statistics Mauritius (SM) uses the relative poverty line set at half of the median monthly household income per adult equivalent. In 2012, the relative poverty line was Rs 5,652 for a 1-adult member household and Rs 13,310 for a household comprising 2 adults and 2 children.

In 2012, poverty was highly prevalent among households:

- With 3 or more children (25%);
- With heads who are widowed, divorced or separated (22%);
- With heads who are less qualified, below CPE level (18 %);
- With female heads (17%); and
- With one parent and unmarried children only (16 %).

Income inequality has also increased in Mauritius between 2006/07 and 2012. The Gini coefficient has deteriorated from 0.387 in 1996 /97 to 0.414 in 2012 (table 26).

Table 27: Selected indicators on income inequality, 1996/97, 2001/02, 2006/07 and 2012 Household Budget Survey

	1996/97	2001/02	2006/07	2012
Share of poorest quintile in national consumption (%)	7.7	7.6	7.6	7.0
Gini Coefficient Index	0.387	0.371	0.388	0.414
Income Share to the lowest 20 % of Households (%)	5.9	6.4	6.1	5.3
Income Share to the highest 20 % of Households	46.2	44.0	45.6	47.5

Source: Statistics Mauritius

The analysis of household income by quintile also displays the increasing income inequality; the share of income going to the lowest 20 percent households decreased from 6.4 %in 2001/02 to 5.3 %in 2012. On the other hand, the share of income going to the highest 20 % households increased from 44.0 % to 47.5 % for the same period.

1.12. Education

Education is one area where Mauritius fares well. The Government of Mauritius has always placed a high value on education.

Literacy Rate

Between 2000 and 2011, the literacy rate of the population aged 12 years and above improved (Table 28). The improvement was higher among females as indicated by a decrease in the gender gap from 7.2 % to 5.0 %.

Table 28: Literacy Rates, Republic of Mauritius, 2000 and 2011 Population Censuses (%)

Sex	2000	2011	Difference
Male	88.7	92.3	+3.6
Female	81.5	87.3	+5.8
Both Sexes	85.0	89.8	+4.8

Source: Statistics Mauritius

Primary Education

The Republic of Mauritius has achieved the goals of universal primary education and gender parity in enrolment. The primary school population in the Republic of Mauritius stood at 103,642 in 2015. Boys represented 51% of the 2015 primary school population.

Notwithstanding the above achievements, the key weakness of the system pertains to the performance of boys and girls at primary level both in the Islands of Mauritius and Rodrigues (table 29). In 2014, the number of school candidates who took part in the CPE examination was 20,717. Excluding re-sit, the overall pass rate works out to 69.4% compared to 70.3% in 2013.

Table 29: Certificate of Primary Education (CPE) examination results; school candidates only - Republic of Mauritius, 2004 – 2014

Year	Number examined			% passed		
	Total	Male	Female	Total	Male	Female
2004	27,332	14,084	13,248	63	57.9	68.4
2005	27,117	13,981	13,136	64.9	59	71.2
2006	25,007	12,942	12,065	67.9	62	74.3
2007	24,050	12,368	11,682	66.2	60.1	72.7
2008	23,664	12,299	11,365	67.4	62.1	73.2
2009	22,620	11,764	10,856	68.1	62.3	74.5
2010	23,156	12,048	11,108	68.5	63.1	74.4
2011	23,176	12,055	11,121	68.6	62.7	74.9
2012	22,697	11,716	10,981	68.8	62.5	75.5
2013	22,419	11,626	10,793	74.8	68.9	81
2014	20,717	10,688	10,029	72.9	66.6	79.7

Source: Statistics Mauritius

Secondary Education

Secondary education enrolment increased by 72 from 114,239 in 2014 to reach 114,311 in 2015. As is the case in the primary sector; girls tend to perform better than boys even in the secondary sector at both School Certificate (SC) and Higher School Certificate (HSC) level in the Republic of Mauritius.

In 2014, out of 15,632 candidates (7,061 males and 8,571 females) who took part in the Cambridge School Certificate examination, 11,475 were successful. Comparison with the 2013 results shows that the overall pass rate decreased from 75.0% to 73.4% (table 30).

Table 30: Cambridge School Certificate (SC) examination results - Republic of Mauritius, 2003 – 2013

Year	Number examined			% passed		
	Total	Male	Female	Total	Male	Female
2003	14,579	6,765	7,814	75.5	73	77.7
2004	14,809	6,876	7,933	77.5	75.4	79.4
2005	15,501	7,316	8,185	78.4	75.2	81.2
2006	16,448	7,790	8,658	78.9	74.5	82.8
2007	17,343	8,213	9,130	76.7	71.7	81.2
2008	17,794	8,262	9,532	76.5	71.5	80.9
2009	17,496	8,136	9,360	77.6	71.8	82.7
2010	17,487	8,170	9,317	77.8	73.3	81.8
2011	17,192	8,080	9,112	76.7	71.8	81.2
2012	16,885	7,799	9,086	75.7	69.6	81
2013	15,890	7,277	8,613	75	70.3	78.9
2014	15,632	7,061	8,571	73.4	70.1	76.1

Source: Statistics Mauritius

The number of students taking part in the 2014 Cambridge Higher School Certificate examination stood at 10,429, of whom 59% were females. The overall pass rate is 75.4%, lower than the 2013 figure of 77.9% (table 31).

Table 31: Cambridge Higher School Certificate (HSC) examination results - Republic of Mauritius, 2003 – 2014

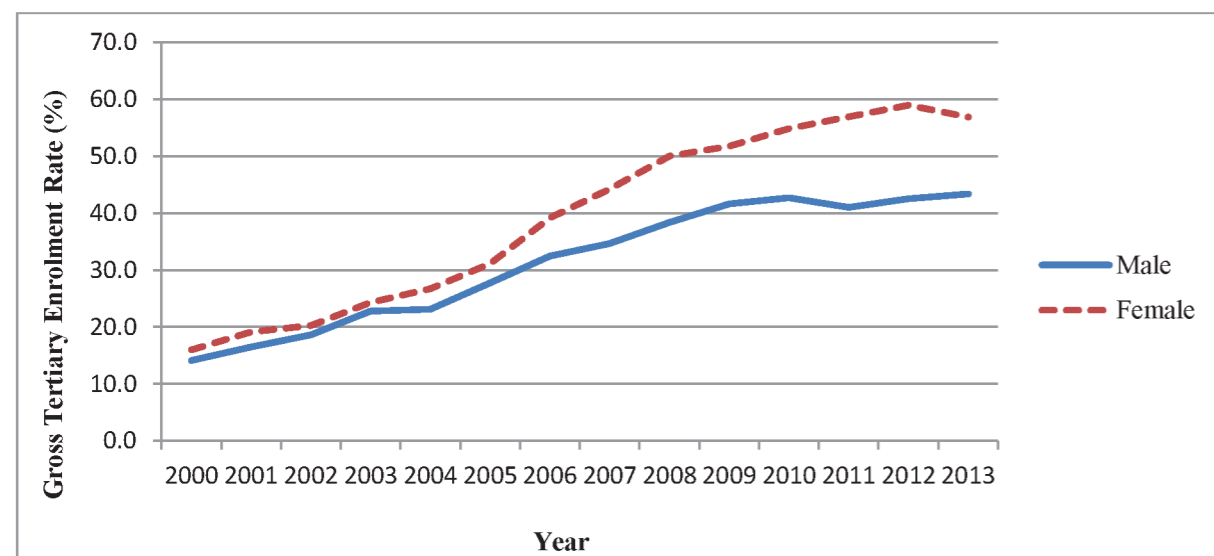
Year	Number examined			% passed		
	Total	Male	Female	Total	Male	Female
2003	7,205	3,307	3,898	75.1	70.9	78.6
2004	6,883	3,209	3,674	76.2	72.5	79.4
2005	7,274	3,301	3,973	78.2	73.6	82
2006	8,040	3,698	4,342	79.3	74.9	83.1
2007	8,517	3,896	4,621	77.8	72.9	81.8
2008	8,907	3,999	4,908	78.7	74.4	82.2
2009	9,490	4,034	5,456	78.8	74.2	82.1
2010	9,813	4,146	5,667	78.3	73.7	81.7
2011	10,081	4,283	5,798	79.3	75.3	82.3
2012	10,414	4,326	6,088	79.1	74.8	82.2
2013	10,287	4,293	5,994	77.9	73.9	80.8
2014	10,429	4,252	6,177	75.4	70.0	79.1

Source: Statistics Mauritius

Tertiary Education

More women than men are enrolled in tertiary institutions. Tertiary enrolment for both girls and boys increased over time but with a widening gap in favour of girls. In 2013, women enrolled in public, private and overseas tertiary institutions numbered 28,208, representing 56% of the student population which stood at 50,579 (figure 8).

Figure 8: Gross Tertiary Enrolment Rate (GTER), Republic of Mauritius, 2000 – 2013

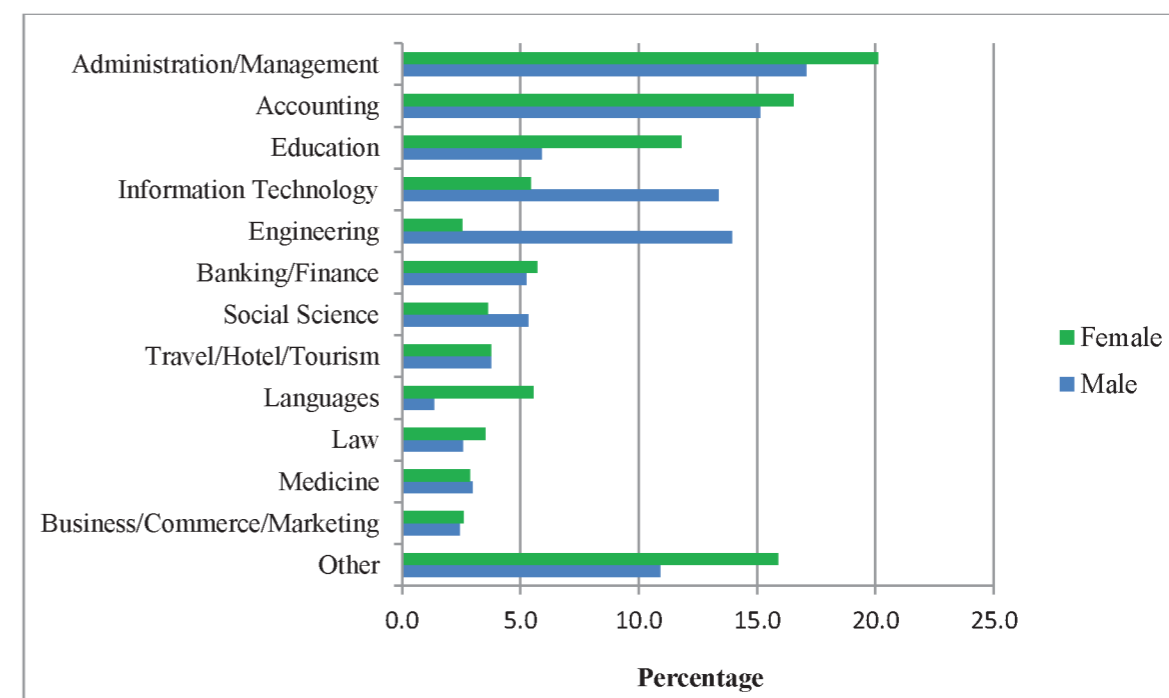


Source: Statistics Mauritius

Administration/Management (figure 9) was the most popular field of study for both men (17%) and women (20%) in 2013. Accounting was the second most popular subject for both men (15%) and women (17%) followed by Engineering (14%) and Information Technology (13%) for men and Education for women (12%) in the same year.

Women were largely underrepresented in Engineering (3%) and Information Technology (5%) whereas men were under represented in Languages (1%).

Figure 9: % of student enrolled in tertiary public and private institutions by sex and field of study, 2013

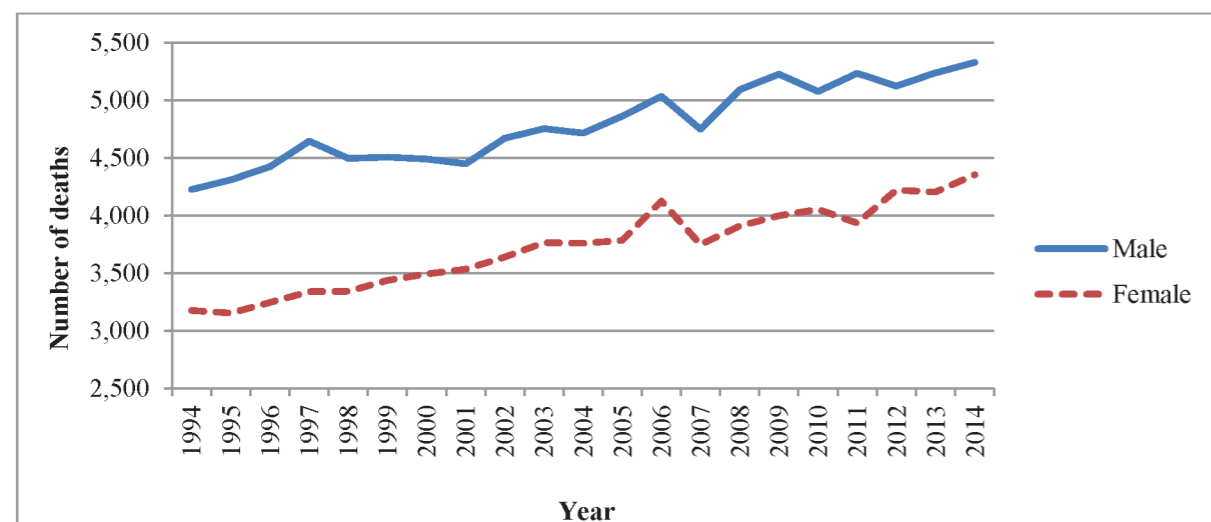


Source: Statistics Mauritius

1.13. Health

In line with the overall social policy of the Republic of Mauritius, all Mauritians enjoy free and universal access to a generally well-run health care system. In 2014, 5,329 men compared to 4,353 women died. The crude death rate for 2014 was 8.5 for man and 6.8 for woman (figure 10).

Figure 10: Number of deaths by sex, Republic of Mauritius, 1994 – 2014



Source: Statistics Mauritius

Diabetes, heart disease, cerebrovascular disease and cancer (neoplasm) together accounted for 62.9% of causes of deaths among women against 56.2% of men’s deaths in 2014 (table 32). Causes of death specific to women, such as breast and uterus cancer were responsible for 4.9% of deaths among women while maternal deaths was responsible for another 0.2%. Compared to men, women were more likely to die of diabetes but less likely to die of diseases of the liver (0.8%) and to commit suicide (0.6%).

Table 32: Deaths (%) by cause and sex, Republic of Mauritius, 2014

Cause of death	Male	Female
Diabetes mellitus	23.0	27.3
Heart disease	19.3	19.2
Hypertensive Disease	3.5	5.5
Neoplasm:	6.6	7.8
of which: breast cancer (malignant)	-	3.4
uterus cancer (malignant)	n/a	1.5
Cerebrovascular disease	7.3	8.6
Cirrhosis of liver	2.6	0.8
Suicide	1.9	0.6
Maternal death	n/a ²⁴	0.2
Other	35.8	30.0
Total	100.0	100.0

Source: Statistics Mauritius

²⁴ Not Applicable

1.14. Human Development Indicators

As opposed to many Sub-Saharan African and comparable economies, rapid economic growth in Mauritius has occurred in parallel with substantial improvement in human development indicators (HDI). This is very well reflected in the strong record of human development indicators of the country. Mauritius HDI value for 2014 is 0.777— which put the country in the high human development category—positioning it at 63 out of 188 countries and territories. Between 1980 and 2014, Mauritius HDI value increased from 0.549 to 0.777, an increase of 41.4 % or an average annual increase of about 1.03%.

Table 33 reviews Mauritius progress in each of the HDI indicators. Between 1980 and 2014, Mauritius life expectancy at birth increased by 7.4 years, mean years of schooling increased by 4.1 years and expected years of schooling increased by 6.5 years. Mauritius GNI per capita increased by about 301.8 % between 1980 and 2014.

Table 33: Mauritius HDI trends; 1980-2014

	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2011 PPP\$)	HDI value
1980	67.0	9.1	4.4	4,348	0.549
1985	68.4	9.7	4.8	5,077	0.575
1990	69.4	10.5	5.7	7,318	0.619
1995	70.3	11.2	6.3	8,682	0.647
2000	71.2	12.2	7.7	10,805	0.674
2005	72.4	13.7	8.4	12,513	0.722
2010	73.4	14.6	8.5	15,813	0.756
2011	73.7	14.8	8.5	16,221	0.762
2012	74.0	15.6	8.5	16,694	0.772
2013	74.2	15.6	8.5	17,158	0.775
2014	74.4	15.6	8.5	17,470	0.777

Source: Human Development Report 2014, United Nations Development Programme

Mauritius 2014 HDI of 0.777 is above the average of 0.744 for countries in the high human development group and above the average of 0.518 for countries in Sub-Saharan Africa. From Sub-Saharan Africa, countries which are close to Mauritius in 2014 HDI rank and to some extent in population size are Gabon and Botswana, which have HDIs ranked 110 and 106 respectively (table 34).

Table 34: Mauritius HDI indicators for 2014 relative to selected countries and groups

	HDI value	HDI rank	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (PPP US\$)
Mauritius	0.777	63	74.4	15.6	8.5	17,470
Gabon	0.684	110	64.4	12.5	7.8	16,367
Botswana	0.698	106	64.5	12.5	8.9	16,646
Sub-Saharan Africa	0.518		58.5	9.6	5.2	3,363
High HDI	0.744		75.1	13.6	8.2	13,961

Source: Human Development Report 2014, United Nations Development Programme

1.15. National resource management and environment

Mauritius has adopted the path of sustainable development by ensuring that all efforts to enhance growth take into account environmental considerations. Accordingly, the environment policy framework in Mauritius is anchored in the concept of sustainable development, resilience and adaptation. Within the context of MDG 7 – “Ensure Environmental Sustainability” – Mauritius has made huge strides and has attained most of the major targets in the area of environment protection.

Land Use²⁵

During the period 1995 to 2005, the land occupied by sugarcane, tea plantations and forestry decreased while that of built-up areas, other agricultural activities, infrastructure and inland water resource systems went up.

Total forest area decreased by 5 hectares from 47,108 hectares in 2013 to 47,103 hectares in 2014. Some 22,103 hectares (47%) of the total forest area in 2014 was state-owned and the remaining 25,000 hectares (53%) was privately-owned.

Marine conservation

The total marine protected area for the Republic of Mauritius is 155.2 km²; i.e. 71.9 km² for Mauritius and 83.3 km² for Rodrigues.

The proportion of fish stocks within safe biological limits is considered by the Ministry of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands to stand at 90 % in 2014.

²⁵ Land use refers to the main activity taking place on an area of land, for example, farming, forestry or housing.

Quality of air

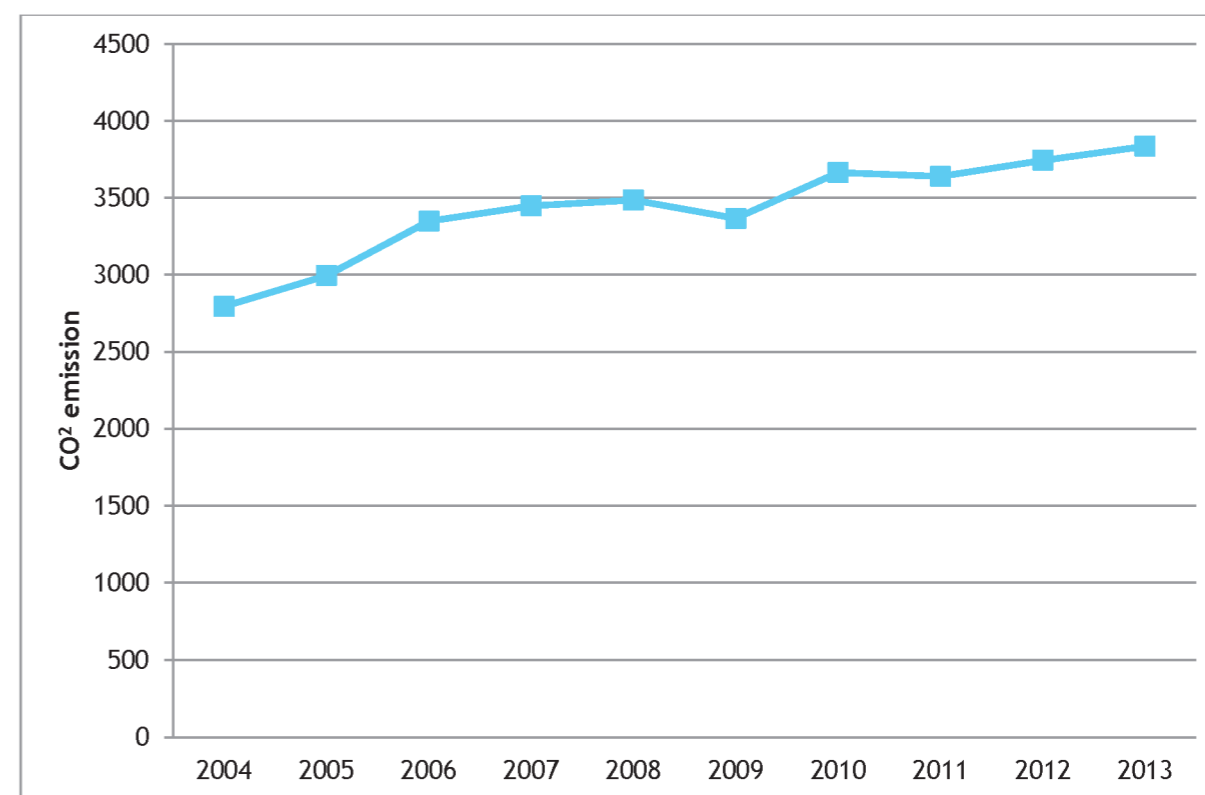
Appropriate control mechanisms are in place to protect the environment, as evident from the decreasing trend in the consumption of ozone-depleting CFCs (table 35). It is worth pointing out that the CFCs were almost negligible in 2005 and 2006. Carbon dioxide emissions have been steadily increasing over the years along with economic growth (figure 11). A major issue for the country remains the dependency on fossil fuels.

Table 35: Consumption of controlled ozone-depleting substances by type of substances, 2004 – 2013

Type of substances	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Chlorofluorocarbon (CFC's)	3.4		1							
Carbon tetrachloride	0.02		0.03							
Hydro chlorofluorocarbon (HCFC's)	168.45	165.64	138.13	156.62	122.98	192.12	96.13	157.4	125.94	96.87

Source: Statistics Mauritius

Figure 11: Carbon dioxide (CO₂) emission Republic of Mauritius, 2004 – 2013



Source: Statistics Mauritius

Energy

The production and consumption of energy causes air pollution, and alters the ambient temperature. In 2014, total primary energy requirement was 1,492 ktoe²⁶, showing an increase of 2.5% compared to 1,455 ktoe in 2013. Consequently, this led to an increase of 1.7% in the per capita primary energy requirement from 1.16 toe in 2013 to 1.18 toe.

Final energy consumption

Final energy consumption increased by 2.4% from 871 ktoe in 2013 to 892 ktoe in 2014. The two main energy-consuming sectors were “Transport” and “Manufacturing”, accounting respectively for 50.9% and 23.6% of the final energy consumed (table 36).

Table 36: Final energy consumption by sector (Energy unit), Republic of Mauritius, 2004 – 2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Manufacturing	255.4	244.6	266.6	259.4	243.5	220.5	231.2	222.4	215.4	212.3	210.7
Transport	412.6	422.6	430.6	415.6	410.6	394.9	421.6	435.3	427.3	438.8	454.1
Household	111	115.4	108.9	108.8	110.2	113.1	116.9	117.4	120.1	123.4	126.5
Commercial and Distributive Trade	51.5	55.7	62.7	65.2	69.1	72.3	76.4	80.7	83.7	88.1	92.5
Agriculture	4.4	4.7	4.8	4.9	4.5	4.1	4.4	4.3	4.5	4.5	4.6
Others	3.2	3	3.3	3.6	3.8	3.7	3.6	3	3.4	3.5	3.4

Source: Statistics Mauritius

1.16. Achievement of Millennium Development Goals

Mauritius has achieved most of the MDG targets relating to eradicating extreme poverty and hunger, achieving primary education, promoting gender equality and combating HIV/AIDS, integrating the principles of sustainable development into country policies and programmes, ensuring access to safe drinking water and basic sanitation, providing access to affordable essential drugs, debt servicing and making available the benefits of new technologies, especially in the field of information and communications. The country is, however, still working to achieve its targets on inequality, reducing under-5 mortality, maternal mortality ratio, representation of women in Parliament and reducing bio-diversity loss.

²⁶ Thousand ton of oil equivalent

1.17. Global Happiness Index

Well-being and happiness are critical indicators of a nation’s economic and social development. Mauritius is ranked 71st out of 158 countries in the global ranking of the happiest nations according to the 2015 World Happiness Report published by the Sustainable Development Solutions Network (SDSN), which is a global initiative for the United Nations. The Global Happiness Index takes into account GDP per capita, life expectancy, social support and freedom to make life choices as indicators of happiness. Switzerland has been named the happiest country in the world and is followed by Iceland, Denmark, Norway and Canada. Top ranking African countries by happiness are Libya (63), Algeria (68), Nigeria (78), Zambia (85), Somaliland region (91), Morocco (92), Mozambique (94), Lesotho (97), Swaziland (101), Tunisia (107), South Africa (113), and Ghana (114).

Chapter 2: Productivity Trends

2.1. Productivity Performance

Productivity is a critical performance measure of both efficiency²⁷ and effectiveness²⁸ (in relation to the production of goods and services, using factors of production. The latter includes resources such as labour, capital, materials, energy and knowledge. Aggregate productivity is generally measured in terms of labour productivity, capital productivity, and total factor productivity (TFP) or multifactor productivity (MFP).

Table 37 presents the growth rate of the various productivity and competitiveness indices for the total economy.

Table 37: Productivity and competitiveness indicators for the total economy

Indicator	Growth rate (%)			
	Annual Average		2013	2014
	2004-2014	2007-2014		
1 Output (GDP at basic prices)	4.0	3.8	3.2	3.5
2 GDP at market prices	3.8	3.8	3.2	3.6
3 GDP per capita (market prices)	3.5	3.5	3.0	3.4
4 Labour input	1.3	1.5	3.0	1.3
5 Capital input	4.7	4.6	4.0	2.8
6 Capital - Output ratio	0.6	0.7	0.8	-0.7
7 Capital - Labour ratio	3.4	3.0	0.9	1.5
8 Labour productivity	2.7	2.3	0.2	2.2
9 Capital productivity	-0.6	-0.7	-0.8	0.7
10 Multifactor productivity	0.7	0.4	-0.3	1.2
11 Average compensation of employees	6.7	6.0	6.2	4.6
12 Unit Labour Cost (Mauritian Rupees)	3.9	3.7	6.0	2.4
13 Unit Labour Cost (US Dollars)	2.9	4.1	3.5	2.7

Source: Statistics Mauritius

Labour productivity

Labour productivity for the whole economy is a measure of real output (GDP) per worker. In 2014, labour productivity grew at a higher rate of 2.2% compared to 0.2% in 2013. The index of labour productivity, improved from 89.3 in 2004 to 117.0 in 2014, giving an average annual growth of 2.7%.

Capital productivity

Capital productivity is a measure of real GDP per unit of capital. Capital productivity registered an increase of 0.7% in 2014 after five consecutive years of declines. During the period 2004 to 2014, the index of capital productivity declined from 101.1 in 2004 to 94.9 in 2014. The average annual rate of change worked out to -0.6%.

²⁷ How well resources are utilised to accomplish the desired outputs

²⁸ The extent to which actions are focused on doing the right things

Multifactor productivity (MFP)

The MFP index shows the rate of change in “productive efficiency”. In addition to labour and capital inputs, it takes into account qualitative factors such as better management and improved quality of inputs through training and technology. A growth of 0.7% has been observed in the average annual change in MFP during the period 2004 to 2014. A growth of 1.2% in MFP was registered in 2014 compared to a decline of 0.3% recorded in 2013.

2.2. Productivity trends of the main economic sectors

Labour productivity

Labour productivity has improved in most of the industry groups in 2014 compared to 2013 (table 38). Industry groups which have witnessed a decline in labour productivity are:

- Mining and quarrying
- Manufacturing
- Administrative and support services
- Human health and social work activities
- Arts, entertainment and recreation

Table 38: Labour productivity by industry group, 2007- 2014

Industry	Index	Growth Rate (%)													
		2007	2008	2009	2010	2011	2012	2013	2014	2008	2009	2010	2011	2012	2013
Agriculture, forestry and fishing	100	109.5	118.9	118.8	126.5	126.8	124.4	127.3	9.5	8.6	0	6.4	0.2	-1.9	2.3
Mining and quarrying	100	102.7	96.6	101.2	82.8	66.4	63	56.2	2.7	-5.9	4.7	-18.2	-19.8	-5.2	-10.8
Manufacturing	100	102.5	110.9	114	117.8	120.4	121.8	122.9	2.5	8.2	2.8	3.3	2.2	1.1	1
Export Oriented Enterprises	100	106.3	116.2	125.8	137	142.2	139.2	137.6	6.3	9.3	8.3	8.9	3.8	-1.4	-1.2
Electricity, gas, steam and air conditioning	100	102	97.4	97.4	101.7	106.3	111	120.6	2	-4.5	0.1	4.4	4.5	4.4	8.7
Water supply, sewerage, waste management and remediation activities	100	93.6	90.2	90.3	90.3	84.7	86.3	88.9	-6.4	-3.5	0	0	-6.2	2	3
Construction	100	110	112.6	114.6	114.4	107.5	97.1	92.2	10	2.4	1.7	-2.7	-3.6	-9.7	-5.1
Wholesale & retail trade; repair of motor vehicles, motorcycles	100	101.6	96.8	97	100.9	103.2	102.3	104.1	1.6	-4.6	0.2	4	2.3	-0.8	1.8
Transportation and storage	100	99	99.2	101.4	105.4	105.4	103.5	104.3	-1	0.2	2.2	3.8	0	-1.7	0.7
Accommodation and food service activities	100	89.2	84.7	85.9	87.7	86.4	85.8	87.6	-10.8	-5	1.4	2	-1.4	-0.7	2
Information and communication	100	108.3	119.7	129.5	142.3	145.8	148.9	153.8	8.3	10.5	8.2	9.9	2.5	2.1	3.3
Financial and insurance activities	100	95.9	94.1	92.7	95.6	97.4	98.9	101.2	-4.1	-1.9	-1.5	3.1	1.8	1.6	2.3
Real estate activities (Other)	100	109.3	118.8	130.3	143.8	123.4	93	87.2	9.3	8.7	9.7	10.4	-14.2	-24.9	-6.3
Professional, scientific and technical activities	100	112.3	120.2	125.8	134.5	130.7	127.3	132.5	12.3	7	4.6	7	-2.9	-2.6	4.1
Administrative and support service activities	100	101.7	102.3	108.6	119.5	127.5	132.6	136.9	1.7	0.6	6.1	10.1	6.7	4	3.3
Public administration and defence; compulsory social security	100	98.1	98.4	102.1	108	111.5	111.7	115.4	-1.9	0.3	3.8	5.8	3.2	0	3.3
Education	100	100.5	98.6	100.3	102.8	104.3	105.9	109.1	0.5	-1.9	1.7	2.6	1.4	1.4	3
Human health and social work activities	100	97.7	100.8	93.8	97	103.4	109.9	116.3	-2.3	3.2	-7	3.5	6.6	6.2	5.8
Arts, entertainment and recreation	100	110.8	122.1	125	134.7	141.9	147.8	154	10.8	10.3	2.4	7.8	5.3	4.3	4.2
Other service activities	100	101.8	105.1	115	120.8	110.9	97.8	93.3	1.8	3.2	9.5	5	-4.8	-11	-4.6
Total Economy	100	102.8	105.1	107.5	112	114.3	114.5	117	2.8	2.3	2.3	4.1	2.1	0.2	2.2

Source: Statistics Mauritius

Capital productivity

An improvement in capital productivity can be seen in most of the economic sectors in 2014 in comparison to 2013 (table 39). Capital productivity has declined in the following sectors:

- Manufacturing , including export oriented enterprises
- Water Supply
- Transportation and storage
- Financial and insurance activities
- Real estate activities
- Professional, scientific and technical activities
- Administrative and support service activities

Table 39: Capital productivity by industry group, 2007- 2014

Industry	Index	Growth Rate (%)														
		2007	2008	2009	2010	2011	2012	2013	2014	2008	2009	2010	2011	2012	2013	2014
Agriculture, forestry and fishing	100	96.3	102.9	102.5	100.5	102.5	100.2	89.9	91	-3.7	6.8	-2.3	1.9	-2.3	-10.2	1.2
Mining and quarrying	100	75.2	56.9	48.1	32.1	25.3	21.2	22.1	-24.8	-24.3	-15.6	-33.2	-21.3	-16.1	4.2	
Manufacturing	100	102.9	105.4	111.7	113.9	119.6	128.2	131.4	2.9	2.4	6	1.9	5	7.2	2.5	
Export Oriented Enterprises	100	104.2	112.4	131.2	149.9	164.1	158.7	149.3	4.2	7.9	16.7	14.2	9.5	-3.3	-5.9	
Electricity, gas, steam and air conditioning	100	110	110.4	114.9	115.4	113.1	114	116.7	10	0.4	4.1	0.4	-2	0.8	2.4	
Water supply, sewerage, waste management and remediation activities	100	103.4	105.8	102.8	94.2	80.2	68.9	57.6	3.4	2.4	-2.9	-8.5	-14.9	-14	-16.5	
Construction	100	96.7	90.3	83.6	72.7	63.5	55.1	47.9	-3.3	-6.6	-7.5	-13	-12.6	-13.3	-13	
Wholesale & retail trade; repair of motor vehicles, motorcycles	100	96.9	93	90	82.7	78.3	77.9	79.3	-3.1	-4	-3.3	-8.1	-5.3	-0.5	1.8	
Transportation and storage	100	103.4	101.6	103.2	108.4	113.3	118.7	124.2	3.4	-1.7	1.6	4.9	4.5	4.8	4.6	
Accommodation and food service activities	100	88.7	73.8	70.4	70	67.6	68	70.8	-11.3	-16.8	-4.6	-0.7	-3.3	0.5	4.1	
Information and communication	100	112.7	123.1	134.8	145.5	156.3	164.9	174.8	12.7	9.2	9.5	8	7.4	5.5	6	
Financial and insurance activities	100	108.5	110	103.5	103.8	104.1	105.1	103.6	8.5	1.3	-5.9	0.2	0.3	0.9	-1.4	
Real estate activities (Other)	100	83.6	80.1	83.5	91.4	99.6	108.2	115.2	-16.4	-4.2	4.2	9.5	9	8.6	6.5	
Professional, scientific and technical activities	100	83.5	72.2	62.7	55	50.1	45.6	40.6	-16.5	-13.5	-13.2	-12.3	-8.9	-8.8	-11	
Administrative and support service activities	100	92.2	78.4	85.6	80.5	74.2	68.5	51.7	-7.8	-15	9.2	-5.9	-7.8	-7.7	-24.6	
Public administration and defence; compulsory social security	100	98.2	91.9	88.5	84.5	81.7	79.6	79.2	-1.8	-6.4	-3.7	-4.6	-3.3	-2.6	-0.5	
Education	100	96.7	93.6	95.7	98.4	94.5	89.9	89.7	-3.3	-3.2	2.2	2.8	-4	-4.8	-0.2	
Human health and social work activities	100	94.4	86.3	81.2	78.8	75.7	74.6	75.4	-5.6	-8.6	-5.9	-3	-4	-1.5	1.2	
Arts, entertainment and recreation	100	96	92.3	85.5	79.9	74.6	89.9	71.7	-4	-3.8	-7.4	-6.6	-6.7	-4.6	0.8	
Other service activities	100	101.3	101.9	107.3	112.1	118.8	74.6	133.3	1.3	0.5	5.3	4.5	6	6	5.8	
Total Economy	100	100.3	97.9	97	95.9	95	71.1	94.9	0.3	-2.4	-0.9	-1.2	-0.9	-0.9	0.7	

Source: Statistics Mauritius

Multifactor productivity

Multifactor productivity has improved in most sectors of the economy in 2014, compared to 2013 (table 40). Nonetheless, multifactor productivity in the manufacturing sector witnessed a decrease 3.3% in 2014, after a fall of 2.4% in 2013.

Table 40: Multifactor productivity by industry group, 2007- 2014

Industry	Index															Growth Rate (%)
	2007	2008	2009	2010	2011	2012	2013	2014	2008	2009	2010	2011	2012	2013	2014	
Agriculture, forestry and fishing	100	100.7	108	106.3	109.7	108.8	101.7	104.3	0.7	7.3	-1.6	3.2	-0.8	-6.5	2.5	
Mining and quarrying	100	83.7	67.4	60.5	44.3	35.7	30.5	30.9	-16.3	-19.5	-10.2	-26.7	-19.4	-14.7	1.5	
Manufacturing	100	102.8	107.5	112.6	115.4	119.9	125.6	127.9	2.8	4.6	4.8	2.5	3.9	4.7	1.8	
Export Oriented Enterprises	100	105.3	114.5	128.1	141.9	150.7	147.1	142.3	5.3	8.7	11.9	10.8	6.2	-2.4	-3.3	
Electricity, gas, steam and air conditioning	100	108.4	107.8	110.4	111.5	110.9	113	117.8	8.4	-0.5	2.4	1	-0.6	1.9	4.2	
Water supply, sewerage, waste management and remediation activities	100	97.9	96.3	95.4	91.7	82.4	77.7	72.2	-2.1	-1.6	-0.9	-3.9	-10.1	-5.7	-7.1	
Construction	100	102.4	99.5	96	87.5	79.5	70.4	65.1	2.4	-2.9	-3.6	-8.9	-9.1	-11.4	-7.5	
Wholesale & retail trade; repair of motor vehicles, motorcycles	100	98.3	94	91.6	86.6	83.2	82.8	84.3	-1.7	-4.4	-2.5	-5.5	-3.9	-0.5	1.8	
Transportation and storage	100	101.2	100.4	102.4	106.8	109.1	110.2	113.1	1.2	-0.8	2	4.4	2.1	1	2.6	
Accommodation and food service activities	100	88.8	76.4	73.9	73.8	71.6	72.3	74.6	-11.2	-14	-3.3	-0.1	-3	0.9	3.2	
Information and communication	100	111.4	122	133	144.3	152.3	158.3	166.1	11.4	9.5	9	8.6	5.5	4	4.9	
Financial and insurance activities	100	105.1	105.7	100.7	101.6	102.4	103.5	103	5.1	0.5	-4.7	1	0.7	1.1	-0.5	
Real estate activities (Other)	100	88.7	86.7	91.2	100	104.5	104.1	106.8	-11.3	-2.3	5.2	9.7	4.5	-0.4	2.6	
Professional, scientific and technical activities	100	94	87.1	79.9	73.7	68.2	63.1	58.3	-6	-7.3	-8.3	-7.8	-7.5	-7.5	-7.6	
Administrative and support service activities	100	95.7	86.3	93.3	92.4	88.8	84.5	68.6	-4.3	-9.8	8.1	-1	-3.9	-4.8	-18.8	
Public administration and defence; compulsory social security	100	98.1	97.1	99.2	102	103.3	103.4	104.4	-1.9	-1	2.2	2.8	1.3	0.1	1	
Education	100	99.3	97.1	98.9	101.5	101.2	100.9	102.9	-0.7	-2.3	1.9	2.6	-0.3	-0.2	1.9	
Human health and social work activities	100	96.3	94.2	97.9	87.9	88.4	90.8	92.8	-3.7	-2.1	-6.7	-0.1	0.6	2.7	2.7	
Arts, entertainment and recreation	100	98.4	96.6	90.6	86.2	81.4	78.4	79.5	-1.6	-1.9	-6.1	-5	-5.5	-3.7	1.4	
Other service activities	100	101.6	103.6	111.5	116.8	114.2	108.4	106.9	1.6	2	7.6	4.7	-2.2	-5.1	-1.4	
Total Economy	100	101.2	100.5	100.8	101.5	101.7	101.4	102.6	1.2	-0.7	0.3	0.7	0.1	-0.3	1.2	

Source: Statistics Mauritius

2.3. Trends in unit labour cost

Unit labour cost (ULC) measures the remuneration of labour per unit of output. It is affected by changes in both average compensation of employees and labour productivity. During the period 2004 to 2014, average annual compensation of employees increased by 6.7% whilst labour productivity grew by 2.7%. The growth of 6.7% in average annual compensation of employees and 2.7% in labour productivity resulted in an average annual growth of 3.9% in ULC. In 2014, ULC increased by 2.4% compared to 6.0% growth in 2013 (table 41).

Table 41: Average compensation of employees, Labour productivity and Unit Labour Cost - Total economy, 2004 – 2014

Year	(Index 2007 = 100)					
	Average compensation of employees		Labour productivity		Unit Labour Cost (MUR)	
	Index	Growth rate (%)	Index	Growth rate (%)	Index	Growth rate (%)
2004	78.5	8.2	89.3	3.7	88.0	4.3
2005	82.0	4.4	91.3	2.3	89.8	2.1
2006	88.5	7.9	95.2	4.3	92.9	3.5
2007	100.0	13.0	100.0	5.0	100.0	7.6
2008	111.2	11.2	102.8	2.8	108.1	8.1
2009	114.5	3.0	105.1	2.3	108.9	0.7
2010	119.2	4.1	107.5	2.3	110.9	1.8
2011	129.3	8.5	112.0	4.1	115.4	4.1
2012	135.6	4.9	114.3	2.1	118.6	2.7
2013	144.0	6.2	114.5	0.2	125.8	6.0
2014	150.6	4.6	117.0	2.2	128.7	2.4
Average annual growth rate 2004 - 2014	6.7%		2.7%		3.9%	

Source: Statistics Mauritius

To compare changes in competitiveness, the impacts of exchange rate fluctuations have to be taken into account, since competitiveness of products depends upon changes in the prices²⁹ of these products in the market. From 2004 to 2014, ULC in Mauritian Rupees grew at an average annual rate of 3.9%. In Dollar terms, it increased by 2.9% as a result of an average annual depreciation of 1.0% of the Mauritian Rupee vis-à-vis the US Dollar. In 2014, ULC in Dollar terms increased by 2.7% compared to an increase of 3.5% in 2013 (table 42).

²⁹ When a national currency appreciates against the US Dollar, more dollars are paid in exchange for each national currency unit. On the other hand, when a national currency depreciates against the US Dollar, fewer dollars are paid in exchange for each national currency unit.

Table 42: Unit labour cost in Mauritian Rupees (MUR) and US dollar - Total economy, 2004 – 2014

Year	Unit Labour Cost (MUR)		Exchange rate US \$/MUR		(Index 2007 = 100)	
	Index	Growth rate (%)	Index	(% Change ²)	Unit Labour Cost (US \$)	
					Index	Growth rate (%)
2004	88.0	4.3	88.5	-2.2	99.4	6.7
2005	89.8	2.1	93.2	5.3	96.3	-3.1
2006	92.9	3.5	99.3	6.6	93.6	-2.9
2007	100.0	7.6	100.0	0.7	100.0	6.9
2008	108.1	8.1	90.4	-9.6	119.6	19.6
2009	108.9	0.7	101.8	12.6	106.9	-10.6
2010	110.9	1.8	98.5	-3.3	112.6	5.3
2011	115.4	4.1	91.7	-6.9	126.0	11.9
2012	118.6	2.7	95.4	4.1	124.3	-1.3
2013	125.8	6.0	97.7	2.4	128.7	3.5
2014	128.7	2.4	97.4	-0.3	132.1	2.7
Average annual growth rate 2004 - 2014	3.9%		1.0%		2.9%	

Source: Statistics Mauritius

2.4. Productivity Indicators for the Manufacturing sector

In 2014, labour productivity in manufacturing grew by 1.0%, lower than the 1.1% growth in 2013. Capital and multifactor productivity witnessed increases of 2.3% and 1.5% respectively in 2014 compared to increases of 7.2% and 3.4% in 2013 (table 43).

Table 43: Productivity and competitiveness indicators for the Manufacturing sector

Indicator	Growth rate (%)		
	Annual average	2013	2014
	2007-2014		
1 Output (Value added at constant prices)	2.4	4.4	2.2
2 Labour input	-0.5	3.3	1.2
3 Capital input	-1.5	-2.7	-0.1
4 Capital - Output ratio	-3.8	-6.8	-2.3
5 Capital - Labour ratio	-0.9	-5.8	-1.3
6 Labour productivity	3.0	1.1	1.0
7 Capital productivity	4.0	7.2	2.3
8 Multifactor productivity	3.4	3.4	1.5
9 Average compensation of employees	6.3	1.4	2.8
10 Unit Labour Cost (Mauritian Rupees)	3.2	0.4	1.8
11 Unit Labour Cost (US Dollars)	3.6	-2.0	2.1

Source: Statistics Mauritius

During the period 2007 to 2014, ULC for the manufacturing sector grew at an average annual rate of 3.2% due to a higher growth in average compensation of employees (6.3%) compared to labour productivity (3.0%). In Dollar terms, ULC increased at an average annual rate of 3.6% due to an average annual appreciation of 0.4% in the exchange rate of the local currency against the Dollar. In 2014, ULC for the manufacturing sector increased by 1.8% compared to 0.4% in 2013. In Dollar terms, ULC grew by 2.1% in 2014 after a decline of 2.0% in 2013 (Table 44).

Table 44: Unit labour cost in Mauritian Rupees (MUR) and US dollar - Manufacturing sector, 2004 – 2014

Year	Unit Labour Cost (MUR)		Exchange rate MUR/US \$		Unit Labour Cost (US \$)	
	Index	Growth rate (%)	Index	(%) Change	Index	Growth rate (%)
2007	100.0		100.0		100.0	
2008	109.8	9.8	90.4	-9.6	121.5	21.5
2009	109.8	0.0	101.8	12.6	107.8	-11.2
2010	111.3	1.3	98.5	-3.3	113.0	4.8
2011	118.5	6.5	91.7	-6.9	129.3	14.4
2012	121.9	2.8	95.4	4.1	127.7	-1.2
2013 ¹	122.3	0.4	97.7	2.4	125.2	-2.0
2014	124.5	1.8	97.4	-0.3	127.9	2.1
Average annual growth rate 2007 - 2014		3.2%	-0.4%		3.6%	

Source: Statistics Mauritius

2.5. Productivity indicators for Export Oriented Enterprises (EOE)

Table 45 shows the main indicators for the Export Oriented Enterprises during the period 2007 – 2014.

Table 45: Productivity and competitiveness indicators for Export Oriented Enterprises

Indicator	Growth rate (%)		
	Annual average	2013	2014
	2007 - 2014		
1 Output (Value added at constant prices)	1.7	-3.0	0.3
2 Labour input	-2.8	-0.9	1.5
3 Capital input	-3.9	0.3	6.6
4 Capital – Output ratio	-5.6	3.4	6.3
5 Capital – Labour ratio	-1.2	1.3	5.0
6 Labour productivity	4.7	-2.1	-1.2
7 Capital productivity	5.9	-3.3	-5.9
8 Multifactor productivity	5.2	-2.4	-3.3
9 Average compensation of employees	7.6	4.3	3.5
10 Unit Labour Cost (Mauritian Rupees)	2.8	6.5	4.7
11 Unit Labour Cost (US Dollars)	3.2	4.0	5.1

Source: Statistics Mauritius

During the period 2007 to 2014, both labour and capital productivity registered average annual growths of 4.7% and 5.9 % respectively in EOE. Multifactor productivity grew at an average annual rate of 5.2% during the same period.

In 2014, labour productivity in EOE declined further by 1.2% after a fall of 2.1% in 2013. Likewise, capital and multifactor productivity witnessed decreases of 5.9% and 3.3% respectively in 2014 after decreases of 3.3% and 2.4% in 2013.

2.6. International comparisons

International comparison of Unit Labour Cost in Manufacturing

Based on latest estimates prepared by The Conference Board International Labour Comparisons program³⁰, unit labour cost in the manufacturing sector, increased in all countries except USA in 2012. Mauritius recorded an increase of 2.8% (table 46).

Table 46: Manufacturing Unit Labour Cost Growth rate of selected countries, 2012

Country	USA	France	Germany	Italy	UK	Mauritius	Taiwan	Korea
National currency	-1.8	3.4	4.5	4.0	6.6	2.8	1.0	3.1
US \$	-1.8	-4.5	-3.4	-3.9	5.1	-1.2	0.4	1.5

Source: Statistics Mauritius

International comparison of Hourly Labour Cost (HLC)

Table 47 compares the evolution of HLC in the Mauritian manufacturing sector with available hourly labour cost for some other countries. With the exception of year 2012, it is observed that Germany has been the country with the most expensive HLC from 2003 to 2013. In 2013, the HLC for Mauritius stood at 2.57 US Dollar compared to 2.48 US Dollar in 2012.

Table 47: Hourly labour cost of selected countries in US Dollar - Manufacturing sector, 2003 – 2013

Country	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Australia	22.52	26.72	28.59	29.15	33.28	35.28	32.88	39.56	46.40	47.72	47.09
Canada	21.08	23.68	26.26	28.57	31.25	32.03	29.35	34.35	36.29	36.58	36.33
France	28.40	32.11	32.67	33.85	37.96	41.63	39.72	39.04	42.77	40.67	42.85
Germany	33.98	37.67	38.17	39.31	43.72	47.27	45.76	44.25	47.61	45.89	48.98
Japan	23.41	25.26	25.23	24.03	23.72	27.48	30.06	31.75	35.66	35.35	29.13
Republic of Korea	11.33	12.63	14.83	17.36	19.43	16.80	15.03	17.88	19.19	20.44	21.96
Mauritius	1.43	1.53	1.66	1.61	1.57	1.79	1.78	1.99	2.19	2.48	2.57
Mexico	5.31	5.26	5.61	5.88	6.17	6.48	5.69	6.13	6.49	6.35	6.82
Portugal	8.13	9.20	9.48	9.92	11.16	12.48	12.34	12.00	13.24	12.39	12.90
Singapore	12.75	13.20	13.24	13.76	15.70	18.86	17.54	19.41	23.11	24.16	23.95
Taiwan	6.96	7.27	7.92	8.05	8.18	8.69	7.77	8.31	9.28	9.39	9.37
United Kingdom	25.12	28.47	29.69	31.17	35.21	33.91	29.25	28.99	30.54	30.87	31.00
United States	28.56	29.30	30.13	30.47	32.07	32.78	34.19	34.75	35.50	35.64	36.34

Source: The Conference Board and Statistics Mauritius estimates

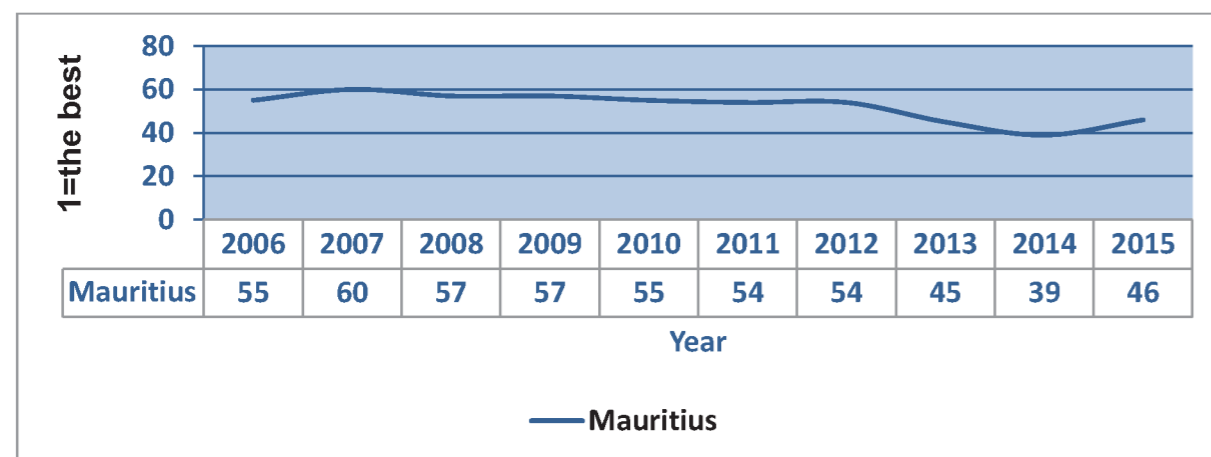
³⁰ The Conference Board is a global, independent business membership and research association working in the public interest.

Chapter 3: Competitiveness Review

3.1. Country Ranking

The level of productivity of a country is best determined by its competitiveness. Mauritius ranks 46th out of a total of 140 countries (figure 12) in The Global Competitiveness Report 2015- 2016 of the World Economic Forum (WEF)³¹. The country continues to be the top-performing sub-Saharan African country in the list (tables 48 and 49).

Figure 12: Mauritius - World Rankings - Global Competitiveness Rank; 2006- 2015 (1= best)



Source: World Economic Forum

Table 48: Global Competitiveness Ranking 2015- Mauritius and top 10 most competitive global economies

Country	Rank Obtained (1= the best)
Switzerland	1
Singapore	2
United States	3
Germany	4
Netherlands	5
Japan	6
Hong Kong SAR	7
Finland	8
Sweden	9
United Kingdom	10
Mauritius	46

Source: World Economic Forum

³¹ The World Economic Forum (WEF) defines competitiveness as “a set of institutions, policies and factors that determine the level of productivity of a country.” Its methodology is based on an analysis of 12 pillars of competitiveness, which are: institutions (pillar 1) , infrastructure (pillar 2), macroeconomic environment (pillar 3), health and primary education (pillar 4) , higher education and training (pillar 5) , goods market efficiency (pillar 6), labour market efficiency (pillar 7) , financial market development (pillar 8) , technological readiness (pillar 9) , market size (pillar 10) , business sophistication (pillar 11) , and innovation (pillar 12).These 12 pillars of competitiveness are not independent: they tend to reinforce each other, and a weakness in one area often has a negative impact in others.

Table 49: The 10 most competitive Sub- Saharan African economies

Country	Global Rank(Out of 144 countries) (1= the best)
Mauritius	46
South Africa	49
Rwanda	58
Botswana	71
Namibia	85
Côte d'Ivoire	91
Zambia	96
Seychelles	97
Kenya	99
Gabon	103

Source: World Economic Forum

3.2. Stage of development

The Global Competitiveness Index 2015- 2016 classifies economies into three stages of development

- Factor-driven stage
- Efficiency-driven stage
- Innovation-driven stage

In the first stage, the economy is factor-driven and countries compete based on their factor endowments—primarily unskilled labour and natural resources. Companies compete on the basis of price and sell basic products or commodities, with their low productivity reflected in low wages.

As countries become more competitive, productivity and wages increase and they move to the efficiency- driven stage of development. At this stage, countries begin to develop more efficient production processes and increase product quality because wages have risen and they cannot increase prices.

In the innovation- driven stage, wages improve further and countries are able to sustain those higher wages and the associated standard of living only if their businesses are able to compete with new and unique products. At this stage, companies must compete by producing new and different goods using the most sophisticated production processes and by innovating new ones.

Mauritius is included in a group of 20 transitional economies (table 50) in the Global Competitiveness Report 2015- 2016. Transitional economies are defined as those moving from efficiency-driven economies to economies led by innovation.

Table 50: Stages of development

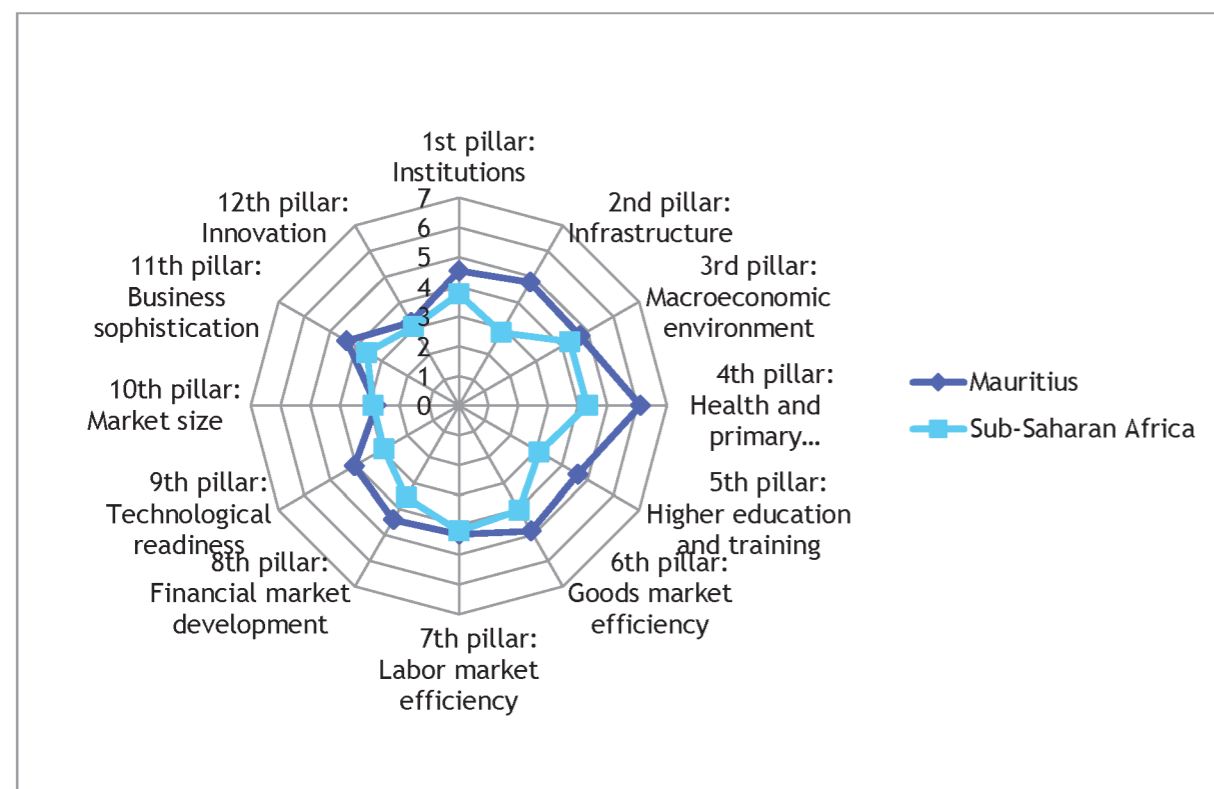
Stages of Development	GDP per capita (US\$)	Number of Countries
I. Stage-Factor-driven	Less than 2,000	35 economies
Transition from Stage 1 to Stage 2	2,000–2,999	16 economies
II. Stage-Efficiency-driven	3,000–8,999	31 economies
Transition from Stage 2 to Stage 3	9,000–17,000	20 economies; including Mauritius
III. Stage-Innovation-driven	More than 17,000	38 economies

Source: World Economic Forum

3.3. How Mauritius fares?

Figure 13 provides a diagrammatical representation of Mauritius’ competitive pillars relative to the rest of the Sub-Saharan African countries in 2015- 2016. Mauritius’ performance is superior to the region in all areas except for its market size.

Figure 13: Mauritius’ Scores in the 12 Pillars of Competitiveness Relative to Sub-Saharan Africa 2015- 2016; 1= the best



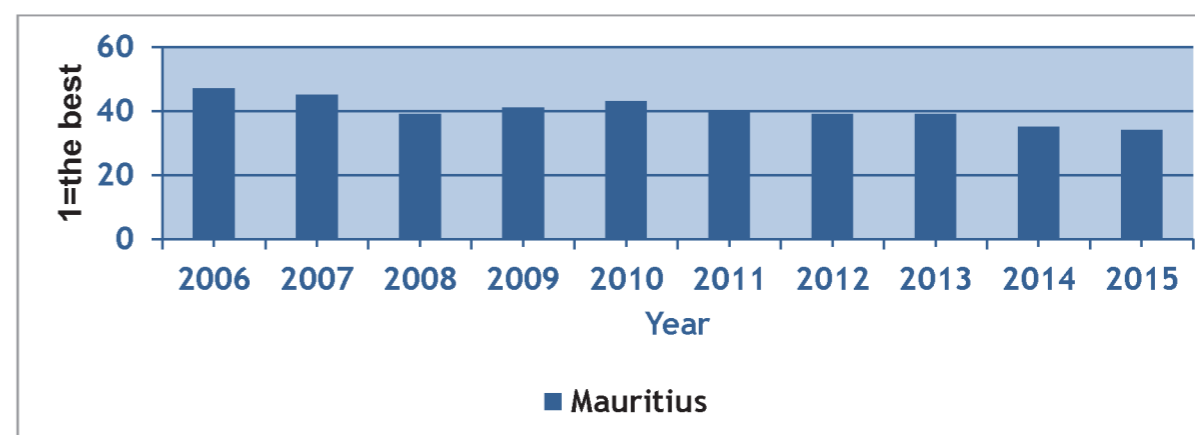
Source: World Economic Forum

3.4. First Pillar- Institutions

The quality of institutions has a strong bearing on competitiveness and growth. It influences investment decisions and the organization of production and plays a key role in the ways in which societies distribute the benefits and bear the costs of development strategies and policies.

Mauritius is ranked 34th in 2015 for the overall quality of its institutions which represents a slight improvement over its past years ranking (figure 14).

Figure 14: Mauritius - World Rankings - Global Competitiveness Rank; 2006- 2015 (1= best)



Source: World Economic Forum

Table 51: Pillar 1 Ranking- Mauritius, 2006- 2015; 1= the best

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1.01 Property rights, 1-7 (best)	34	27	22	36	36	33	36	37	33	32
1.02 Intellectual property protection, 1-7 (best)	44	43	46	48		55	54	49	41	41
1.03 Diversion of public funds, 1-7 (best)	50	43	41	42	48	45	48	51	46	49
1.04 Public trust in politicians, 1-7 (best)	76	73	66	60	60	60	58	66	66	73
1.05 Irregular payments and bribes, 1-7 (best)					46	47	44	45	45	43
1.06 Judicial independence, 1-7 (best)	50	45	38	33	38	40	34	35	31	32
1.07 Favoritism in decisions of government officials, 1-7 (best)	52	60	54	53	62	59	60	66	73	85
1.08 Wastefulness of government spending, 1-7 (best)	48	62	51	39	36	36	38	47	44	46
1.09 Burden of government regulation, 1-7 (best)	115	65	31	29	29	46	50	35	36	29
1.10 Efficiency of legal framework in settling disputes, 1-7 (best)				35	29	33	26	23	22	23
1.11 Efficiency of legal framework in challenging regs., 1-7 (best)				38	28	33	30	22	30	31
1.12 Transparency of government policymaking, 1-7 (best)	29	27	30	26	24	37	42	38	34	28
1.13 Business costs of terrorism, 1-7 (best)	23	6	5	27	49	51	35	20	12	26
1.14 Business costs of crime and violence, 1-7 (best)	61	48	55	65	69	64	60	46	35	43
1.15 Organized crime, 1-7 (best)	43	21	16	28	34	29	17	21	20	23
1.16 Reliability of police services, 1-7 (best)	65	64	66	60	65	65	57	54	51	50
1.17 Ethical behavior of firms, 1-7 (best)	55	57	43	49	46	46	43	41	37	36
1.18 Strength of auditing and reporting standards, 1-7 (best)	35	34	31	26	29	31	22	24	25	42
1.19 Efficacy of corporate boards, 1-7 (best)	36	42	49	38	42	58	32	26	39	41
1.20 Protection of minority shareholders' interests, 1-7 (best)	41	37	27	12	16	19	19	19	18	32
1.21 Strength of investor protection, 0-10 (best)	11	11	11	11	12	12	13	13	12	28

Source: World Economic Forum

The indicators (table 51) which have improved considerably since 2006 are, judicial independence, burden of government regulation, and ethical behaviour of firms. Mauritius ranking for favouritism in decisions of government officials has however deteriorated over the years, moving from the 52nd position in 2006 to the 85th position in 2015.

Mauritius and top performers in the region

Among sub-Saharan countries, Rwanda has been surpassing Mauritius in the first pillar (table 52) since 2010. Rwanda outperforms Mauritius in several areas such as public trust in politicians, favouritism in decisions of government officials and wastefulness of government spending amongst others (table 53).

Table 52: The 10 most Competitive Sub-Saharan African economies - Ranking; First Pillar; (1= the best)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rwanda					19	21	20	19	18	17
Mauritius	47	45	39	41	43	40	39	39	35	34
Botswana	36	42	36	29	32	32	33	34	39	37
South Africa	35	39	46	45	47	46	43	41	36	38
Namibia	49	53	42	37	38	43	52	48	50	44
Zambia	64	73	67	61	65	64	56	51	52	46
Seychelles							47	45	54	61
Côte d'Ivoire			130	127	133	137	129	104	86	62
Gabon							67	81	79	78
Kenya	93	101	93	107	123	114	106	88	78	91

Source: World Economic Forum

Table 53: Mauritius v/s Rwanda- Ranking: First Pillar ;(1= the best)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1.01 Property rights, 1-7 (best)	Rwanda					44	37	34	29	28	20
	Mauritius	34	27	22	36	36	33	36	37	33	32
1.02 Intellectual property protection, 1-7 (best)	Rwanda						34	32	33	32	28
	Mauritius	44	43	46	48		55	54	49	41	41
1.03 Diversion of public funds, 1-7 (best)	Rwanda					15	30	37	25	19	18
	Mauritius	50	43	41	42	48	45	48	51	46	49
1.04 Public trust in politicians, 1-7 (best)	Rwanda					8	7	6	8	10	8
	Mauritius	76	73	66	60	60	60	58	66	66	73
1.05 Irregular payments and bribes, 1-7 (best)	Rwanda					27	25	21	24	27	24
	Mauritius					46	47	44	45	45	43
1.06 Judicial independence, 1-7 (best)	Rwanda					32	30	25	33	34	26
	Mauritius	50	45	38	33	38	40	34	35	31	32
1.07 Favouritism in decisions of government officials, 1-7 (best)	Rwanda					8	6	5	11	16	10
	Mauritius	52	60	54	53	62	59	60	66	73	85
1.08 Wastefulness of government spending, 1-7 (best)	Rwanda					2	2	4	4	4	4
	Mauritius	48	62	51	39	36	36	38	47	44	46
1.09 Burden of government regulation, 1-7 (best)	Rwanda					3	2	2	3	6	4
	Mauritius	115	65	31	29	29	46	50	35	36	29
1.10 Efficiency of legal framework in settling disputes, 1-7 (best)	Rwanda					35	25	15	17	16	12
	Mauritius				35	29	33	26	23	22	23
1.11 Efficiency of legal framework in challenging regs., 1-7 (best)	Rwanda					42	28	17	20	24	18
	Mauritius				38	28	33	30	22	30	31
1.12 Transparency of government policymaking, 1-7 (best)	Rwanda					22	13	7	8	8	9
	Mauritius	29	27	30	26	24	37	42	38	34	28
1.13 Business costs of terrorism, 1-7 (best)	Rwanda					2	39	66	57	37	17
	Mauritius	23	6	5	27	49	51	35	20	12	26
1.14 Business costs of crime and violence, 1-7 (best)	Rwanda					6	18	30	12	6	4
	Mauritius	61	48	55	65	69	64	60	46	35	43
1.15 Organized crime, 1-7 (best)	Rwanda					1	25	40	18	9	6
	Mauritius	43	21	16	28	34	29	17	21	20	23
1.16 Reliability of police services, 1-7 (best)	Rwanda					21	20	19	21	21	21
	Mauritius	65	64	66	60	65	65	57	54	51	50
1.17 Ethical behaviour of firms, 1-7 (best)	Rwanda					34	32	28	24	22	22
	Mauritius	55	57	43	49	46	46	43	41	37	36
1.18 Strength of auditing and reporting standards, 1-7 (best)	Rwanda					86	78	69	65	63	43
	Mauritius	35	34	31	26	29	31	22	24	25	42
1.19 Efficacy of corporate boards, 1-7 (best)	Rwanda					3	18	46	39	35	37
	Mauritius	36	42	49	38	42	58	32	26	39	41
1.20 Protection of minority shareholders' interests, 1-7 (best)	Rwanda					42	36	30	31	34	25
	Mauritius	41	37	27	12	16	19	19	19	18	32
1.21 Strength of investor protection, 0-10 (best)	Rwanda					27	28	29	31	22	100
	Mauritius	11	11	11	11	12	12	13	13	12	28

Source: World Economic Forum

Mauritius and the top performer at international level

Finland takes the lead position for the first pillar in 2015- 2016 (table 54 and 55), followed by Singapore and New Zealand respectively.

Table 54: Mauritius v/s Best performers globally- Ranking: First Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Finland	1=the best	2	1	2	4	4	4	3	1	2	1
Singapore	1=the best	3	3	1	1	1	1	1	3	3	2
New Zealand	1=the best	6	9	8	5	3	3	2	2	1	3
Qatar	1=the best	18	16	16	9	10	14	4	4	4	4
Norway	1=the best	7	8	7	7	6	7	8	6	5	5
Luxembourg	1=the best	14	14	13	6	9	8	9	10	6	6
Switzerland	1=the best	5	4	5	8	7	6	5	7	9	7
Hong Kong SAR	1=the best	15	12	9	11	8	9	10	9	8	8
United Arab Emirates	1=the best	24	19	18	15	20	22	12	11	7	9
Netherlands	1=the best	9	10	10	10	12	10	7	8	10	10
Mauritius	1=the best	47	45	39	41	43	40	39	39	35	34

Source: World Economic Forum

Table 55: Mauritius v/s Finland, Ranking First Pillar; (1= the best)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1.01 Property rights, 1-7 (best)	Finland	11	7	5	3	2	1	1	1	1	1
	Mauritius	34	27	22	36	36	33	36	37	33	32
1.02 Intellectual property protection, 1-7 (best)	Finland	3	2	4	3		1	1	1	1	1
	Mauritius	44	43	46	48		55	54	49	41	41
1.03 Diversion of public funds, 1-7 (best)	Finland	3	2	4	5	5	5	3	4	3	2
	Mauritius	50	43	41	42	48	45	48	51	46	49
1.04 Public trust in politicians, 1-7 (best)	Finland	4	3	3	10	13	14	12	7	5	5
	Mauritius	76	73	66	60	60	60	58	66	66	73
1.05 Irregular payments and bribes, 1-7 (best)	Finland					4	5	2	2	2	1
	Mauritius					46	47	44	45	45	43
1.06 Judicial independence, 1-7 (best)	Finland	11	4	2	4	6	4	2	2	2	2
	Mauritius	50	45	38	33	38	40	34	35	31	32
1.07 Favouritism in decisions of government officials, 1-7 (best)	Finland	3	1	2	7	9	9	7	4	4	4
	Mauritius	52	60	54	53	62	59	60	66	73	85
1.08 Wastefulness of government spending, 1-7 (best)	Finland	10	8	5	10	14	11	9	6	9	9
	Mauritius	48	62	51	39	36	36	38	47	44	46
1.09 Burden of government regulation, 1-7 (best)	Finland	4	4	12	12	10	11	6	4	7	15
	Mauritius	115	65	31	29	29	46	50	35	36	29
1.10 Efficiency of legal framework in settling disputes, 1-7 (best)	Finland				15	7	3	2	2	2	3
	Mauritius				35	29	33	26	23	22	23
1.11 Efficiency of legal framework in challenging regs., 1-7 (best)	Finland				9	4	1	1	1	1	1
	Mauritius				38	28	33	30	22	30	31
1.12 Transparency of government policymaking, 1-7 (best)	Finland	3	3	5	8	8	6	2	2	3	5
	Mauritius	29	27	30	26	24	37	42	38	34	28
1.13 Business costs of terrorism, 1-7 (best)	Finland	1	1	1	4	8	4	2	3	1	1
	Mauritius	23	6	5	27	49	51	35	20	12	26
1.14 Business costs of crime and violence, 1-7 (best)	Finland	1	2	3	3	10	5	3	3	3	2
	Mauritius	61	48	55	65	69	64	60	46	35	43
1.15 Organized crime, 1-7 (best)	Finland	2	2	4	6	5	13	4	5	5	1
	Mauritius	43	21	16	28	34	29	17	21	20	23
1.16 Reliability of police services, 1-7 (best)	Finland	1	1	1	1	1	1	1	1	1	1
	Mauritius	65	64	66	60	65	65	57	54	51	50
1.17 Ethical behavior of firms, 1-7 (best)	Finland	1	1	2	3	3	5	2	2	2	1
	Mauritius	55	57	43	49	46	46	43	41	37	36
1.18 Strength of auditing and reporting standards, 1-7 (best)	Finland	4	7	6	3	5	7	2	2	2	2
	Mauritius	35	34	31	26	29	31	22	24	25	42
1.19 Efficacy of corporate boards, 1-7 (best)	Finland	3	7	4	6	9	6	9	4	4	5
	Mauritius	36	42	49	38	42	58	32	26	39	41
1.20 Protection of minority shareholders' interests, 1-7 (best)	Finland	6	5	7	3	2	2	1	2	1	1
	Mauritius	41	37	27	12	16	19	19	19	18	32
1.21 Strength of investor protection, 0-10 (best)	Finland	30	35	39	42	45	47	52	57	57	72
	Mauritius	11	11	11	11	12	12	13	13	12	28

Source: World Economic Forum

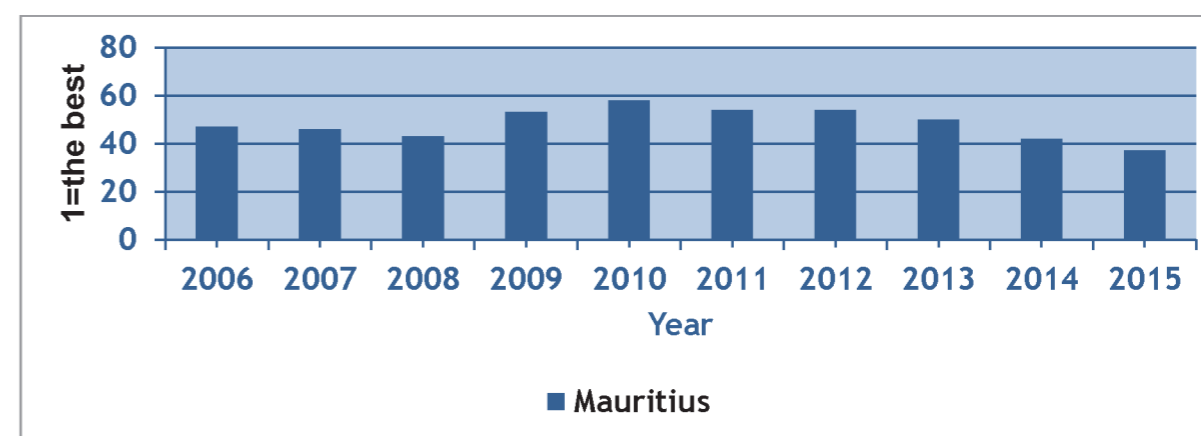
3.5. Second pillar- Infrastructure

Mauritius performance

Extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy, as it is an important factor in determining the location of economic activity and the kinds of activities or sectors that can develop within a country. Well-developed infrastructure reduces the effect of distance between regions, integrating the national market and connecting it at low cost to markets in other countries and regions.

Mauritius is ranked 37th in 2015 for its infrastructure which represents an improvement over its past years ranking (figure 15). The ranking for several indicators has however deteriorated over the period 2006- 2015 (table 56).

Figure 15: Second Pillar: Infrastructure Ranking, Mauritius



Source: World Economic Forum

Table 56: Pillar 2 Ranking- Mauritius, 2006- 2015; 1= the best

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
2.01 Quality of overall infrastructure, 1-7 (best)	45	44	45	53	57	59	53	52	49	47
2.02 Quality of roads, 1-7 (best)	43	43	43	51	58	62	58	52	42	39
2.04 Quality of port infrastructure, 1-7 (best)	31	41	47	60	56	49	48	44	36	42
2.05 Quality of air transport infrastructure, 1-7 (best)	40	39	42	57	56	55	49	50	46	40
2.06 Available airline seat km/week, millions	59	58	59	65	66	67	68	72	70	69
2.07 Quality of electricity supply, 1-7 (best)	42	45	47	59	64	59	66	66	45	45
2.08 Mobile telephone subscriptions/100 pop.	57	60	73	77	83	83	86	66	52	41
2.09 Fixed telephone lines/100 pop.	41	42	43	46	44	39	43	44	38	36

Source: World Economic Forum

Mauritius and the top performers in the region

Mauritius has the best infrastructure among the top performers in the region. It is followed by Seychelles and Namibia respectively (table 57).

Table 57: The 10 most Competitive Sub-Saharan African economies - Ranking; Second Pillar; (1= the best)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mauritius	47	46	43	53	58	54	54	50	42	37
Seychelles							42	43	53	47
Namibia	40	39	33	32	54	58	59	60	66	66
South Africa	32	43	48	45	63	62	63	66	60	68
Côte d'Ivoire			73	73	99	108	102	107	93	85
Botswana	55	57	52	61	84	92	87	94	101	96
Rwanda					101	101	96	104	105	97
Kenya	97	93	91	92	102	103	103	102	96	99
Gabon							117	114	114	110
Zambia	105	114	116	111	118	112	111	118	118	120

Source: World Economic Forum

Mauritius and the top performer at international level

Hong Kong tops the infrastructure pillar since 2010 and is followed by Singapore (table 58 and 59).

Table 58: Mauritius v/s Best performers globally- Ranking; Second Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hong Kong SAR	1=the best	4	5	5	2	1	1	1	1	1	1
Singapore	1=the best	3	3	4	4	5	3	2	2	2	2
Netherlands	1=the best	10	11	12	15	7	7	7	7	4	3
United Arab Emirates	1=the best	17	17	14	6	3	8	8	5	3	4
Japan	1=the best	6	9	11	13	11	15	11	9	6	5
Switzerland	1=the best	5	4	3	5	6	5	5	6	5	6
Germany	1=the best	1	1	1	1	2	2	3	3	7	7
France	1=the best	2	2	2	3	4	4	4	4	8	8
United Kingdom	1=the best	12	13	18	20	8	6	6	8	10	9
Spain	1=the best	22	19	22	22	14	12	10	10	9	10
Mauritius	1=the best	47	46	43	53	58	54	54	50	42	37

Source: World Economic Forum

Table 59: Mauritius v/s Hong Kong- Pillar 2 ; (1= the best)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
2.01 Quality of overall infrastructure, 1-7 (best)	Hong Kong SAR	7	8	8	3	2	4	4	2	2	3
	Mauritius	45	44	45	53	57	59	53	52	49	47
2.02 Quality of roads, 1-7 (best)	Hong Kong SAR	6	6	5	3	4	9	8	5	7	5
	Mauritius	43	43	43	51	58	62	58	52	42	39
2.03 Quality of railroad infrastructure, 1-7 (best)	Hong Kong SAR				3	2		3	3	3	3
2.04 Quality of port infrastructure, 1-7 (best)	Hong Kong SAR	3	3	2	2	1	3	3	3	4	5
	Mauritius	31	41	47	60	56	49	48	44	36	42
2.05 Quality of air transport infrastructure, 1-7 (best)	Hong Kong SAR	3	2	2	2	1	2	2	2	3	3
	Mauritius	40	39	42	57	56	55	49	50	46	40
2.06 Available airline seat km/week, millions	Hong Kong SAR	15	13	15	14	15	15	14	17	16	17
	Mauritius	59	58	59	65	66	67	68	72	70	69
2.07 Quality of electricity supply, 1-7 (best)	Hong Kong SAR	13	11	12	3	1	7	3	1	2	2
	Mauritius	42	45	47	59	64	59	66	66	45	45
2.08 Mobile telephone subscriptions/100 pop.	Hong Kong SAR	2	4	3	5	6	1	1	1	1	1
	Mauritius	57	60	73	77	83	83	86	66	52	41
2.09 Fixed telephone lines/100 pop.	Hong Kong SAR	15	11	12	9	4	3	3	5	2	1
	Mauritius	41	42	43	46	44	39	43	44	38	36

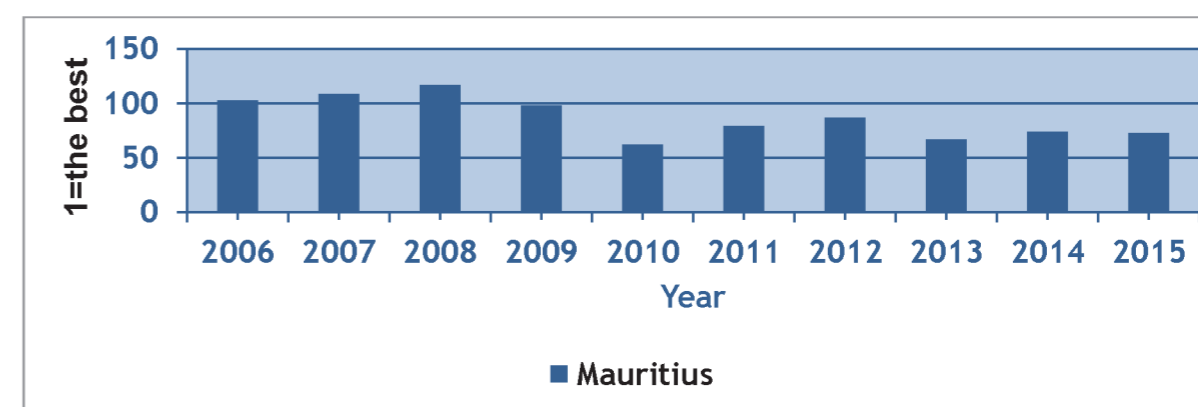
Source: World Economic Forum

3.6. Macroeconomic environment

The stability of the macroeconomic environment is important for business and, therefore, is significant for the overall competitiveness of a country.

Mauritius' macroeconomic environment ranking has improved slightly in 2015. Ranked 74th in 2014, the country's macroeconomic environment is now ranked 73rd (figure 16) .The ranking of most of the indicators under this pillar have deteriorated for the period 2006- 2015 (table 60).

Figure 16: Third Pillar: Macroeconomic Environment Ranking, Mauritius



Source: World Economic Forum

Table 60: Pillar 3 Ranking- Mauritius; 1= the best

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3.01 Government budget balance, % GDP	1=the best	73	120	115	92	58	63	75	56	84	76
3.02 Gross national savings, % GDP	1=the best	59	31	25	29	21	98	103	100	113	102
3.03 Inflation, annual % change	1=the best	74	73	120	73	63	55	95	74	71	73
3.04 General government debt, % GDP	1=the best	82	93	100	102	103	94	97	92	89	86
3.05 Country credit rating, 0–100 (best)	1=the best								59		60

Source: World Economic Forum

Mauritius and the top performers in the region

Botswana, Gabon and Seychelles surpass Mauritius in the third pillar (table 61). Botswana performs better than Mauritius in all the indicators except inflation rate (table 62).

Table 61: The 10 most Competitive Sub-Saharan African economies; Pillar 3 ; (1= the best)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Botswana	29	76	22	41	74	82	81	24	13	9
Gabon							9	13	18	18
Seychelles							79	89	57	61
Namibia	21	18	27	66	40	63	84	70	78	71
Mauritius	103	109	117	98	62	79	87	67	74	73
Côte d'Ivoire			69	89	94	98	130	106	68	74
Zambia	118	112	102	104	120	99	67	81	103	83
South Africa	46	50	63	68	43	55	69	95	89	85
Rwanda					106	61	78	92	79	92
Kenya	90	122	107	121	128	117	133	132	126	123

Source: World Economic Forum

Table 62: Botswana v/s Mauritius, Ranking Third Pillar; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3.01 Government budget balance, % GDP	Botswana	1=the best	29	53	13	52	133	137	95	25	18	17
	Mauritius	1=the best	73	120	115	92	58	63	75	56	84	76
3.02 Gross national savings, % GDP	Botswana	1=the best	8	13	13	15	33	42	100	23	12	4
	Mauritius	1=the best	59	31	25	29	21	98	103	100	113	102
3.03 Inflation, annual % change	Botswana	1=the best	96	119	90	108	114	114	113	116	103	87
	Mauritius	1=the best	74	73	120	73	63	55	95	74	71	73
3.04 General government debt, % GDP	Botswana	1=the best			4	8	4	15	21	16	14	11
	Mauritius	1=the best	82	93	100	102	103	94	97	92	89	86
3.05 Country credit rating, 0–100 (best)	Botswana	1=the best								45		47
	Mauritius	1=the best								59		60

Source: World Economic Forum

Mauritius and the top performer at international level

Norway has the most stable macroeconomic environment globally (table 63 and 64). Despite its remarkable good performance over the years, Norway's inflation ranking deteriorated from the 1st position for the period 2011- 2014 to the 59th position in 2015.

Table 63: Mauritius v/s Best performers globally- Ranking: Third Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Norway	1=the best	6	6	17	7	18	4	3	2	1	1
Qatar	1=the best	4	19	19	13	8	5	2	6	2	2
Kuwait	1=the best	2	1	1	3	2	2	4	3	3	3
Saudi Arabia	1=the best		3	9	9	22	12	6	4	4	4
Korea, Rep.	1=the best	5	8	4	11	6	6	10	9	7	5
Switzerland	1=the best	19	22	10	17	5	7	8	11	12	6
United Arab Emirates	1=the best	7	39	24	24	12	11	7	7	5	7
China	1=the best	3	7	11	8	4	10	11	10	10	8
Botswana	1=the best	29	76	22	41	74	82	81	24	13	9
Azerbaijan	1=the best	45	23	45	27	13	16	18	8	9	10
Mauritius	1=the best	103	109	117	98	62	79	87	67	74	73

Source: World Economic Forum

Table 64: Mauritius v/s Norway- Pillar 3; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3.01 Government budget balance, % GDP	Norway	1=the best	3	5	4	8	111	5	6	7	4	3
	Mauritius	1=the best	73	120	115	92	58	63	75	56	84	76
3.02 Gross national savings, % GDP	Norway	1=the best	9	16	16	13	12	18	14	13	14	9
	Mauritius	1=the best	59	31	25	29	21	98	103	100	113	102
3.03 Inflation, annual % change	Norway	1=the best	13	24	7	19	55	1	1	1	1	59
	Mauritius	1=the best	74	73	120	73	63	55	95	74	71	73
3.04 General government debt, % GDP	Norway	1=the best	60	62	117	100	87	99	96	52	35	33
	Mauritius	1=the best	82	93	100	102	103	94	97	92	89	86
3.05 Country credit rating, 0-100 (best)	Norway	1=the best								1		2
	Mauritius	1=the best								59		60

Source: World Economic Forum

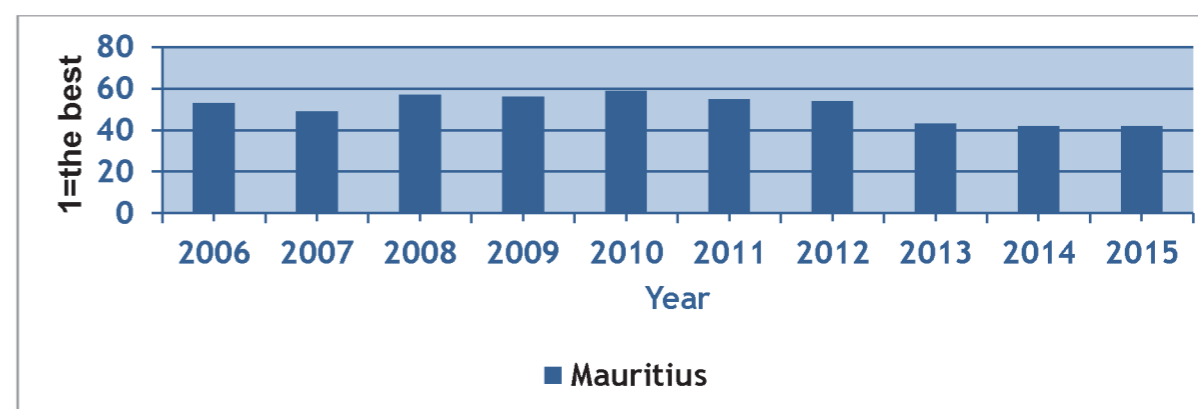
3.7. Health and primary education

Mauritius performance

A healthy workforce is vital to a country's competitiveness and productivity. In addition, the quantity and quality of the basic education received by the population, is increasingly important in today's economy.

Mauritius is ranked 42nd for health and primary education in 2015, which represents an improvement over its previous years ranking (figure 17). It is noted that the business impact of tuberculosis is becoming less severe over the years. Similarly a remarkable improvement is seen in terms of primary education enrollment rate for the period 2011- 2015(table 65).

Figure 17: Health and Primary Education Ranking, Mauritius



Source: World Economic Forum

Table 65: Pillar 4 Ranking- Mauritius; 1= the best

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
4.01 Malaria cases/100,000 pop.	1=the best	66	72	70	1	1	1	1	1		
4.02 Business impact of malaria, 1-7 (best)	1=the best	57	49	48	1	1	1	1	1		
4.03 Tuberculosis cases/100,000 pop.	1=the best	78	71	41	42	47	47	50	47	46	45
4.04 Business impact of tuberculosis, 1-7 (best)	1=the best	34	29	30	36	40	44	53	64	52	52
4.05 HIV prevalence, % adult pop.	1=the best	1	84	114	113	117	106	105	107	113	95
4.06 Business impact of HIV/AIDS, 1-7 (best)	1=the best	65	63	65	70	79	76	85	80	70	70
4.07 Infant mortality, deaths/1,000 live births	1=the best	48	52	56	57	67	70	62	67	66	65
4.08 Life expectancy, years	1=the best	52	56	55	59	75	78	82	82	79	68
4.09 Quality of primary education, 1-7 (best)	1=the best		54	60	66	66	63	53	47	45	48
4.10 Primary education enrollment, net %	1=the best	45	47	51	49	76	63	72	46	34	24

Source: World Economic Forum

Mauritius and the top performers in the region

Mauritius is the lead performer in the region for pillar 4 and is followed by Seychelles and Rwanda respectively (table 66).

Table 66: The 10 most competitive Sub-Saharan African economies - Ranking; Fourth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mauritius	1=the best	53	49	57	56	59	55	54	43	42	42
Seychelles	1=the best							47	55	55	64
Rwanda	1=the best					111	112	100	94	86	88
Gabon	1=the best							128	132	130	111
Kenya	1=the best	104	110	108	110	121	118	115	119	120	114
Namibia	1=the best	101	122	118	109	112	114	120	125	115	116
Botswana	1=the best	111	119	112	118	114	120	114	115	127	119
Zambia	1=the best	113	126	128	126	128	130	129	126	118	122
South Africa	1=the best	100	117	122	125	129	131	132	135	132	126
Côte d'Ivoire	1=the best			127	128	136	138	140	142	140	129

Source: World Economic Forum

Mauritius and the top performers at international level

Finland tops the world for health and primary education for the period 2006- 2015. Finland has the best quality of primary education worldwide and excels for the indicators business impact of tuberculosis and HIV prevalence (table 67 and 68).

Table 67: Mauritius v/s Best performers globally- Ranking: Fourth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Finland	1=the best	8	1	1	1	2	1	1	1	1	1
Singapore	1=the best	46	19	16	13	3	3	3	2	3	2
Belgium	1=the best	41	13	3	3	1	2	2	3	2	3
Japan	1=the best	31	23	22	19	9	9	10	10	6	4
New Zealand	1=the best	4	4	5	4	5	4	4	5	4	5
Netherlands	1=the best	19	10	11	14	8	7	5	4	5	6
Canada	1=the best	13	8	6	7	6	6	7	7	7	7
Iceland	1=the best	3	2	2	2	4	5	6	9	10	8
Australia	1=the best	23	17	15	16	13	10	13	22	17	9
Norway	1=the best	5	7	12	17	24	21	18	14	15	10
Mauritius	1=the best	53	49	57	56	59	55	54	43	42	42

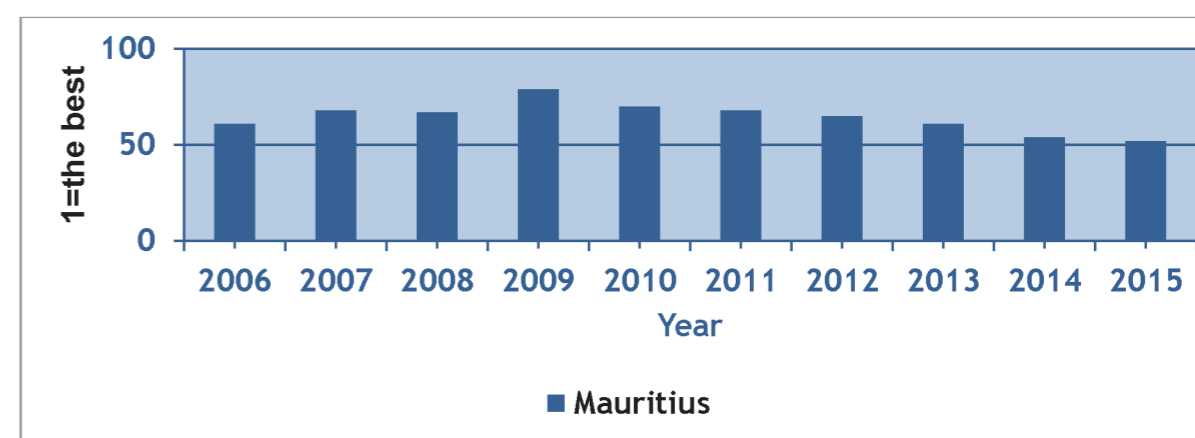
Source: World Economic Forum

Table 68: Mauritius v/s Finland, Pillar 4; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
4.01 Malaria cases/100,000 pop.	Finland	1=the best	1	1	1	1	1	1	1	1		
	Mauritius	1=the best	66	72	70	1	1	1	1	1		
4.02 Business impact of malaria, 1-7 (best)	Finland	1=the best	26	6	1	1	1	1	1	1		
	Mauritius	1=the best	57	49	48	1	1	1	1	1		
4.03 Tuberculosis cases/100,000 pop.	Finland	1=the best	15	11	3	7	23	24	18	25	10	7
	Mauritius	1=the best	78	71	41	42	47	47	50	47	46	45
4.04 Business impact of tuberculosis, 1-7 (best)	Finland	1=the best	9	2	1	1	1	1	2	2	1	1
	Mauritius	1=the best	34	29	30	36	40	44	53	64	52	52
4.05 HIV prevalence, % adult pop.	Finland	1=the best	26	25	23	15	22	21	12	11	1	3
	Mauritius	1=the best	1	84	114	113	117	106	105	107	113	95
4.06 Business impact of HIV/AIDS, 1-7 (best)	Finland	1=the best	6	6	8	5	6	3	1	2	2	3
	Mauritius	1=the best	65	63	65	70	79	76	85	80	70	70
4.07 Infant mortality, deaths/1,000 live births	Finland	1=the best	3	3	4	3	7	8	7	6	8	4
	Mauritius	1=the best	48	52	56	57	67	70	62	67	66	65
4.08 Life expectancy, years	Finland	1=the best	15	15	22	25	24	25	25	26	24	22
	Mauritius	1=the best	52	56	55	59	75	78	82	82	79	68
4.09 Quality of primary education, 1-7 (best)	Finland	1=the best		1	1	1	1	1	1	1	1	1
	Mauritius	1=the best		54	60	66	66	63	53	47	45	48
4.10 Primary education enrollment, net %	Finland	1=the best	7	21	35	41	48	41	32	35	14	9
	Mauritius	1=the best	45	47	51	49	76	63	72	46	34	24

Source: World Economic Forum

Figure 18: Fifth pillar: Higher Education and Training Ranking, Mauritius



Source: World Economic Forum

Table 69: Pillar 5 Ranking- Mauritius; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
5.01 Secondary education enrolment, gross %	1=the best	61	56	63	65	72	71	67	84	52	52
5.02 Tertiary education enrolment, gross %	1=the best	81	85	90	97	82	81	82	75	68	65
5.03 Quality of the education system, 1-7 (best)	1=the best	63	53	47	51	50	50	46	37	42	49
5.04 Quality of math and science education, 1-7 (best)	1=the best	54	63	58	65	68	63	49	43	40	50
5.05 Quality of management schools, 1-7 (best)	1=the best	72	89	90	91	90	87	76	61	55	66
5.06 Internet access in schools, 1-7 (best)	1=the best	54	65	63	78	73	75	72	67	65	71
5.07 Availability of research and training services, 1-7 (best)	1=the best	72	89	90	93	87	76	67	63	52	60
5.08 Extent of staff training, 1-7 (best)	1=the best	34	29	36	44	41	40	37	38	35	30

Source: World Economic Forum

3.8. Fifth Pillar- Higher education and training

Mauritius performance

Quality higher education and training is crucial for economies that want to move up the value chain beyond simple production processes and products.

Mauritius is ranked 52nd in this pillar in 2015 which represents an improvement over its past years' performance (figure 18). A remarkable improvement is noted in several indicators under this pillar such as secondary and tertiary rate, the quality of math and science education and the quality of management of schools (table 69).

Mauritius and the top performers in the region

Mauritius takes the lead position in the region for higher education and training. It is followed by Zambia, South Africa and Seychelles respectively (table 70).

Table 70: The 10 most competitive Sub-Saharan African economies - Ranking; Fifth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mauritius	1=the best	61	68	67	79	70	68	65	61	54	52
Zambia	1=the best	117	122	118	114	114	121	121	119	80	78
South Africa	1=the best	49	56	57	65	75	73	84	89	86	83
Seychelles	1=the best							31	79	85	92
Kenya	1=the best	83	88	86	85	96	94	100	103	95	98
Botswana	1=the best	77	90	87	94	94	93	95	99	101	100
Côte d'Ivoire	1=the best			112	112	116	124	123	121	121	108
Namibia	1=the best	92	107	110	110	111	113	119	115	115	109
Rwanda	1=the best					121	119	117	122	122	120
Gabon	1=the best							122	135	126	125

Source: World Economic Forum

Mauritius and the top performers at international level

Singapore excels globally for higher education and training (table 71 and 72).

Table 71: Mauritius v/s Best performers globally- Ranking; Fifth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Singapore	1=the best	17	16	8	5	5	4	2	2	2	1
Finland	1=the best	1	1	1	1	1	1	1	1	1	2
Netherlands	1=the best	9	10	11	10	10	8	6	6	3	3
Switzerland	1=the best	7	7	7	6	4	3	3	4	4	4
Belgium	1=the best	10	11	6	8	7	5	4	5	5	5
United States	1=the best	4	5	5	7	9	13	8	7	7	6
Norway	1=the best	8	9	10	12	12	15	12	10	8	7
Australia	1=the best	14	14	14	14	14	11	11	15	11	8
Denmark	1=the best	2	3	2	2	3	6	14	14	10	9
New Zealand	1=the best	18	12	15	11	13	14	10	9	9	10
Mauritius	1=the best	61	68	67	79	70	68	65	61	54	52

Source: World Economic Forum

Table 72: Singapore v/s Mauritius, Fifth Pillar; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
5.01 Secondary education enrolment, gross %	Singapore	1=the best	31	32	21	17	15	17	15	18	16	17
	Mauritius	1=the best	61	56	63	65	72	71	67	84	52	52
5.02 Tertiary education enrolment, gross %	Singapore	1=the best	35	36	31	29	30	27	19	20	10	9
	Mauritius	1=the best	81	85	90	97	82	81	82	75	68	65
5.03 Quality of the education system, 1-7 (best)	Singapore	1=the best	1	1	2	1	1	2	3	3	4	3
	Mauritius	1=the best	63	53	47	51	50	50	46	37	42	49
5.04 Quality of math and science education, 1-7 (best)	Singapore	1=the best	1	1	2	1	1	1	1	1	1	1
	Mauritius	1=the best	54	63	58	65	68	63	49	43	40	50
5.05 Quality of management schools, 1-7 (best)	Singapore	1=the best	8	7	7	5	6	8	6	6	6	4
	Mauritius	1=the best	72	89	90	91	90	87	76	61	55	66
5.06 Internet access in schools, 1-7 (best)	Singapore	1=the best	3	9	9	5	5	6	5	4	6	2
	Mauritius	1=the best	54	65	63	78	73	75	72	67	65	71
5.07 Availability of research and training services, 1-7 (best)	Singapore	1=the best	16	17	13	14	19	19	16	14	12	8
	Mauritius	1=the best	72	89	90	93	87	76	67	63	52	60
5.08 Extent of staff training, 1-7 (best)	Singapore	1=the best	10	7	3	2	4	4	3	6	7	4
	Mauritius	1=the best	34	29	36	44	41	40	37	38	35	30

Source: World Economic Forum

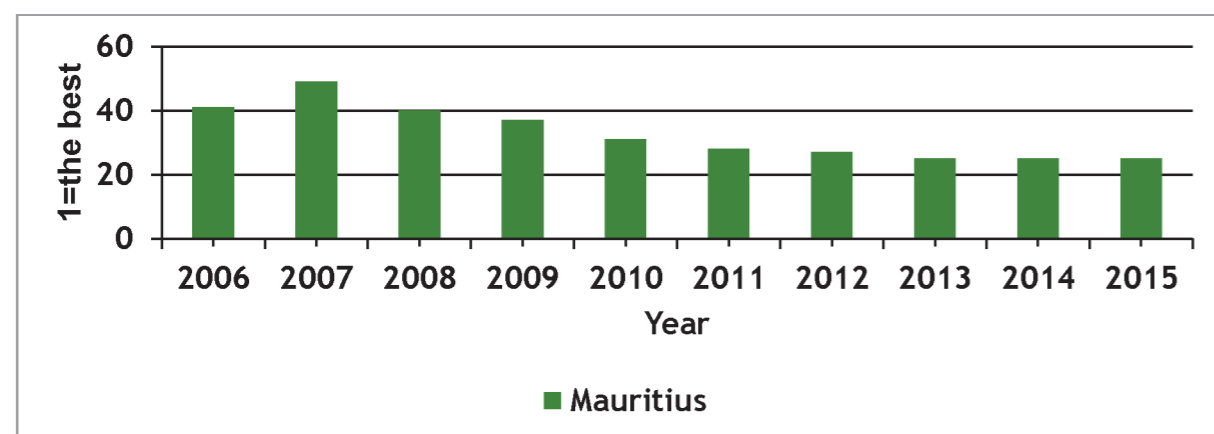
3.9. Sixth pillar: Goods market efficiency

Mauritius performance

Countries with efficient goods markets are well positioned to produce the right mix of products and services given their particular supply-and-demand conditions, as well as to ensure that these goods can be most effectively traded in the economy.

Mauritius has progressed from the 41st rank in 2006 to the 25th rank in 2015 for its good market efficiency (figure 19). However, deterioration is noted in several areas such as number of procedures to start a business, number of days to start a business and agricultural policy (table 73).

Figure 19: Sixth pillar: Goods market efficiency Ranking, Mauritius



Source: World Economic Forum

Table 73: Pillar 6 Ranking- Mauritius; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
6.01 Intensity of local competition, 1-7 (best)	1=the best	72	76	80	72	56	57	42	30	24	32
6.02 Extent of market dominance, 1-7 (best)	1=the best	104	124	119	111	116	105	86	81	79	106
6.03 Effectiveness of anti-monopoly policy, 1-7 (best)	1=the best	80	93	74	73	64	45	40	44	45	45
6.04 Effect of taxation on incentives to invest, 1-7 (best)	1=the best								9	9	9
6.05 Total tax rate, % profits	1=the best	4	6	8	12	17	19	21	32	32	23
6.06 No. procedures to start a business	1=the best	17	16	19	16	23	23	29	30	32	38
6.07 No. days to start a business	1=the best	76	92	9	9	13	13	16	16	21	28
6.08 Agricultural policy costs, 1-7 (best)	1=the best	27	35	24	18	16	18	23	25	26	37
6.09 Prevalence of trade barriers, 1-7 (best)	1=the best	78	34	30	34	39	39	27	26	33	58
6.10 Trade tariffs, % duty	1=the best	4	4	43	44	31	31	34	31	4	3
6.11 Prevalence of foreign ownership, 1-7 (best)	1=the best	78	73	43	60	72	87	81	67	65	64
6.12 Business impact of rules on FDI, 1-7 (best)	1=the best	62	38	8	6	8	14	9	9	7	17
6.13 Burden of customs procedures, 1-7 (best)	1=the best		35	33	37	42	41	40	44	38	32
6.14 Imports as a percentage of GDP	1=the best	36	21	24	36	40	32	35	36	36	41
6.15 Degree of customer orientation, 1-7 (best)	1=the best	43	48	48	41	38	42	41	46	50	45
6.16 Buyer sophistication, 1-7 (best)	1=the best	39	63	55	61	68	57	49	36	36	39

Source: World Economic Forum

Mauritius and the top performers in the region

Mauritius tops the region for its goods market efficiency for the period 2010- 2015. It is followed by South Africa and Rwanda (table 74).

Table 74: The 10 most competitive Sub-Saharan African economies - Ranking; Sixth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mauritius	1=the best	41	49	40	37	31	28	27	25	25	25
South Africa	1=the best	29	32	31	35	40	32	32	28	32	38
Rwanda	1=the best					70	49	39	41	42	44
Zambia	1=the best	117	112	78	70	65	61	42	38	37	53
Seychelles	1=the best							70	53	88	65
Côte d'Ivoire	1=the best			117	115	118	126	122	113	82	75
Kenya	1=the best	66	79	74	73	88	80	93	80	62	84
Namibia	1=the best	69	88	94	77	56	71	87	91	96	85
Botswana	1=the best	82	106	93	79	58	68	78	92	97	95
Gabon	1=the best							126	131	126	124

Source: World Economic Forum

Mauritius and the top performers at international level

Singapore is the world leader for its goods market efficiency for the period 2008- 2015 (table 75 and 76).

Table 75: Best performers globally- Ranking; Sixth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Singapore	1=the best	2	2	1	1	1	1	1	1	1	1
Hong Kong SAR	1=the best	1	1	2	2	2	3	2	2	2	2
United Arab Emirates	1=the best	27	30	25	10	6	10	5	4	3	3
Luxembourg	1=the best	8	18	13	3	3	2	4	5	5	4
Qatar	1=the best	48	42	38	21	12	17	10	3	4	5
Malaysia	1=the best	16	20	23	30	27	15	11	10	7	6
Ireland	1=the best	6	4	9	15	14	13	9	11	10	7
New Zealand	1=the best	3	9	17	8	7	8	3	9	6	8
Switzerland	1=the best	17	6	6	5	4	5	7	6	8	9
Netherlands	1=the best	12	8	3	6	8	9	6	8	9	10
Mauritius	1=the best	41	49	40	37	31	28	27	25	25	25

Source: World Economic Forum

Table 76: Mauritius v/s Singapore, Pillar 6; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
6.01 Intensity of local competition, 1-7 (best)	Singapore	1=the best	22	29	30	21	28	33	21	19	20	21
	Mauritius	1=the best	72	76	80	72	56	57	42	30	24	32
6.02 Extent of market dominance, 1-7 (best)	Singapore	1=the best	20	17	11	11	14	12	11	12	13	13
	Mauritius	1=the best	104	124	119	111	116	105	86	81	79	106
6.03 Effectiveness of anti-monopoly policy, 1-7 (best)	Singapore	1=the best	26	26	20	8	9	11	5	4	8	5
	Mauritius	1=the best	80	93	74	73	64	45	40	44	45	45
6.04 Effect of taxation on incentives to invest, 1-7 (best)	Singapore	1=the best								4	4	5
	Mauritius	1=the best								9	9	9
6.05 Total tax rate, % profits	Singapore	1=the best	14	16	10	18	24	23	25	27	27	10
	Mauritius	1=the best	4	6	8	12	17	19	21	32	32	23
6.06 No. procedures to start a business	Singapore	1=the best	17	16	9	8	6	8	8	10	10	9
	Mauritius	1=the best	17	16	19	16	23	23	29	30	32	38
6.07 No. days to start a business	Singapore	1=the best	6	6	4	4	3	3	4	5	5	4
	Mauritius	1=the best	76	92	9	9	13	13	16	16	21	28
6.08 Agricultural policy costs, 1-7 (best)	Singapore	1=the best	4	3	2	2	6	3	3	5	7	6
	Mauritius	1=the best	27	35	24	18	16	18	23	25	26	37
6.09 Prevalence of trade barriers, 1-7 (best)	Singapore	1=the best	2	3	2	3	5	3	3	4	3	1
	Mauritius	1=the best	78	34	30	34	39	39	27	26	33	58
6.10 Trade tariffs, % duty	Singapore	1=the best	1	1	3	3	2	2	2	3	3	2
	Mauritius	1=the best	4	4	43	44	31	31	34	31	4	3
6.11 Prevalence of foreign ownership, 1-7 (best)	Singapore	1=the best	3	2	3	3	2	2	3	3	2	4
	Mauritius	1=the best	78	73	43	60	72	87	81	67	65	64
6.12 Business impact of rules on FDI, 1-7 (best)	Singapore	1=the best	1	2	2	1	1	1	2	2	2	3
	Mauritius	1=the best	62	38	8	6	8	14	9	9	7	17
6.13 Burden of customs procedures, 1-7 (best)	Singapore	1=the best		1	1	1	2	1	1	1	1	2
	Mauritius	1=the best		35	33	37	42	41	40	44	38	32
6.14 Imports as a percentage of GDP	Singapore	1=the best	1	1	1	1	2	2	2	2	2	2
	Mauritius	1=the best	36	21	24	36	40	32	35	36	36	41
6.15 Degree of customer orientation, 1-7 (best)	Singapore	1=the best	20	15	10	10	18	19	12	14	12	9
	Mauritius	1=the best	43	48	48	41	38	42	41	46	50	45
6.16 Buyer sophistication, 1-7 (best)	Singapore	1=the best	15	19	9	6	10	8	8	12	11	7
	Mauritius	1=the best	39	63	55	61	68	57	49	36	36	39

Source: World Economic Forum

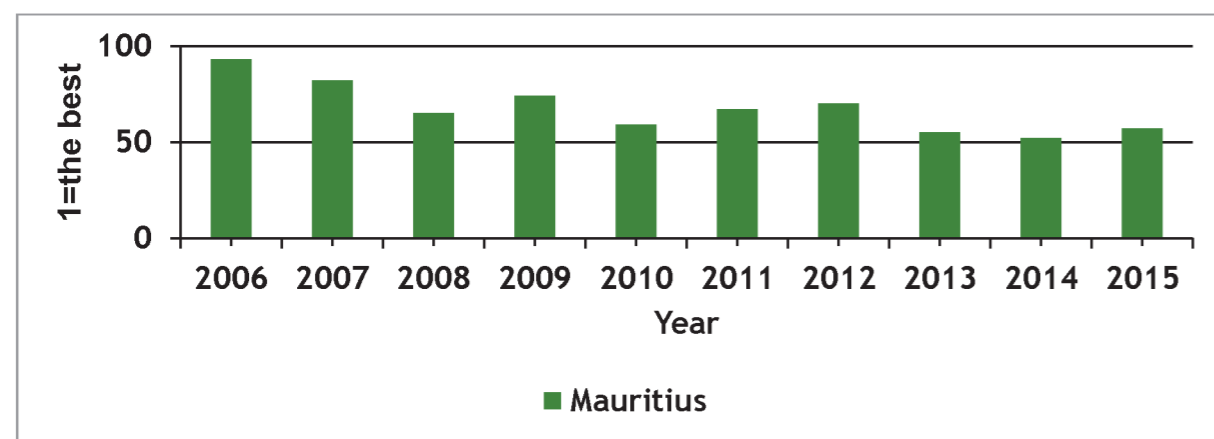
3.10. Seventh Pillar: Labour market efficiency

Mauritius performance

The efficiency and flexibility of the labour market are critical for ensuring that workers are allocated to their most effective use in the economy and provided with incentives to give their best effort in their jobs.

Mauritius has progressed from the 93rd position in 2006 to the 57th position in 2015 (figure 20) for its labour market efficiency. However, though Mauritius has improved in several indicators under this pillar, women participation in the labour force has not changed much over the years (table 77).

Figure 20: Seventh pillar: Labour Market Efficiency Ranking, Mauritius



Source: World Economic Forum

Table 77: Pillar 7 Ranking- Mauritius; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
7.01 Cooperation in labour-employer relations, 1-7 (best)	1=the best	59	53	43	38	36	43	44	38	31	32
7.02 Flexibility of wage determination, 1-7 (best)	1=the best	118	120	118	105	99	107	108	104	99	100
7.03 Hiring and firing practices, 1-7 (best)	1=the best	101	112	110	87	74	82	78	67	42	43
7.04 Redundancy costs, weeks of salary	1=the best	55	60	61	62	6	6	45	46	45	39
7.05 Effect of taxation on incentives to work, 1-7 (best)	1=the best								12	9	9
7.06 Pay and productivity, 1-7 (best)	1=the best	106	87	65	73	60	74	71	65	47	50
7.07 Reliance on professional management, 1-7 (best)	1=the best	72	67	66	73	64	60	54	53	55	66
7.08 Country capacity to retain talent, 1-7 (best)	1=the best								92	85	73
7.09 Country capacity to attract talent, 1-7 (best)	1=the best								42	38	34
7.10 Women in labour force, ratio to men	1=the best	102	106	108	109	113	115	116	118	115	114

Source: World Economic Forum

Mauritius and the top performers in the region

Rwanda, Kenya and Botswana respectively surpass Mauritius in pillar 7 (table 78). Rwanda is among the top 10 countries globally for the pillar labour market efficiency (table 79).

Table 78: The 10 most competitive Sub-Saharan African economies - Ranking; Seventh Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rwanda	1=the best					9	8	11	11	9	8
Kenya	1=the best	65	60	40	40	46	37	39	35	25	31
Botswana	1=the best	44	54	52	58	61	52	60	47	36	39
Seychelles	1=the best							48	31	44	43
Namibia	1=the best	45	50	50	57	55	57	74	59	55	49
Mauritius	1=the best	93	82	65	74	59	67	70	55	52	57
Côte d'Ivoire	1=the best			111	105	105	84	71	68	73	69
Gabon	1=the best							63	73	69	71
Zambia	1=the best	82	99	102	107	107	105	111	93	88	87
South Africa	1=the best	79	78	88	90	97	95	113	116	113	107

Source: World Economic Forum

Table 79: Rwanda v/s Mauritius, Seventh Pillar; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
7.01 Cooperation in labor-employer relations, 1-7 (best)	Rwanda	1=the best					22	30	40	32	24	23
	Mauritius	1=the best	59	53	43	38	36	43	44	38	31	32
7.02 Flexibility of wage determination, 1-7 (best)	Rwanda	1=the best					12	38	58	56	54	36
	Mauritius	1=the best	118	120	118	105	99	107	108	104	99	100
7.03 Hiring and firing practices, 1-7 (best)	Rwanda	1=the best					24	43	59	46	31	20
	Mauritius	1=the best	101	112	110	87	74	82	78	67	42	43
7.04 Redundancy costs, weeks of salary	Rwanda	1=the best					48	51	54	58	56	51
	Mauritius	1=the best	55	60	61	62	6	6	45	46	45	39
7.05 Effect of taxation on incentives to work, 1-7 (best)	Rwanda	1=the best								18	16	14
	Mauritius	1=the best								12	9	9
7.06 Pay and productivity, 1-7 (best)	Rwanda	1=the best					45	46	47	62	68	60
	Mauritius	1=the best	106	87	65	73	60	74	71	65	47	50
7.07 Reliance on professional management, 1-7 (best)	Rwanda	1=the best					32	37	42	39	35	35
	Mauritius	1=the best	72	67	66	73	64	60	54	53	55	66
7.08 Country capacity to retain talent, 1-7 (best)	Rwanda	1=the best								28	27	23
	Mauritius	1=the best								92	85	73
7.09 Country capacity to attract talent, 1-7 (best)	Rwanda	1=the best								23	20	15
	Mauritius	1=the best								42	38	34
7.10 Women in labor force, ratio to men	Rwanda	1=the best					2	2	4	4	3	3
	Mauritius	1=the best	102	106	108	109	113	115	116	118	115	114

Source: World Economic Forum

Mauritius and the top performers at international level

Switzerland occupies the first rank globally for labour market efficiency pillar (table 80 and 81).

Table 80: Mauritius v/s Best performers globally- Ranking: Seventh Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Switzerland	1=the best	4	3	3	2	2	1	1	2	1	1
Singapore	1=the best	2	2	2	1	1	2	2	1	2	2
Hong Kong SAR	1=the best	3	4	4	4	3	3	3	3	3	3
United States	1=the best	1	1	1	3	4	4	6	4	4	4
United Kingdom	1=the best	7	7	8	8	8	7	5	5	5	5
New Zealand	1=the best	10	9	10	11	12	11	9	8	6	6
Canada	1=the best	8	8	7	7	6	5	4	7	7	7
Rwanda	1=the best					9	8	11	11	9	8
Norway	1=the best	12	17	14	15	15	18	18	14	13	9
Denmark	1=the best	6	5	5	5	5	6	8	13	12	10
Mauritius	1=the best	93	82	65	74	59	67	70	55	52	57

Source: World Economic Forum

Table 81: Switzerland v/s Mauritius, Seventh Pillar; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
7.01 Cooperation in labor-employer relations, 1-7 (best)	Switzerland	1=the best	3	3	3	2	2	1	1	1	1	1
	Mauritius	1=the best	59	53	43	38	36	43	44	38	31	32
7.02 Flexibility of wage determination, 1-7 (best)	Switzerland	1=the best	22	21	25	17	22	18	18	17	15	16
	Mauritius	1=the best	118	120	118	105	99	107	108	104	99	100
7.03 Hiring and firing practices, 1-7 (best)	Switzerland	1=the best	4	2	3	4	4	3	3	2	2	2
	Mauritius	1=the best	101	112	110	87	74	82	78	67	42	43
7.04 Redundancy costs, weeks of salary	Switzerland	1=the best	15	17	19	19	21	21	38	40	38	37
	Mauritius	1=the best	55	60	61	62	6	6	45	46	45	39
7.05 Effect of taxation on incentives to work, 1-7 (best)	Switzerland	1=the best								14	11	7
	Mauritius	1=the best								12	9	9
7.06 Pay and productivity, 1-7 (best)	Switzerland	1=the best	5	6	5	5	5	5	4	3	5	4
	Mauritius	1=the best	106	87	65	73	60	74	71	65	47	50
7.07 Reliance on professional management, 1-7 (best)	Switzerland	1=the best	15	13	13	10	10	9	6	7	7	6
	Mauritius	1=the best	72	67	66	73	64	60	54	53	55	66
7.08 Country capacity to retain talent, 1-7 (best)	Switzerland	1=the best								3	1	1
	Mauritius	1=the best								92	85	73
7.09 Country capacity to attract talent, 1-7 (best)	Switzerland	1=the best								1	1	1
	Mauritius	1=the best								42	38	34
7.10 Women in labor force, ratio to men	Switzerland	1=the best	29	29	28	38	40	32	42	45	43	38
	Mauritius	1=the best	102	106	108	109	113	115	116	118	115	114

Source: World Economic Forum

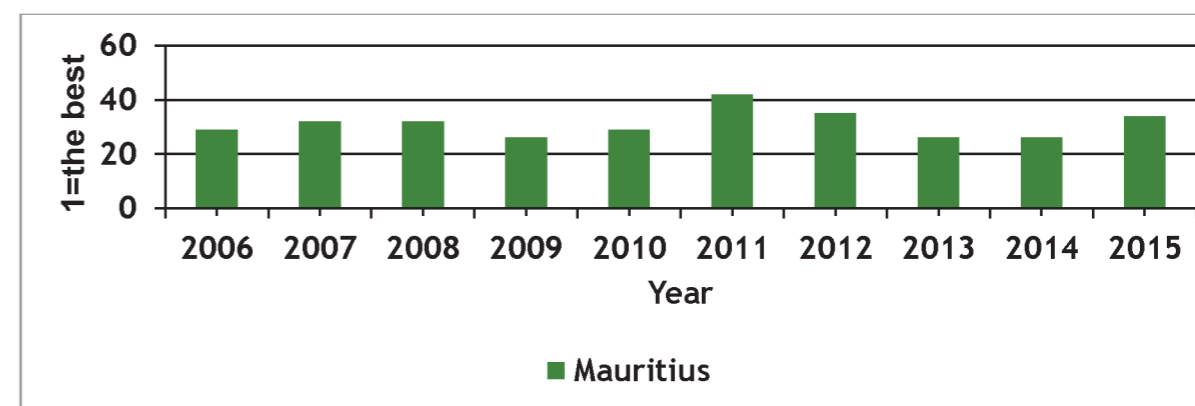
3.11. Eighth pillar: Financial market development

Mauritius performance

A sound and well-functioning financial sector is central for economic activities. An efficient financial sector allocates the resources saved by a nation's citizens, as well as those entering the economy from abroad, to their most productive uses. It channels resources to those entrepreneurial or investment projects with the highest expected rates of return rather than to the politically connected.

Mauritius financial market development ranking has not changed much over the years (figure 21). Ranked 29th in 2006 has moved to the 34th position in 2015. Nevertheless, an improvement is seen in all the indicators under this pillar, with a more remarkable one noted in terms of availability of financial service, whereby the country progressed from the 52nd position in 2011 to the 33rd position in 2014 (table 82).

Figure 21: Eighth pillar: Labour Market Efficiency Ranking, Mauritius



Source: World Economic Forum

Table 82: Pillar 8 Ranking- Mauritius; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
8.01 Availability of financial services, 1-7 (best)	1=the best					44	52	47	33	34	33
8.02 Affordability of financial services, 1-7 (best)	1=the best					41	48	41	34	40	39
8.03 Financing through local equity market, 1-7 (best)	1=the best	39	51	45	51	53	45	43	37	32	42
8.04 Ease of access to loans, 1-7 (best)	1=the best	41	40	34	26	32	39	37	27	31	31
8.05 Venture capital availability, 1-7 (best)	1=the best	47	54	47	45	50	53	56	46	41	63
8.06 Soundness of banks, 1-7 (best)	1=the best	40	37	28	16	16	19	15	16	15	41
8.07 Regulation of securities exchanges, 1-7 (best)	1=the best		37	29	28	28	25	22	22	24	43
8.08 Legal rights index, 0-10 (best)	1=the best	26	27	52	71	75	76	65	65	63	44

Source: World Economic Forum

Mauritius and the top performers in the region

South Africa surpasses Mauritius for pillar 8 (table 83). South Africa is among the top ten in the world for its availability of financial services, financing through local equity market, soundness of banks and regulation of securities exchanges for the period 2011- 2014 (table 84).

Table 83: The 10 most competitive Sub- Saharan African economies - Ranking; Eighth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	1=the best	24	25	24	5	9	4	3	3	7	12
Rwanda	1=the best					69	54	49	57	55	28
Mauritius	1=the best	29	32	32	26	29	42	35	26	26	34
Kenya	1=the best	42	48	44	37	27	26	24	31	24	42
Namibia	1=the best	52	59	53	31	24	36	47	39	46	50
Côte d'Ivoire	1=the best			113	113	112	118	103	94	78	60
Zambia	1=the best	59	57	55	41	49	51	50	46	50	62
Botswana	1=the best	41	42	40	47	47	44	53	53	57	63
Gabon	1=the best							106	108	105	97
Seychelles	1=the best							94	83	103	106

Source: World Economic Forum

Table 84: South Africa v/s Mauritius; Eighth Pillar; (1= the best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
8.01 Availability of financial services, 1-7 (best)	South Africa	1=the best					7	3	2	2	6	6
	Mauritius	1=the best					44	52	47	33	34	33
8.02 Affordability of financial services, 1-7 (best)	South Africa	1=the best					43	39	22	13	21	21
	Mauritius	1=the best					41	48	41	34	40	39
8.03 Financing through local equity market, 1-7 (best)	South Africa	1=the best	10	4	4	4	7	4	3	2	3	1
	Mauritius	1=the best	39	51	45	51	53	45	43	37	32	42
8.04 Ease of access to loans, 1-7 (best)	South Africa	1=the best	40	44	31	31	41	36	30	22	32	32
	Mauritius	1=the best	41	40	34	26	32	39	37	27	31	31
8.05 Venture capital availability, 1-7 (best)	South Africa	1=the best	36	41	29	33	39	44	37	28	37	47
	Mauritius	1=the best	47	54	47	45	50	53	56	46	41	63
8.06 Soundness of banks, 1-7 (best)	South Africa	1=the best	18	16	15	6	6	2	2	3	6	8
	Mauritius	1=the best	40	37	28	16	16	19	15	16	15	41
8.07 Regulation of securities exchanges, 1-7 (best)	South Africa	1=the best		5	5	2	1	1	1	1	1	2
	Mauritius	1=the best		37	29	28	28	25	22	22	24	43
8.08 Legal rights index, 0–10 (best)	South Africa	1=the best	45	47	52	5	6	8	1	1	43	63
	Mauritius	1=the best	26	27	52	71	75	76	65	65	63	44

Source: World Economic Forum

Mauritius and the top performer at international level

New Zealand is the world's best performer for pillar eight (table 85 and 86).

Table 85: Mauritius v/s Best performers globally- Ranking: Eighth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
New Zealand	1=the best	3	4	3	3	10	12	5	4	3	1
Singapore	1=the best	5	3	2	2	2	1	2	2	2	2
Hong Kong SAR	1=the best	2	1	1	1	1	2	1	1	1	3
Canada	1=the best	10	13	10	11	12	13	11	12	8	4
United States	1=the best	8	11	9	20	31	22	16	10	9	5
Finland	1=the best	17	17	12	7	4	9	4	5	5	6
Australia	1=the best	7	7	6	4	3	6	8	7	6	7
Norway	1=the best	15	16	13	10	5	5	7	9	10	8
Malaysia	1=the best	12	19	16	6	7	3	6	6	4	9
Switzerland	1=the best	22	21	21	14	8	7	9	11	11	10
Mauritius	1=the best	29	32	32	26	29	42	35	26	26	34

Source: World Economic Forum

Table 86: New Zealand v/s Mauritius, Pillar 8; (1= the best)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
8.01 Availability of financial services, 1-7 (best)	New Zealand					35	26	20	18	14	14
	Mauritius					44	52	47	33	34	33
8.02 Affordability of financial services, 1-7 (best)	New Zealand					45	30	20	14	9	9
	Mauritius					41	48	41	34	40	39
8.03 Financing through local equity market, 1-7 (best)	New Zealand	2	9	17	7	23	38	22	10	4	6
	Mauritius	39	51	45	51	53	45	43	37	32	42
8.04 Ease of access to loans, 1-7 (best)	New Zealand	14	10	13	19	27	20	10	9	11	11
	Mauritius	41	40	34	26	32	39	37	27	31	31
8.05 Venture capital availability, 1-7 (best)	New Zealand	15	14	20	24	26	26	24	18	12	11
	Mauritius	47	54	47	45	50	53	56	46	41	63
8.06 Soundness of banks, 1-7 (best)	New Zealand	13	13	8	2	2	7	3	2	2	4
	Mauritius	40	37	28	16	16	19	15	16	15	41
8.07 Regulation of securities exchanges, 1-7 (best)	New Zealand		12	11	5	25	44	21	9	6	8
	Mauritius		37	29	28	28	25	22	22	24	43
8.08 Legal rights index, 0-10 (best)	New Zealand	3	3	3	5	6	1	1	1	1	1
	Mauritius	26	27	52	71	75	76	65	65	63	44

Source: World Economic Forum

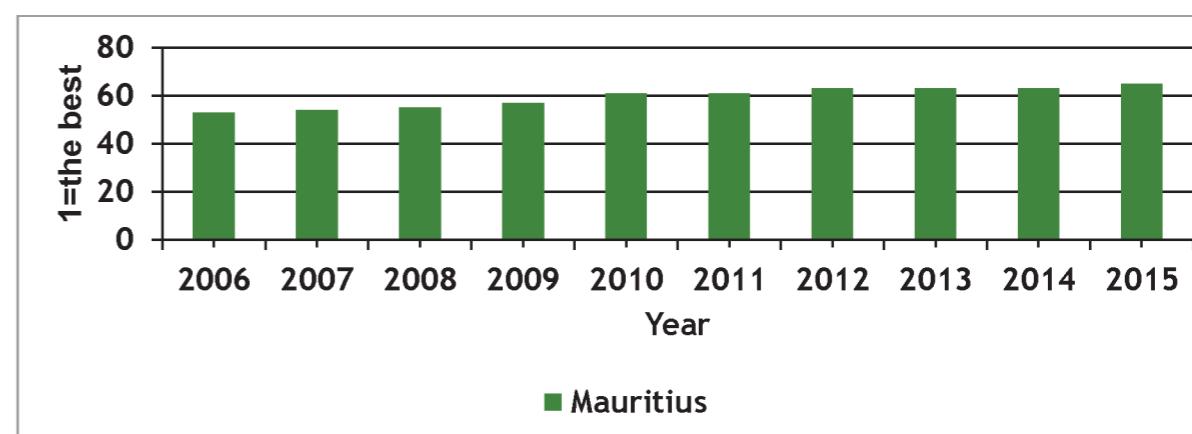
3.12. Ninth pillar: Technological readiness

Mauritius performance

In today's globalized world, technology is increasingly essential for firms to compete and prosper. Whether the technology used has or has not been developed within national borders is irrelevant for its ability to enhance productivity. The central point is that the firms operating in the country need to have access to advanced products and blueprints and the ability to absorb and use them.

Mauritius' rank worsened from the 53rd rank in 2006 to the 65th place in 2015 for its technological readiness (figure 22). The ranking of most of the indicators under this pillar has worsened over the same period (table 87).

Figure 22: Ninth pillar: Technological Readiness Ranking, Mauritius



Source: World Economic Forum

Table 87: Pillar 9 Ranking- Mauritius; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
9.01 Availability of latest technologies, 1-7 (best)	1=the best	49	54	47	52	54	55	48	46	48	53
9.02 Firm-level technology absorption, 1-7 (best)	1=the best	60	73	64	62	54	56	55	52	44	43
9.03 FDI and technology transfer, 1-7 (best)	1=the best	67	68	42	37	56	63	48	41	57	68
9.04 Individuals using Internet, %	1=the best	54	47	50	57	89	89	81	80	85	85
9.05 Fixed broadband Internet subscriptions/100 pop.	1=the best	77	80	62	53	60	64	60	59	56	54
9.06 Int'l Internet bandwidth, kb/s per user	1=the best						60	74	83	76	69
9.07 Mobile broadband subscriptions/100 pop.	1=the best							63	68	68	82

Source: World Economic Forum

Mauritius and the top performers in the region

South Africa tops the region for its technological readiness (table 88 and 89).

Table 88: The 10 most competitive Sub-Saharan African economies - Ranking; Ninth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	1=the best	47	46	49	65	76	76	62	62	66	50
Mauritius	1=the best	53	54	55	57	61	61	63	63	63	65
Seychelles	1=the best							66	65	70	71
Namibia	1=the best	76	91	85	86	88	99	104	90	89	87
Botswana	1=the best	65	71	89	92	99	101	106	104	76	91
Kenya	1=the best	80	92	93	96	101	98	101	89	87	94
Côte d'Ivoire	1=the best			99	97	102	108	99	110	117	102
Rwanda	1=the best					100	109	113	105	98	103
Zambia	1=the best	93	107	106	109	110	114	115	115	105	108
Gabon	1=the best							86	114	108	112

Source: World Economic Forum

Table 89: South Africa v/s Mauritius, Ninth Pillar; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
9.01 Availability of latest technologies, 1-7 (best)	South Africa	1=the best	35	40	37	37	51	39	39	40	39	41
	Mauritius	1=the best	49	54	47	52	54	55	48	46	48	53
9.02 Firm-level technology absorption, 1-7 (best)	South Africa	1=the best	30	30	32	33	35	30	38	35	29	28
	Mauritius	1=the best	60	73	64	62	54	56	55	52	44	43
9.03 FDI and technology transfer, 1-7 (best)	South Africa	1=the best	37	24	38	45	37	41	38	40	50	64
	Mauritius	1=the best	67	68	42	37	56	63	48	41	57	68
9.04 Individuals using Internet, %	South Africa	1=the best	71	73	95	98	105	105	95	81	69	71
	Mauritius	1=the best	54	47	50	57	89	89	81	80	85	85
9.05 Fixed broadband Internet subscriptions/100 pop.	South Africa	1=the best	72	74	77	84	93	96	95	98	89	93
	Mauritius	1=the best	77	80	62	53	60	64	60	59	56	54
9.06 Int'l Internet bandwidth, kb/s per user	South Africa	1=the best						63	71	126	19	
	Mauritius	1=the best					60	74	83	76	69	
9.07 Mobile broadband subscriptions/100 pop.	South Africa	1=the best						49	61	74	63	
	Mauritius	1=the best						63	68	68	82	

Source: World Economic Forum

Mauritius and the top performers at international level

Luxembourg tops the world for its technological readiness and is followed by United Kingdom and Sweden respectively (table 90 and 91).

Table 90: Mauritius v/s Best performers globally- Ranking; Ninth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Luxembourg	1=the best	16	10	12	5	2	9	2	2	1	1
Switzerland	1=the best	4	3	5	3	7	1	6	9	10	2
United Kingdom	1=the best	11	16	8	8	8	8	7	4	2	3
Sweden	1=the best	1	1	2	1	1	2	1	1	3	4
Singapore	1=the best	6	12	7	6	11	10	5	7	7	5
Iceland	1=the best	2	2	6	14	4	3	8	10	8	6
Norway	1=the best	14	8	4	7	9	7	13	3	4	7
Hong Kong SAR	1=the best	8	6	10	9	5	6	4	6	5	8
Denmark	1=the best	3	5	3	4	6	4	3	5	6	9
Netherlands	1=the best	7	4	1	2	3	5	9	8	9	10
Mauritius	1=the best	53	54	55	57	61	61	63	63	63	65

Source: World Economic Forum

Table 91: Luxembourg v/s Mauritius, Ninth Pillar; (1=best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
9.01 Availability of latest technologies, 1-7 (best)	Luxembourg	1=the best	43	39	25	20	21	19	10	10	13	14
	Mauritius	1=the best	49	54	47	52	54	55	48	46	48	53
9.02 Firm-level technology absorption, 1-7 (best)	Luxembourg	1=the best	38	36	31	20	20	24	24	11	8	8
	Mauritius	1=the best	60	73	64	62	54	56	55	52	44	43
9.03 FDI and technology transfer, 1-7 (best)	Luxembourg	1=the best	22	14	4	3	8	13	7	7	9	7
	Mauritius	1=the best	67	68	42	37	56	63	48	41	57	68
9.04 Individuals using Internet, %	Luxembourg	1=the best	11	8	7	8	5	4	5	6	6	4
	Mauritius	1=the best	54	47	50	57	89	89	81	80	85	85
9.05 Fixed broadband Internet subscriptions/100 pop.	Luxembourg	1=the best	19	20	13	9	8	8	10	12	11	14
	Mauritius	1=the best	77	80	62	53	60	64	60	59	56	54
9.06 Int'l Internet bandwidth, kb/s per user	Luxembourg	1=the best						9	17	1	1	1
	Mauritius	1=the best						60	74	83	76	69
9.07 Mobile broadband subscriptions/100 pop.	Luxembourg	1=the best						7	11	15	11	
	Mauritius	1=the best						63	68	68	82	

Source: World Economic Forum

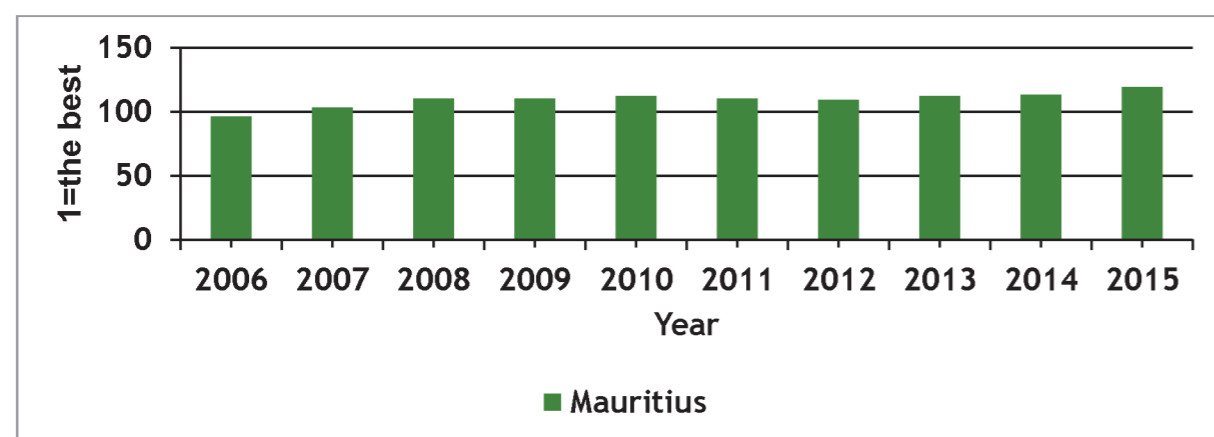
3.13. Tenth Pillar: Market Size

Mauritius Performance

The size of the market affects productivity since large markets allow firms to exploit economies of scale.

Mauritius ranking for its market size has been worsening over the period 2006- 2015 (figure 23). All the ranking of all the indicators for this pillar have worsened accordingly over the same period (table 92).

Figure 23: Tenth Pillar, Market Size Ranking, Mauritius



Source: World Economic Forum

Table 92: Pillar 10 Ranking- Mauritius; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
10.01 Domestic market size index, 1-7 (best)	1=the best	99	109	113	112	116	113	110	114	115	120
10.02 Foreign market size index, 1-7 (best)	1=the best	88	98	102	101	105	104	103	107	104	108
10.03 GDP (PPP\$ billions)	1=the best	97	109	115	114	117	114	114	118	116	118
10.04 Exports as a percentage of GDP	1=the best	30	31	36	47	46	43	43	44	46	43

Source: World Economic Forum

Mauritius and the top performers in the region

South Africa takes the lead in the region for its market size and is followed by Kenya (table 93). South Africa is among the top 30 countries globally for its domestic market size index and its GDP (table 94).

Table 93: The 10 most competitive Sub-Saharan African economies - Ranking; Tenth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	1=the best	20	21	23	24	25	25	25	25	25	29
Kenya	1=the best	67	78	71	74	74	77	75	77	74	71
Côte d'Ivoire	1=the best			94	95	94	94	94	96	94	81
Zambia	1=the best	112	119	112	111	111	114	111	111	110	89
Botswana	1=the best	103	101	101	98	102	99	97	101	97	105
Gabon	1=the best							110	118	109	110
Namibia	1=the best	99	105	122	113	114	120	120	121	119	114
Mauritius	1=the best	96	103	110	110	112	110	109	112	113	119
Rwanda	1=the best					128	129	128	128	125	126
Seychelles	1=the best							142	147	143	140

Source: World Economic Forum

Table 94: South Africa v/s Mauritius, tenth pillar; (1=best)

		Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
10.01 Domestic market size index, 1-7 (best)	South Africa	1=the best	18	19	22	23	24	24	24	24	24	27
	Mauritius	1=the best	99	109	113	112	116	113	110	114	115	120
10.02 Foreign market size index, 1-7 (best)	South Africa	1=the best	28	28	36	34	36	38	39	38	34	36
	Mauritius	1=the best	88	98	102	101	105	104	103	107	104	108
10.03 GDP (PPP\$ billions)	South Africa	1=the best	19	20	24	24	25	25	25	25	25	29
	Mauritius	1=the best	97	109	115	114	117	114	114	118	116	118
10.04 Exports as a percentage of GDP	South Africa	1=the best	91	93	85	83	95	97	105	114	92	94
	Mauritius	1=the best	30	31	36	47	46	43	43	44	46	43

Source: World Economic Forum

Mauritius and the top performer at international level

China is the world's top performer for its market size (table 95 and 96).

Table 95: Mauritius v/s Best performers globally- Ranking: Tenth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
China	1=the best	2	2	2	2	2	2	2	2	2	1
United States	1=the best	1	1	1	1	1	1	1	1	1	2
India	1=the best	3	3	5	4	4	3	3	3	3	3
Japan	1=the best	4	4	3	3	3	4	4	4	4	4
Germany	1=the best	5	5	4	5	5	5	5	5	5	5
Russian Federation	1=the best	9	9	8	7	8	8	7	7	7	6
Brazil	1=the best	10	10	10	10	10	10	9	9	9	7
France	1=the best	7	7	7	8	7	7	8	8	8	8
United Kingdom	1=the best	6	6	6	6	6	6	6	6	6	9
Indonesia	1=the best	15	15	17	16	15	15	16	15	15	10
Mauritius	1=the best	96	103	110	110	112	110	109	112	113	119

Source: World Economic Forum

Table 96: China v/s Mauritius, Tenth Pillar; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
10.01 Domestic market size index, 1-7 (best)	China	1=the best	2	2	2	2	2	2	2	2	2
	Mauritius	1=the best	99	109	113	112	116	113	110	114	115
10.02 Foreign market size index, 1-7 (best)	China	1=the best	1	1	1	1	1	1	1	1	1
	Mauritius	1=the best	88	98	102	101	105	104	103	107	104
10.03 GDP (PPP\$ billions)	China	1=the best	2	2	2	2	2	2	2	2	1
	Mauritius	1=the best	97	109	115	114	117	114	114	118	116
10.04 Exports as a percentage of GDP	China	1=the best	72	72	69	79	88	86	103	111	109
	Mauritius	1=the best	30	31	36	47	46	43	43	44	46

Source: World Economic Forum

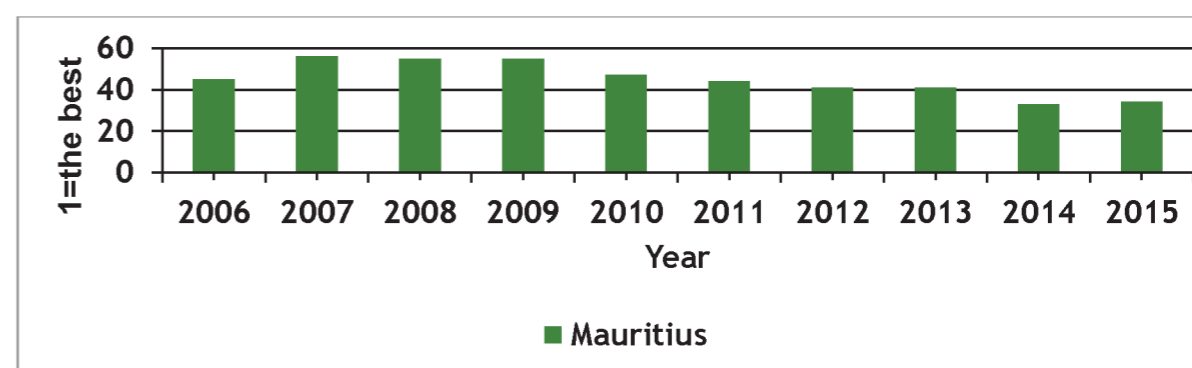
3.14. Eleventh Pillar- Business sophistication

Mauritius performance

There is no doubt that sophisticated business practices are conducive to higher efficiency in the production of goods and services. Business sophistication concerns two elements that are intricately linked: the quality of a country's overall business networks and the quality of individual firms' operations and strategies. These factors are especially important for countries at an advanced stage of development when, to a large extent, the more basic sources of productivity improvements have been exhausted.

Mauritius' ranking for its business sophistication has improved from the 45th position in 2006 to the 34th position in 2015 (figure 24). The ranking for most of the indicators under this pillar has also improved over the same period (table 97).

Figure 24: Eleventh Pillar, Business sophistication Ranking, Mauritius



Source: World Economic Forum

Table 97: Pillar 11 Ranking- Mauritius; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
11.01 Local supplier quantity, 1-7 (best)	1=the best	37	62	64	72	75	72	53	41	35	29
11.02 Local supplier quality, 1-7 (best)	1=the best	44	57	68	72	66	58	55	55	53	51
11.03 State of cluster development, 1-7 (best)	1=the best	80	70	55	44	37	38	56	54	35	44
11.04 Nature of competitive advantage, 1-7 (best)	1=the best	67	73	66	40	37	44	38	37	39	40
11.05 Value chain breadth, 1-7 (best)	1=the best	28	26	25	27	27	26	28	27	26	26
11.06 Control of international distribution, 1-7 (best)	1=the best	24	35	42	32	21	24	23	22	18	28
11.07 Production process sophistication, 1-7 (best)	1=the best	53	58	58	54	50	49	47	40	35	41
11.08 Extent of marketing, 1-7 (best)	1=the best	60	64	72	71	65	66	62	55	48	45
11.09 Willingness to delegate authority, 1-7 (best)	1=the best	45	75	59	50	58	61	56	59	43	42

Source: World Economic Forum

Mauritius and the top performers in the region

South Africa surpasses Mauritius for pillar 11. South Africa's extent of marketing is better than that of Mauritius (table 98 and 99).

Table 98: The 10 most competitive Sub-Saharan African economies - Ranking; Eleventh Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	1=the best	32	36	33	36	38	38	38	35	31	33
Mauritius	1=the best	45	56	55	55	47	44	41	41	33	34
Kenya	1=the best	66	70	63	59	62	59	67	61	44	48
Seychelles	1=the best							87	64	66	62
Rwanda	1=the best					94	84	70	80	84	69
Namibia	1=the best	83	106	94	86	88	95	102	99	94	77
Zambia	1=the best	121	118	93	93	90	91	75	66	60	85
Côte d'Ivoire	1=the best			88	92	112	122	123	123	100	93
Botswana	1=the best	82	103	106	107	104	101	95	102	116	111
Gabon	1=the best							141	139	133	129

Source: World Economic Forum

Table 99: South Africa v/s Mauritius, Pillar 11; (1=best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
South Africa	11.01 Local supplier quantity, 1-7 (best)	1=the best	20	26	43	45	35	47	43	42	47	51
	11.02 Local supplier quality, 1-7 (best)	1=the best	29	29	24	22	22	31	34	32	38	38
	11.03 State of cluster development, 1-7 (best)	1=the best	39	45	40	33	39	46	47	43	44	33
	11.04 Nature of competitive advantage, 1-7 (best)	1=the best	61	70	72	80	87	97	107	81	62	70
	11.05 Value chain breadth, 1-7 (best)	1=the best	76	79	75	85	91	100	106	95	68	56
	11.06 Control of international distribution, 1-7 (best)	1=the best	36	32	37	38	23	26	26	26	35	31
	11.07 Production process sophistication, 1-7 (best)	1=the best	39	47	43	41	39	41	43	38	38	39
	11.08 Extent of marketing, 1-7 (best)	1=the best	18	17	15	17	28	31	29	19	24	24
	11.09 Willingness to delegate authority, 1-7 (best)	1=the best	26	30	22	25	31	32	33	28	27	26
Mauritius	11.01 Local supplier quantity, 1-7 (best)	1=the best	37	62	64	72	75	72	53	41	35	29
	11.02 Local supplier quality, 1-7 (best)	1=the best	44	57	68	72	66	58	55	55	53	51
	11.03 State of cluster development, 1-7 (best)	1=the best	80	70	55	44	37	38	56	54	35	44
	11.04 Nature of competitive advantage, 1-7 (best)	1=the best	67	73	66	40	37	44	38	37	39	40
	11.05 Value chain breadth, 1-7 (best)	1=the best	28	26	25	27	27	26	28	27	26	26
	11.06 Control of international distribution, 1-7 (best)	1=the best	24	35	42	32	21	24	23	22	18	28
	11.07 Production process sophistication, 1-7 (best)	1=the best	53	58	58	54	50	49	47	40	35	41
	11.08 Extent of marketing, 1-7 (best)	1=the best	60	64	72	71	65	66	62	55	48	45
	11.09 Willingness to delegate authority, 1-7 (best)	1=the best	45	75	59	50	58	61	56	59	43	42

Source: World Economic Forum

Mauritius and the top performers at international level

Switzerland tops the world for its business sophistication (table 100 and 101).

Table 100: Mauritius v/s Best performers globally- Ranking: Eleventh Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Switzerland	1=the best	4	2	2	3	4	3	2	2	2	1
Japan	1=the best	2	3	3	1	1	1	1	1	1	2
Germany	1=the best	1	1	1	2	3	4	3	3	3	3
United States	1=the best	3	7	4	5	8	10	10	6	4	4
Netherlands	1=the best	10	8	8	6	5	5	4	4	5	5
United Kingdom	1=the best	5	13	17	12	9	8	8	9	6	6
Sweden	1=the best	7	4	7	4	2	2	5	7	8	7
Austria	1=the best	8	5	6	7	6	7	6	8	7	8
Denmark	1=the best	9	6	5	8	7	6	9	11	11	9
Qatar	1=the best	69	48	45	37	21	12	11	10	12	10
Mauritius	1=the best	45	56	55	55	47	44	41	41	33	34

Source: World Economic Forum

Table 101: Switzerland v/s Mauritius, Pillar 11; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Switzerland	11.01 Local supplier quantity, 1-7 (best)	1=the best	8	4	5	5	6	6	8	8	5	9
	11.02 Local supplier quality, 1-7 (best)	1=the best	4	3	3	2	2	1	1	1	2	2
	11.03 State of cluster development, 1-7 (best)	1=the best	15	13	9	9	4	8	9	5	6	7
	11.04 Nature of competitive advantage, 1-7 (best)	1=the best	3	2	2	2	2	2	1	1	2	3
	11.05 Value chain breadth, 1-7 (best)	1=the best	2	1	5	3	4	3	3	4	3	2
	11.06 Control of international distribution, 1-7 (best)	1=the best	6	2	3	3	6	6	4	5	4	4
	11.07 Production process sophistication, 1-7 (best)	1=the best	3	4	4	3	3	2	2	2	1	1
	11.08 Extent of marketing, 1-7 (best)	1=the best	5	5	5	2	3	5	4	7	5	3
	11.09 Willingness to delegate authority, 1-7 (best)	1=the best	7	5	5	7	5	6	9	8	8	8
Mauritius	11.01 Local supplier quantity, 1-7 (best)	1=the best	37	62	64	72	75	72	53	41	35	29
	11.02 Local supplier quality, 1-7 (best)	1=the best	44	57	68	72	66	58	55	55	53	51
	11.03 State of cluster development, 1-7 (best)	1=the best	80	70	55	44	37	38	56	54	35	44
	11.04 Nature of competitive advantage, 1-7 (best)	1=the best	67	73	66	40	37	44	38	37	39	40
	11.05 Value chain breadth, 1-7 (best)	1=the best	28	26	25	27	27	26	28	27	26	26
	11.06 Control of international distribution, 1-7 (best)	1=the best	24	35	42	32	21	24	23	22	18	28
	11.07 Production process sophistication, 1-7 (best)	1=the best	53	58	58	54	50	49	47	40	35	41
	11.08 Extent of marketing, 1-7 (best)	1=the best	60	64	72	71	65	66	62	55	48	45
	11.09 Willingness to delegate authority, 1-7 (best)	1=the best	45	75	59	50	58	61	56	59	43	42

Source: World Economic Forum

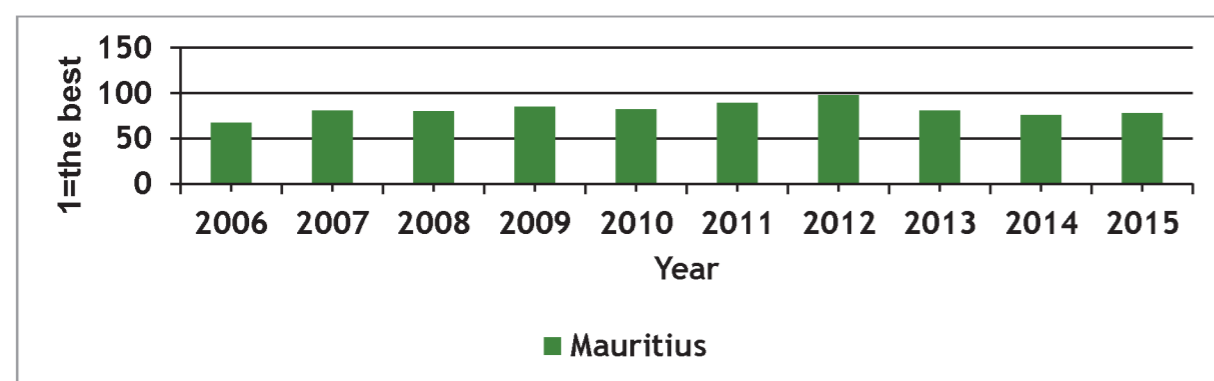
3.15. Twelfth pillar: Innovation

Mauritius performance

Innovation can emerge from new technological and non-technological knowledge. Non-technological innovations are closely related to the know-how, skills, and working conditions that are embedded in organisations.

Mauritius' ranking for the innovation pillar has worsened for the period 2006- 2015. Ranked 67th in 2006, Mauritius was ranked 78th in 2015 for the innovation pillar (figure 25). Quality of scientific research institutions, university – industry collaboration and availability of scientists and engineers ranking has worsened for the period 2006- 2014 (table 102).

Figure 25: Twelfth Pillar, Innovation Ranking, Mauritius



Source: World Economic Forum

Table 102: Pillar 12 Ranking- Mauritius; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
12.01 Capacity for innovation, 1-7 (best)	1=the best	76	96	99	94	76	89	112	72	50	58
12.02 Quality of scientific research institutions, 1-7 (best)	1=the best	60	69	61	85	86	77	83	92	91	92
12.03 Company spending on R&D, 1-7 (best)	1=the best	68	83	70	66	64	88	96	64	54	69
12.04 University-industry collaboration in R&D, 1-7 (best)	1=the best	65	77	69	91	94	98	91	94	101	101
12.05 Gov't procurement of advanced tech products, 1-7 (best)	1=the best	41	64	74	73	67	62	74	75	66	60
12.06 Availability of scientists and engineers, 1-7 (best)	1=the best	89	106	114	107	112	118	116	102	93	93
12.07 PCT patents, applications/million pop.	1=the best							85	105	94	62

Source: World Economic Forum

Mauritius and the top performers in the region

South Africa leads the sub-Saharan African region for the innovation pillar (table 103). South Africa ranks better than Mauritius for most of the indicators under pillar 12 (table 104).

Table 103: The 10 most competitive Sub-Saharan African economies - Ranking; Twelfth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	1=the best	29	32	37	41	44	41	42	39	43	38
Kenya	1=the best	44	46	42	48	56	52	50	46	38	41
Rwanda	1=the best					71	56	51	52	53	46
Zambia	1=the best	116	114	92	90	80	64	61	60	54	52
Côte d'Ivoire	1=the best			105	104	109	120	115	101	69	53
Namibia	1=the best	94	108	111	103	96	92	101	94	91	74
Mauritius	1=the best	67	81	80	85	82	89	98	81	76	78
Seychelles	1=the best							93	62	73	87
Botswana	1=the best	84	96	83	71	74	79	73	102	102	102
Gabon	1=the best							136	132	122	129

Source: World Economic Forum

Table 104: South Africa v/s Mauritius; Pillar 12 (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
South Africa	12.01 Capacity for innovation, 1-7 (best)	1=the best	35	43	36	36	47	46	41	33	35	32
	12.02 Quality of scientific research institutions, 1-7 (best)	1=the best	26	27	31	29	29	30	34	35	34	33
	12.03 Company spending on R&D, 1-7 (best)	1=the best	23	26	28	35	40	36	39	43	48	32
	12.04 University-industry collaboration in R&D, 1-7 (best)	1=the best	22	24	28	25	24	26	30	29	31	31
	12.05 Gov't procurement of advanced tech products, 1-7 (best)	1=the best	29	52	63	78	103	103	105	119	112	119
	12.06 Availability of scientists and engineers, 1-7 (best)	1=the best	94	104	110	123	116	111	122	108	102	106
	12.07 PCT patents, applications/million pop.	1=the best							37	42	45	46
Mauritius	12.01 Capacity for innovation, 1-7 (best)	1=the best	76	96	99	94	76	89	112	72	50	58
	12.02 Quality of scientific research institutions, 1-7 (best)	1=the best	60	69	61	85	86	77	83	92	91	92
	12.03 Company spending on R&D, 1-7 (best)	1=the best	68	83	70	66	64	88	96	64	54	69
	12.04 University-industry collaboration in R&D, 1-7 (best)	1=the best	65	77	69	91	94	98	91	94	101	101
	12.05 Gov't procurement of advanced tech products, 1-7 (best)	1=the best	41	64	74	73	67	62	74	75	66	60
	12.06 Availability of scientists and engineers, 1-7 (best)	1=the best	89	106	114	107	112	118	116	102	93	93
	12.07 PCT patents, applications/million pop.	1=the best							85	105	94	62

Source: World Economic Forum

Mauritius and the top performers at international level

Finland is the world topper for pillar 12 (table 105 and 106).

Table 105: Mauritius v/s Best performers globally- Ranking: Twelfth Pillar; (1= the best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Switzerland	1=the best	3	2	3	2	2	1	1	2	2	1
Finland	1=the best	4	3	2	3	3	3	2	1	1	2
Israel	1=the best	5	5	6	9	6	6	3	3	3	3
United States	1=the best	1	1	1	1	1	5	6	7	5	4
Japan	1=the best	2	4	4	4	4	4	5	5	4	5
Germany	1=the best	7	7	8	7	8	7	7	4	6	6
Sweden	1=the best	8	6	5	5	5	2	4	6	7	7
Netherlands	1=the best	15	13	12	13	13	12	9	10	8	8
Singapore	1=the best	9	11	11	8	9	8	8	9	9	9
Denmark	1=the best	10	10	10	10	10	10	12	11	11	10
Mauritius	1=the best	67	81	80	85	82	89	98	81	76	78

Source: World Economic Forum

Table 106: Finland v/s Mauritius, Pillar 12; (1= best)

	Units	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Finland	12.01 Capacity for innovation, 1-7 (best)	1=the best	7	5	5	5	5	4	2	5	6	
	12.02 Quality of scientific research institutions, 1-7 (best)	1=the best	7	6	9	13	13	18	13	10	10	
	12.03 Company spending on R&D, 1-7 (best)	1=the best	6	9	9	7	5	4	3	3	3	4
	12.04 University-industry collaboration in R&D, 1-7 (best)	1=the best	2	4	4	3	3	4	4	2	1	1
	12.05 Gov't procurement of advanced tech products, 1-7 (best)	1=the best	10	11	7	6	6	8	14	21	22	33
	12.06 Availability of scientists and engineers, 1-7 (best)	1=the best	4	1	1	1	1	1	1	1	1	1
	12.07 PCT patents, applications/million pop.	1=the best							3	3	4	4
Mauritius	12.01 Capacity for innovation, 1-7 (best)	1=the best	76	96	99	94	76	89	112	72	50	58
	12.02 Quality of scientific research institutions, 1-7 (best)	1=the best	60	69	61	85	86	77	83	92	91	92
	12.03 Company spending on R&D, 1-7 (best)	1=the best	68	83	70	66	64	88	96	64	54	69
	12.04 University-industry collaboration in R&D, 1-7 (best)	1=the best	65	77	69	91	94	98	91	94	101	101
	12.05 Gov't procurement of advanced tech products, 1-7 (best)	1=the best	41	64	74	73	67	62	74	75	66	60
	12.06 Availability of scientists and engineers, 1-7 (best)	1=the best	89	106	114	107	112	118	116	102	93	93
	12.07 PCT patents, applications/million pop.	1=the best							85	105	94	62

Source: World Economic Forum

Chapter 4: Mauritius Innovation Review

4.1. How about Mauritius fares?

The competitiveness of both companies and countries depends on their ability to innovate. Mauritius is ranked first in Sub-Saharan Africa on the Global Innovation Index (GII) ³²2015 and positions itself 49th globally (table 107 and 108). Mauritius fell nine places in 2015 compared to 2014, regressing in all areas (table 109).

Table 107: Global Innovation Ranking 2015- Mauritius and top-performers

Rank	Country
1	Switzerland
2	United Kingdom
3	Sweden
4	Netherlands
5	United States of America
6	Finland
7	Singapore
8	Ireland
9	Luxembourg
10	Denmark
11	Hong Kong (China)
12	Germany
13	Iceland
14	Korea, Republic of
15	New Zealand
16	Canada
17	Australia
18	Austria
19	Japan
20	Norway
21	France
22	Israel
23	Estonia
24	Czech Republic
25	Belgium
26	Malta
27	Spain
28	Slovenia
29	China
30	Portugal
31	Italy
32	Malaysia
33	Latvia
34	Cyprus
35	Hungary
36	Slovakia
37	Barbados
38	Lithuania
39	Bulgaria
40	Croatia
41	Montenegro
42	Chile
43	Saudi Arabia
44	Moldova, Republic of
45	Greece
46	Poland
47	United Arab Emirates
48	Russian Federation
49	Mauritius

Source: Global Innovation Index 2015

Table 108: Global Innovation Ranking 2015- Sub-Saharan Africa Top 10

Rank obtained (1= the best)	Country
49	Mauritius
60	South Africa
65	Seychelles
84	Senegal
90	Botswana
92	Kenya
94	Rwanda
95	Mozambique
98	Malawi
102	Burkina Faso

Source: Global Innovation Index 2015

³² About the Global Innovation Index: The Global Innovation Index 2015 (GII), in its 8th edition this year, is co-published by Cornell University, INSEAD, and the World Intellectual Property Organization (WIPO, a specialized agency of the United Nations).

Table 109: Mauritius Innovation ranking 2014- 2015

	2014	2015
Institutions	27	23
Human capital and research	80	95
Infrastructure	67	66
Market sophistication	20	15
Business sophistication	80	98
Knowledge and technology outputs	72	62
Creative outputs	31	57

Source: Global Innovation Index 2015

4.2. Pillar 1: Institutions

Nurturing an institutional framework that attracts business and fosters growth by providing good governance and the correct levels of protection and incentives is essential to innovation. The Institutions pillar captures the institutional framework of a country. Mauritius is ranked 23rd out of 143 economies for its institutions (table 110) in 2015. Finland has retained its position as the world’s best performer in this category (table 111).

Table 110: Mauritius v/s Global Best Performers; Pillar 1 ;(1= best)

	Units	2014	2015
Finland	1=the best	1	1
Singapore	1=the best	6	2
Norway	1=the best	3	3
Denmark	1=the best	4	4
New Zealand	1=the best	2	5
Canada	1=the best	7	6
Netherlands	1=the best	5	7
Hong Kong (China)	1=the best	8	8
Sweden	1=the best	10	9
Switzerland	1=the best	16	10
Mauritius	1=the best	27	23

Source: Global Innovation Index 2015

Table 111: Finland v/s Mauritius, Institution ranking (2015) ;(1= best)

		Units	Rank
Political environment	Finland	1=the best	1
	Mauritius	1=the best	31
Political stability and absence of violence/terrorism	Finland	1=the best	3
	Mauritius	1=the best	22
Government effectiveness	Finland	1=the best	1
	Mauritius	1=the best	36
Regulatory environment	Finland	1=the best	7
	Mauritius	1=the best	23
Regulatory quality	Finland	1=the best	4
	Mauritius	1=the best	31
Rule of law	Finland	1=the best	3
	Mauritius	1=the best	34
Cost of redundancy dismissal	Finland	1=the best	35
	Mauritius	1=the best	39
Business environment	Finland	1=the best	2
	Mauritius	1=the best	20
Ease of starting a business	Finland	1=the best	24
	Mauritius	1=the best	26
Ease of resolving insolvency	Finland	1=the best	1
	Mauritius	1=the best	41
Ease of paying taxes	Finland	1=the best	20
	Mauritius	1=the best	13

Source: Global Innovation Index 2015

4.3. Pillar 2: Human capital and research

The level and standard of education and research activity in a country are prime determinants of the innovation capacity of a nation. This pillar tries to gauge the human capital of countries. Mauritius is ranked 95th out of 141 economies for its human capital and research (table 112) in 2015. Finland is the world’s best performer in this category (table 113).

Table 112: Mauritius v/s Global Best Performers; Pillar 2 ;(1= best)

	Units	2014	2015
Finland	1=the best	1	1
Korea, Republic of	1=the best	3	2
Denmark	1=the best	9	3
Sweden	1=the best	6	4
Singapore	1=the best	2	5
Switzerland	1=the best	12	6
United Kingdom	1=the best	10	7
Austria	1=the best	8	8
Australia	1=the best	7	9
Germany	1=the best	14	10
Mauritius	1=the best	80	95

Source: Global Innovation Index 2015

Table 113: Finland v/s Mauritius, Human Capital and Research Ranking, 2015

		Units	Rank
Education	Finland	1=the best	6
	Mauritius	1=the best	72
Expenditure on education	Finland	1=the best	17
	Mauritius	1=the best	96
Public expenditure on education per pupil	Finland	1=the best	12
	Mauritius	1=the best	61
School life expectancy	Finland	1=the best	11
	Mauritius	1=the best	31
Assessment in reading, mathematics, and science	Finland	1=the best	6
	Mauritius	1=the best	N.A ³³
Pupil-teacher ratio, secondary	Finland	1=the best	19
	Mauritius	1=the best	62
Tertiary education	Finland	1=the best	11
	Mauritius	1=the best	92
Tertiary enrolment	Finland	1=the best	4
	Mauritius	1=the best	64
Graduates in science and engineering	Finland	1=the best	14
	Mauritius	1=the best	N.A ³⁴
Tertiary inbound mobility	Finland	1=the best	32
	Mauritius	1=the best	55
Research and development (R&D)	Finland	1=the best	5
	Mauritius	1=the best	101
Researchers	Finland	1=the best	3
	Mauritius	1=the best	68
Gross expenditure on R&D (GERD)	Finland	1=the best	4
	Mauritius	1=the best	91
QS university ranking average score of top universities	Finland	1=the best	17
	Mauritius	1=the best	73

Source: Global Innovation Index 2015

³³ Not Available

³⁴ Not Available

4.4. Pillar 3- Infrastructure

Good and ecologically friendly communication, transport, and energy infrastructures facilitate the production and exchange of ideas, services, and goods and feed into the innovation system through increased productivity and efficiency, lower transaction costs, better access to markets, and sustainable growth. Mauritius is ranked 66th out of 141 economies for its infrastructure in 2015 (table 114). Singapore is the world’s best performer in this category (table 115).

Table 114: Mauritius v/s Global Best Performers; Pillar 3 ;(1= best)

	Units	2014	2015
Singapore	1=the best	2	1
Hong Kong (China)	1=the best	1	2
Norway	1=the best	3	3
Australia	1=the best	7	4
Japan	1=the best	11	5
United Kingdom	1=the best	6	6
Sweden	1=the best	4	7
Korea, Republic of	1=the best	5	8
Spain	1=the best	16	9
Estonia	1=the best	15	10
Mauritius	1=the best	67	66

Source: Global Innovation Index 2015

Table 115: Singapore v/s Mauritius, Infrastructure, 2015

		Units	Rank
Information and communication technologies (ICTs)	Singapore	1=the best	6
	Mauritius	1=the best	66
ICT access	Singapore	1=the best	13
	Mauritius	1=the best	61
ICT use	Singapore	1=the best	14
	Mauritius	1=the best	72
Government's online service	Singapore	1=the best	2
	Mauritius	1=the best	68
Online e-participation	Singapore	1=the best	10
	Mauritius	1=the best	59
General infrastructure	Singapore	1=the best	9
	Mauritius	1=the best	106
Electricity output	Singapore	1=the best	17
	Mauritius	1=the best	74
Logistics performance	Singapore	1=the best	5
	Mauritius	1=the best	106
Gross capital formation	Singapore	1=the best	23
	Mauritius	1=the best	55
Ecological sustainability	Singapore	1=the best	5
	Mauritius	1=the best	30
GDP per unit of energy use	Singapore	1=the best	7
	Mauritius	1=the best	6
Environmental performance	Singapore	1=the best	4
	Mauritius	1=the best	53
ISO 14001 environmental certificates	Singapore	1=the best	24
	Mauritius	1=the best	74

Source: Global Innovation Index 2015

4.5. Pillar 4- Market sophistication

The availability of credit, investment funds, and access to international markets is for businesses to prosper are crucial for economic growth. Mauritius is ranked 15th out of 141 economies for its market sophistication (table 116) in 2015. Singapore is the world's best performer in this category (table 117).

Table 116: Mauritius v/s Global Best Performers; Pillar 4 ;(1= best)

	Units	2014	2015
United States of America	1=the best	1	1
Hong Kong (China)	1=the best	3	2
United Kingdom	1=the best	2	3
Canada	1=the best	5	4
Switzerland	1=the best	6	5
Singapore	1=the best	4	6
Denmark	1=the best	11	7
New Zealand	1=the best	8	8
Australia	1=the best	10	9
Spain	1=the best	15	10
Mauritius	1=the best	20	15

Source: Global Innovation Index 2015

Table 117: United States of America v/s Mauritius; Market sophistication, 2015

		Units	Rank
Credit	United States of America	1=the best	1
	Mauritius	1=the best	22
Ease of getting credit	United States of America	1=the best	2
	Mauritius	1=the best	34
Domestic credit to private sector	United States of America	1=the best	4
	Mauritius	1=the best	28
Investment	United States of America	1=the best	2
	Mauritius	1=the best	19
Ease of protecting investors	United States of America	1=the best	25
	Mauritius	1=the best	28
Market capitalization	United States of America	1=the best	8
	Mauritius	1=the best	29
Total value of stocks traded	United States of America	1=the best	1
	Mauritius	1=the best	57
Venture capital deals	United States of America	1=the best	6
	Mauritius	1=the best	1
Trade and competition	United States of America	1=the best	11
	Mauritius	1=the best	15
Applied tariff rate, weighted mean	United States of America	1=the best	41
	Mauritius	1=the best	5
Intensity of local competition	United States of America	1=the best	8
	Mauritius	1=the best	22

Source: Global Innovation Index 2015

4.6. Pillar 5 - Business Sophistication

Businesses foster their productivity, competitiveness, and innovation potential with the employment of highly qualified professionals and technicians. Mauritius is ranked 98th out of 141 economies for its business sophistication (table 118) in 2015. Singapore is the world's best performer in this category (table 119).

Table 118: Mauritius v/s Global Best Performers; Pillar 5 ;(1= best)

	Units	2014	2015
Singapore	1=the best	1	1
Luxembourg	1=the best	2	2
Switzerland	1=the best	8	3
Finland	1=the best	7	4
Ireland	1=the best	4	5
Guyana	1=the best	13	6
Sweden	1=the best	9	7
Fiji	1=the best	12	8
United States of America	1=the best	10	9
Netherlands	1=the best	11	10
Mauritius	1=the best	80	98

Source: Global Innovation Index 2015

Table 119: Singapore v/s Mauritius; Business sophistication, 2015

		Singapore	Mauritius
Knowledge workers	1=the best	7	106
Employment in knowledge-intensive services	1=the best	2	71
GERD performed by business enterprise (% of GDP)	1=the best	17	
GERD financed by business enterprise (% of GERD)	1=the best	16	88
Females employed with advanced degrees	1=the best	14	72
Innovation linkages	1=the best	13	57
University/ Industry research collaboration	1=the best	5	98
State of cluster development	1=the best	11	33
GERD financed by abroad	1=the best	62	59
Joint venture/strategic alliance deals	1=the best	5	8
Patent families filed in at least three offices	1=the best	19	35
Knowledge absorption	1=the best	2	100
Royalties and license fees payments (% of service imports)	1=the best	1	87
High-tech imports	1=the best	6	98
Communications, computer and information services imports, %	1=the best	85	50
Foreign direct investment net inflows	1=the best	5	77

Source: Global Innovation Index 2015

4.7. Pillar 6- Knowledge and technology outputs

This pillar covers all those variables that are traditionally thought to be the fruits of inventions and/or innovations. Mauritius is ranked 62nd out of 141 economies for its business sophistication (table 120). Switzerland is the world's best performer in this category (table 121).

Table 120: Mauritius v/s Global Best Performers; Pillar 6 ;(1= best)

	Units	2014	2015
Switzerland	1=the best	1	1
Sweden	1=the best	3	2
China	1=the best	2	3
United States of America	1=the best	4	4
Korea, Republic of	1=the best	6	5
Netherlands	1=the best	9	6
Ireland	1=the best	10	7
United Kingdom	1=the best	5	8
Israel	1=the best	7	9
Germany	1=the best	11	10
Mauritius	1=the best	72	62

Source: Global Innovation Index 2015

Table 121: Switzerland v/s Mauritius; Knowledge and Technology Outputs, 2015

	Units	Switzerland	Mauritius
Knowledge creation	1=the best	3	123
Domestic resident patent app./bn PPP\$ GDP	1=the best	28	102
PCT resident patent app./bn PPP\$ GDP	1=the best	1	N.A ³⁵
Domestic res utility model app./bn PPP\$ GDP	1=the best	N.A ³⁶	N.A ³⁷
Scientific & technical articles/bn PPP\$ GDP	1=the best	4	103
Citable documents H index	1=the best	9	120
Knowledge impact	1=the best	5	113
Growth rate of PPP\$ GDP/worker, %	1=the best	86	N.A ³⁸
New businesses/th pop. 15-64	1=the best	41	17
Computer software spending, % GDP	1=the best	2	N.A ³⁹
ISO 9001 quality certificates/bn PPP\$ GDP	1=the best	13	41
High-tech and medium-high-tech output	1=the best	2	80
Knowledge diffusion	1=the best	1	13
Royalty & license fees receipts, % total trade	1=the best	1	71
High-tech exports less re-exports, % total trade	1=the best	7	113
Comm., computer & info. services exp., % total trade	1=the best		27
FDI net outflows, % GDP	1=the best	6	1

Source: Global Innovation Index 2015

4.8. Pillar 7- Creative Output

The role of creativity in innovation cannot be underestimated. Mauritius is ranked 57th out of 141 economies for its creative output (table 122) in 2015. Switzerland is the world's best performer in this category (table 123).

Table 122: Mauritius v/s Global Best Performers; Pillar 5 ;(1= best)

	Units	2014	2015
Iceland	1=the best	1	1
Luxembourg	1=the best	3	2
Switzerland	1=the best	2	3
Netherlands	1=the best	4	4
United Kingdom	1=the best	7	5
Malta	1=the best	8	6
Australia	1=the best	12	7
Hong Kong (China)	1=the best	6	8
Estonia	1=the best	11	9
New Zealand	1=the best	17	10
Mauritius	1=the best	31	57

Source: Global Innovation Index 2015

³⁵ Not Available

³⁶ Not Available

³⁷ Not Available

³⁸ Not Available

³⁹ Not Available

Table 123: Iceland v/s Mauritius, Pillar 7

	Units	Mauritius	Iceland
Intangible assets	1=the best	72	2
Domestic res trademark app./bn PPP\$ GDP	1=the best	66	13
Madrid trademark app. holders/bn PPP\$ GDP	1=the best	N.A ⁴⁰	1
ICTs & business model creation	1=the best	57	22
ICTs & organizational model creation	1=the best	53	14
Creative goods & services	1=the best	13	1
Cultural & creative services exports, % total trade	1=the best	74	46
National feature films/mn pop. 15-69	1=the best	1	1
Printing & publishing output manufactures, %	1=the best	10	1
Creative goods exports, % total trade	1=the best	44	92
Online creativity	1=the best	82	1
Generic top-level domains (TLDs)/th pop. 15-69	1=the best	35	1
Country-code TLDs/th pop. 15-69	1=the best	62	7
Wikipedia edits/pop. 15-69	1=the best	74	1

Source: Global Innovation Index 2015

⁴⁰ Not Available

Chapter 5: Conclusion and Way Forward

Mauritius aspires to acquire a globally competitive high-income country status by the year 2030 in accordance with the Mauritius Vision 2030. However, the country's performance and level of global competitiveness remains low relative to the global benchmarks as highlighted through the different indicators in this report.

The role of productivity in promoting competitiveness, employment creation, rapid economic growth and the transformation envisaged in the Mauritius Vision cannot be gainsaid. Achieving sustainable change in national productivity and competitiveness will invariably depend on the extent to which the right policies are implemented. It goes without saying that effective implementation of these policies is hinged on the support, active participation, and cooperation of everybody and all relevant institutions in the country.



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