



MCCI Export Insights

Overview of Export Trends 2010 - 2015

June 2016

HIGHLIGHTS

Total Exports

- Total exports¹ have increased by 39% over the last five years moving from Rs 62 billion to Rs 86 billion in 2015. The increase in total exports can be attributed to a large extent to a significant increase in re-exports over the last few years. During the period 2010-2015, domestic exports only increased by 16% whereas re-exports increase by 144%. There was an overall decrease in the share of domestic exports as a percentage of total exports from 81% to 68% over the five-year period.

Domestic Exports

- Over the last five years, the top four product categories exported remained unchanged namely *Garments, Preserved Tuna, Sugar and Jewellery*. In 2015, these top four product categories made up for 77% of the total domestic exports. It can however be observed that a number of new products such as *Animal Feed, Printed Materials and Medical/Surgical Instruments* were ranked among our top 10 exports in the year 2015.
- Although the European Union remains our main export market, it must be noted that the share of domestic exports to the European market has decreased over the last five years representing 55% of our domestic exports in 2015 as compared to 72% in 2010.
- The first export market for Mauritius remained the United Kingdom with the major products exported in 2015 being *Garments, Preserved Tuna and Sugar*.
- There was no major change in our top five export markets, which were *United Kingdom, United States, France, South Africa and Italy*. In 2015, these five markets accounted for 62% of our total domestic exports.
- It is interesting to note that Vietnam was the only non-preferential market in the top 10 export destinations with a high export value of *Polished Non-Industrial Diamonds*.

¹ Total Exports is the sum of domestic exports (locally manufactured goods) and re-exports.

Regional Exports

- Exports to the SADC and COMESA region have also increased significantly moving from 12% to 18% of total domestic exports over the past five years. Exports to the region were highly concentrated in *Textiles and Clothing* products accounting for 72% of total domestic exports to the region.
- South Africa and Madagascar were the main regional markets for our products with 84% of total domestic exports destined to these two countries only.
- *Cotton Trousers and T-Shirts* were the main product categories exported under SADC and were destined primarily to the South African market. *Refined Sugar* was the main export to the COMESA region and was consigned predominantly to the Kenyan market.

Re-Exports

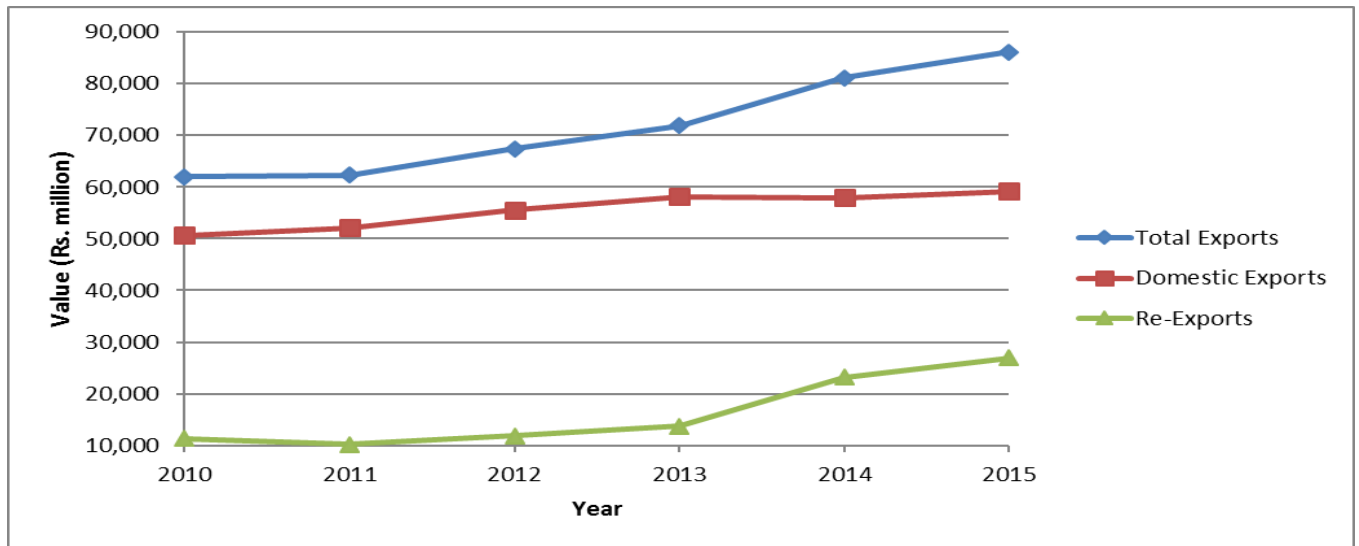
- Re-exports have increased significantly with a rise of 144% over the last five years being primarily re-export activities in the Freeport. The top three products re-exported in terms of value for the year 2015 were *Mobile Phones*, *Frozen Fish* and *Vanilla*. Other products included *Medicaments*, *Computers* and *Medical Dressings*.
- The significant increase in re-export can be attributed mainly to the re-export of *Mobile Phones* in Freeport. It accounted for 37% of the total re-export value in 2015 and consisted of imports of *Mobile Phones* from China, Vietnam and Korea, which were subsequently, re-exported to the United Arab Emirates (UAE).

1. General Overview - Total Exports (2010-2015)

Over the last five years, total exports have grown from Rs. 62 billion to Rs. 86 billion, representing an overall increase of 39%. During the same period, the composition of total exports has also evolved with domestic² exports accounting for 68.7% of total exports in 2015 compared to 81.7% in 2010.

The chart below shows that the increase in total exports is mainly due to a consistent year-on-year rise in re-exports.

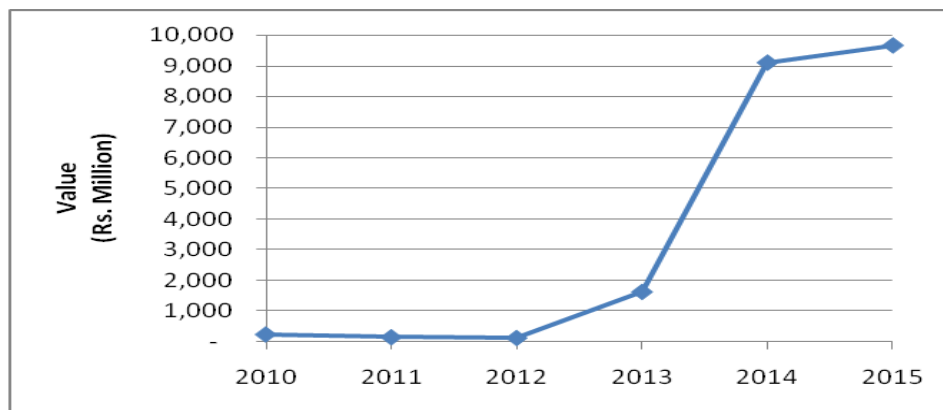
Figure 1: Evolution of Exports (2010-2015)



Source: Statistics Mauritius

This increase in re-exports can be mainly attributed to a surge in re-exports of mobile phones in the Freeport imported from China, Vietnam and Korea and re-exported to the United Arab Emirates (Fig. 2).

Figure 2: Evolution of Re-Exports of Mobile Phones



² Domestic exports consists exports of locally manufactured goods

2. Domestic Exports

2.1 Main Products

An analysis of the domestic exports basket by Chapter³ for 2015 uncovers the following:

- Our traditional exports namely *Garments (Ch. 61/62)*, *Fish products (Ch.16)* and *Sugar (Ch.17)* remain the top domestic exports.
- The other products ranking amongst the top domestic exports include *Imitation Jewellery (Ch. 71)*, *Fabrics Ch. (52/60)* *Animal Feed (Ch. 23)*, *Printed Materials (Ch. 49)* and *Medical/Surgical Instruments (Ch. 90)*.

Table 1: Top Domestic Exports by Chapter (2015)

| Chapter | Description | Total FOB Value (Rs. million) |
|-------------|---|----------------------------------|
| 1-97 | TOTAL DOMESTIC EXPORTS | 59,181 |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | 13,111 |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 12,010 |
| 16 | Preparations of meat, of fish or of crustaceans or other products | 8,615 |
| 17 | Sugars and sugar confectionery | 7,784 |
| 71 | Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery | 5,553 |
| 60 | Knitted or crocheted fabrics | 1,264 |
| 52 | Cotton | 1,148 |
| 23 | Residues and waste from the food industries; prepared animal fodder | 923 |
| 03 | Fish and crustaceans, molluscs and other aquatic invertebrates | 866 |
| 49 | Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans | 800 |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus | 793 |

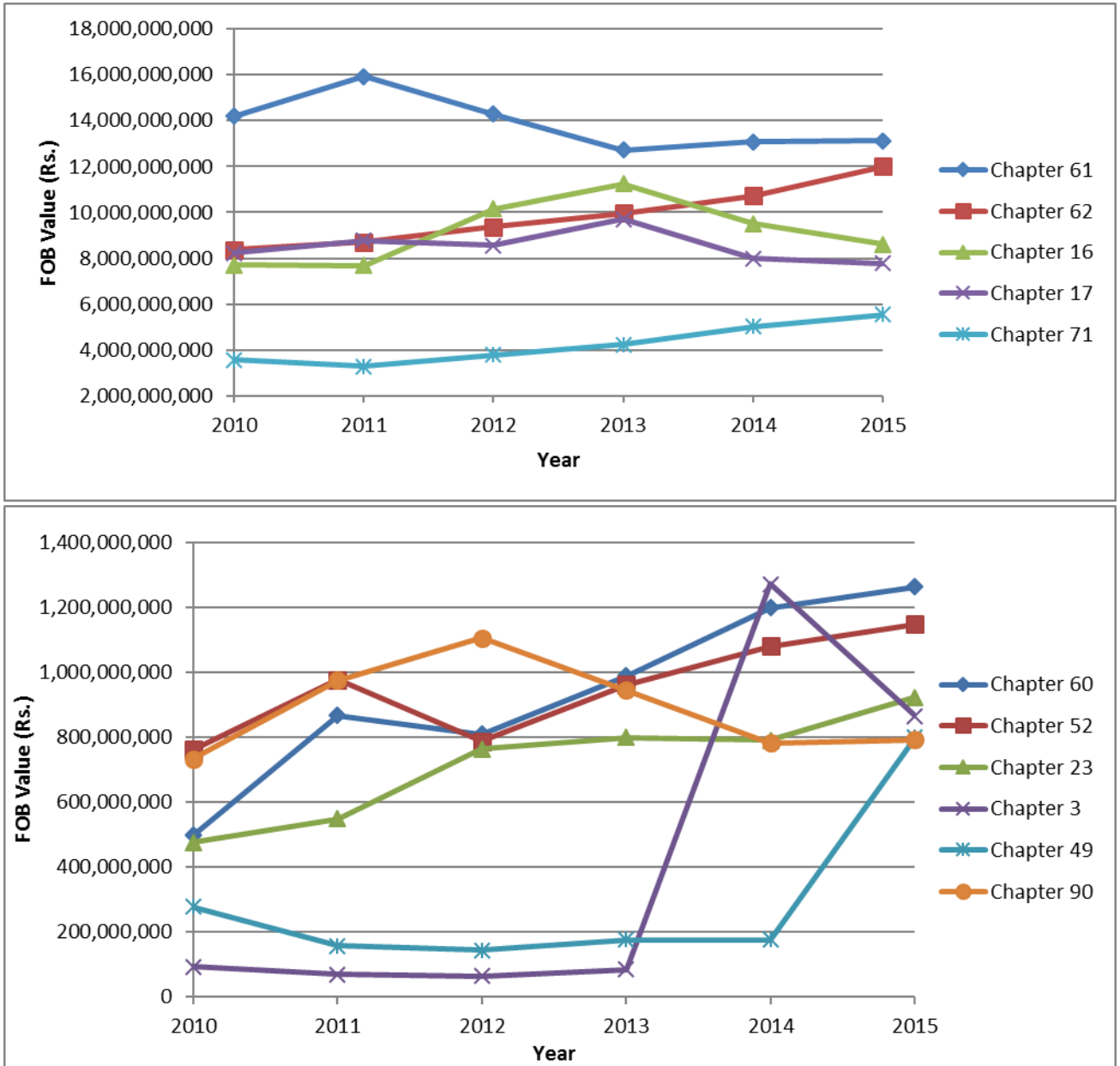
Source: Statistics Mauritius

³ Harmonised System Nomenclature of the World Customs Organisation

A comparison of the top domestic exports by Chapter from 2010 to 2015 shows that the topology of our main domestic exports has essentially remained the same over the last five years.

The two charts below illustrate the evolution of domestic export for the chapters identified as top domestic exports for the year 2015. Amongst the top 5 products exported, it can be observed that only *Garments* (Ch. 62) and *Jewellery* (Ch. 71) have shown an increasing trend over the last 5 years.

Figure 3: Evolution of Domestic Exports for Selected Chapters (2010-2015)



Source: Statistics Mauritius

It can be noted that there has been a steady increase in exports of fabrics (Chapters 52 and 60) over the last five years. A surge in exports can also be observed for 'Frozen Fish fillets' classified under Chapter 3 and exported mainly to France and Japan. Similarly, there has been a significant increase in the export of *Printed Books and Materials* (Chapter 49) with the main markets being South Africa, United Arab Emirates and Reunion Island.

2.2 Main Destination for our Top Exports

The **European Union** has remained the main destination for our top exports over the last five years. The main products exported were *Textiles and Clothing* (Chapters 50-63), *Preserved Fish* (Ch. 16), *Sugar* (Ch. 17) and *Jewellery* (Ch. 71). All our exports to the EU benefit from preferential market access under the Interim Economic Partnership Agreement.

A breakdown of the main export markets for our top products manufactured locally is depicted in Figures 4 and 5.

Figure 4: Export Markets for Selected Domestic Exports (Fish and Fish products)

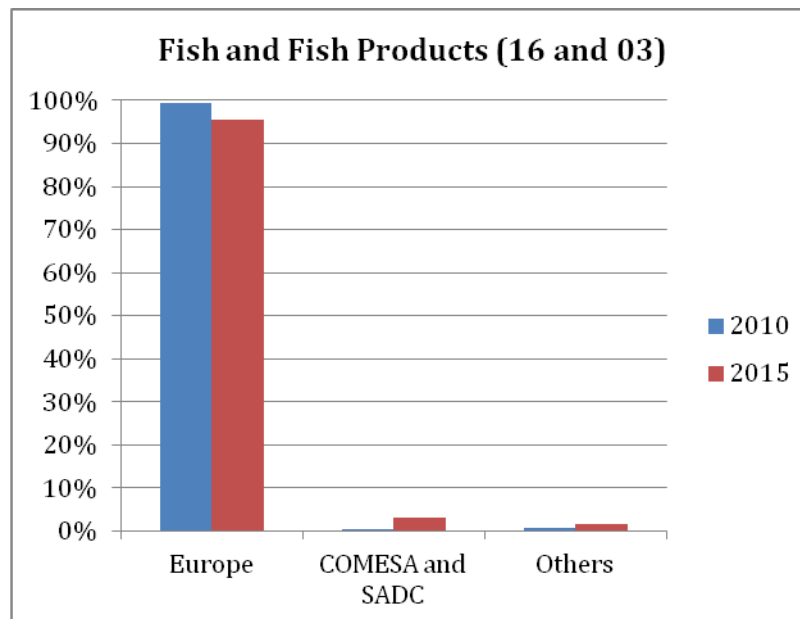
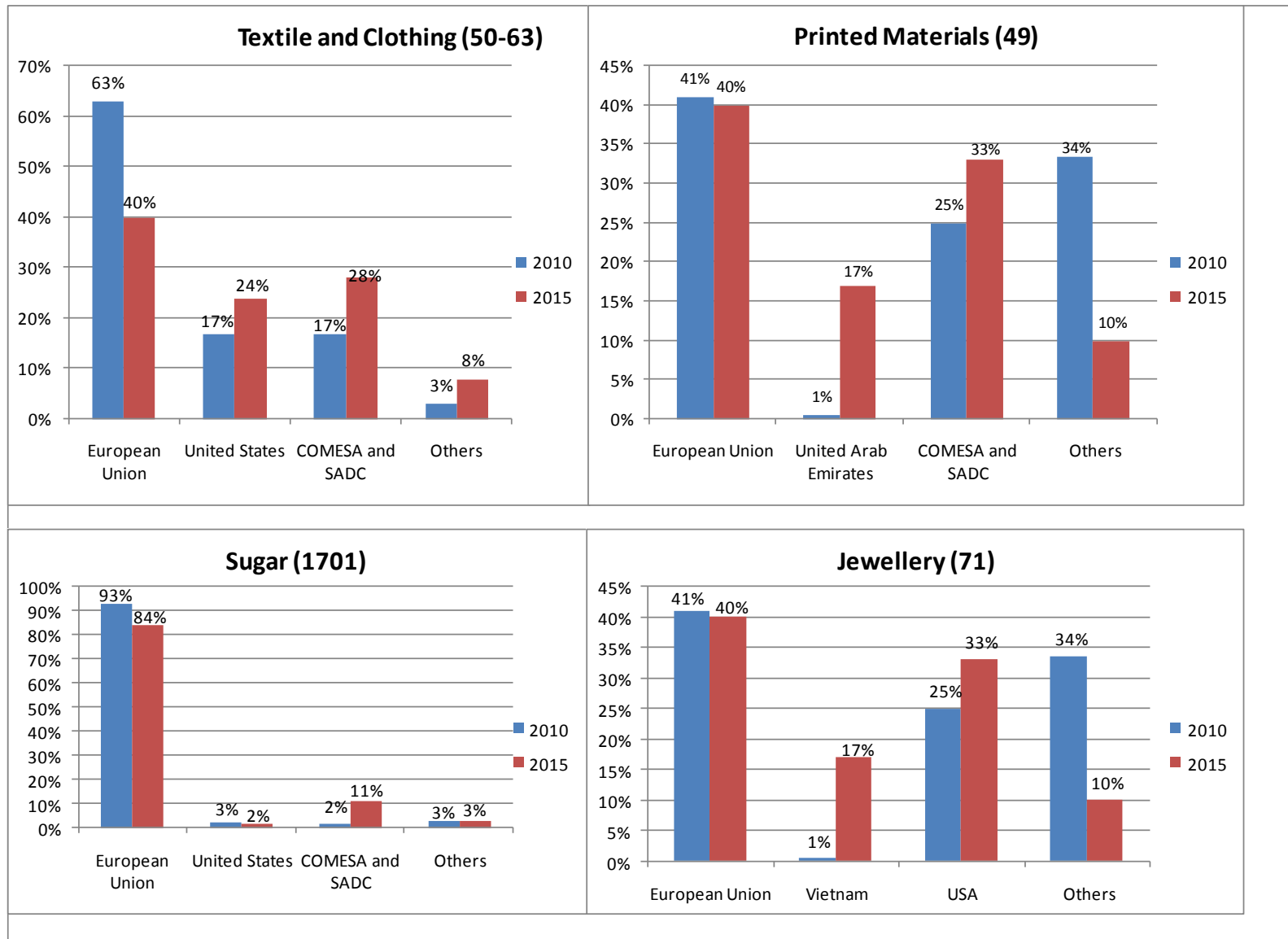


Figure 5: Export Markets for Selected Domestic Exports



2.3 Top Domestic Exports (Non-Textile)

An analysis of top domestic exports over the last five years shows a significant increase in exports of *Polished Diamonds, Printed Materials, Frozen Fish* and *Animal Feed* as shown in Table 2.

Table 2: Top 15 Domestic Exports (Excluding Textiles and Clothing products) for 2015

| HS Code (4-digit) | Description | FOB Value (Rs. million) | % Change from 2010 |
|-------------------|--|-------------------------|--------------------|
| 1604 | Prepared/preserved fish & caviar | 8,615 | 13.0% |
| 1701 | Cane or beet sugar and chemically pure sucrose, in solid form | 7,659 | -0.6% |
| 7102 | Diamonds, not mounted or set | 3,961 | 179.3% |
| 7113 | Articles of jewellery & parts thereof | 973 | -32.5% |
| 4901 | Printed books, brochures, leaflets & similar printed matter | 700 | 251.0% |
| 0106 | Live animals, not elsewhere specified | 666 | -17.8% |
| 0304 | Fish fillets and pieces, fresh, chilled or frozen | 631 | 3299.3% |
| 2301 | Flour etc of meat, meat offal ,fish, crust etc unfit for human consumption | 567 | 253.3% |
| 9018 | Electro-medical apparatus (electro-cardiographs, infra-red app...) | 527 | 58.3% |
| 4202 | Trunks, suit-cases, camera cases, handbags | 381 | 30.0% |
| 7116 | Articles of natural or cultured pearls, precious/semi precious stones | 347 | NA |
| 1101 | Wheat or meslin flour | 321 | 10.1% |
| 2309 | Animal feed preparations, nes | 320 | 2.0% |
| 9113 | Watch straps, watch bands and watch bracelets, and parts thereof | 270 | 61.0% |
| 4203 | Articles of apparel & clothing access, of leather or composition leather | 223 | -47.0% |

Source: Statistics Mauritius

A surge in exports can be noted for '*Frozen Fish fillets*' (HS Code 0304) being exported mainly to France and Japan.

- Exports of *Polished Diamonds (7102)* have also shown a significant increase with the main markets being Vietnam (Rs. 2 billion), USA (Rs. 511 million) and Belgium (Rs. 488 million) in 2015 compared to Belgium (Rs. 386 million) and USA (Rs. 1 billion) in 2010.
- The increase in domestic exports of *Printed Materials (4901)* is most notable for the period 2014-2015 during which exports increased from Rs. 45 million to Rs. 700 million. The main export markets in 2015, were South Africa, United Arab Emirates and Reunion Island.
- There has also been a significant increase in export *fish meal and fish pellets* (HS Code 23.01) since 2010 and the top three markets were China, Japan and Taiwan which together accounted for 77% of the total domestic exports for this specific product.

2.3 Main Export Markets

Over the last five years, the European Union was the main export market for Mauritian products. The top 15 destinations for domestic exports are as shown in Table 3 below. The top five export markets have remained the same over the 2010-2015 period and represented over 60% of the total domestic exports. It is worth highlighting that, except for Vietnam, Mauritius has signed trade agreements with all the remaining countries and thus benefits from preferential market access.

Table 3: Top 15 Destinations for Domestic Exports (2015 & 2010)

| Country | FOB Value (Rs. million) | % Share | Country | FOB Value (Rs. million) | % Share |
|----------------|-------------------------|---------|----------------|-------------------------|---------|
| 2010 | | | 2015 | | |
| United Kingdom | 12,642 | 25.0% | United Kingdom | 10,725 | 18.1% |
| France | 9,095 | 18.0% | United States | 8,227 | 13.9% |
| United States | 5,702 | 11.3% | France | 6,716 | 11.3% |
| Italy | 3,866 | 7.6% | South Africa | 6,311 | 10.7% |
| South Africa | 3,474 | 6.9% | Italy | 4,654 | 7.9% |
| Spain | 2,821 | 5.6% | Vietnam | 3,023 | 5.1% |
| Madagascar | 1,907 | 3.8% | Spain | 2,731 | 4.6% |
| Reunion | 1,320 | 2.6% | Madagascar | 2,701 | 4.6% |
| Germany | 1,281 | 2.5% | Netherlands | 2,167 | 3.7% |
| Belgium | 1,214 | 2.4% | Belgium | 1,614 | 2.7% |
| Seychelles | 773 | 1.5% | Switzerland | 944 | 1.6% |
| Switzerland | 763 | 1.5% | Reunion | 829 | 1.4% |
| Netherlands | 646 | 1.3% | Kenya | 725 | 1.2% |
| Austria | 366 | 0.7% | Germany | 561 | 0.9% |
| Kenya | 357 | 0.7% | Greece | 471 | 0.8% |

Source: Statistics Mauritius

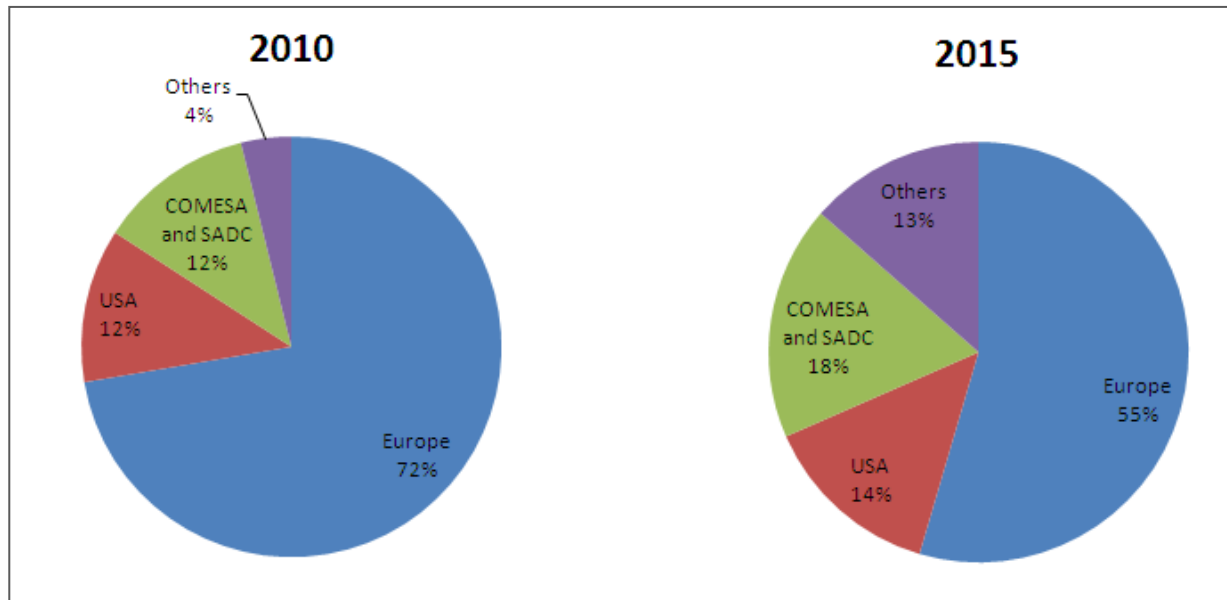
- Domestic exports to the United Kingdom were highly concentrated on three products namely *Garments* (56%), *Preserved Fish* (26%) and *Sugar* (13 %) in 2015.
- *Textiles and Garments* accounted for 83.2% of domestic exports to the USA followed by *Non-Industrial Diamonds* (6%), *Spectacles/Sunglasses* (2%), *Sugar* (2%) and *Fish* products classified under Chapter 3 (0.8%).
- As for France, *Textiles and Garments* made up for 46% of the total domestic exports whilst *Articles of Jewellery* comprised 13%. Other articles exported to France include *Artists' Brushes*, *Leather Handbags*, *Medicaments*, *Watch Straps & Bands*, *Pineapples*, *Cases & Containers*, *Paints*, *Instant Noodles* and *Lychees*.

2.4 Exports by Region

Over the last five years, it can be noted that, whilst Europe remained the main export market, its overall market share has decreased from 72% to 55% as a percentage of the total domestic exports.

Exports to the United States have increased from 12% to 14% and to the SADC/COMESA region from 12% to 18%.

Figure 6: Market Structure of Domestic Exports by Region



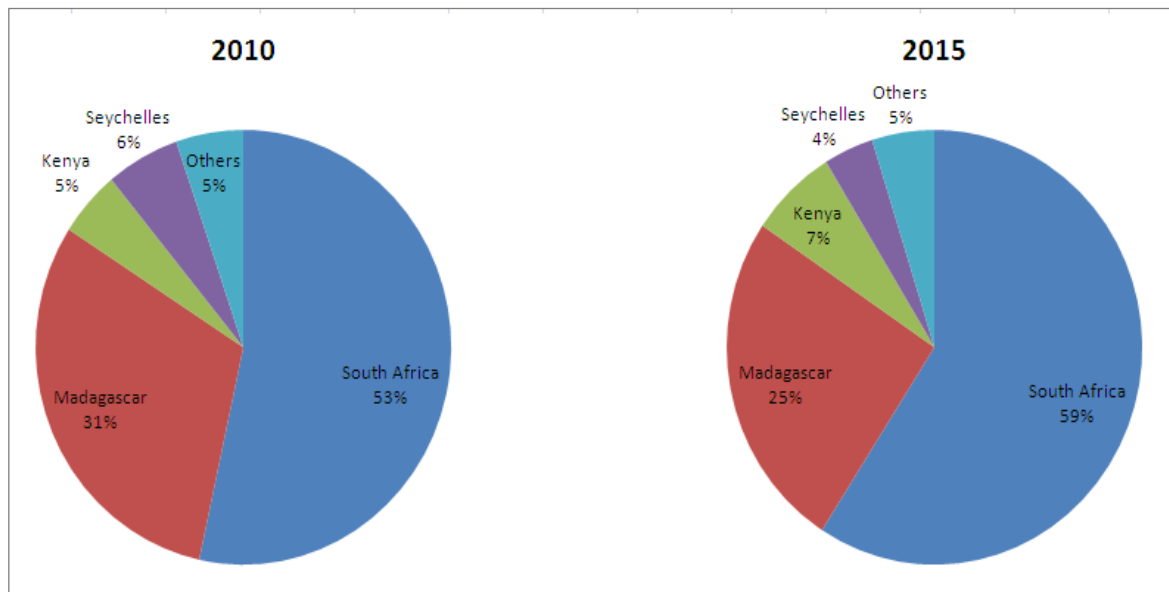
Data Source: Statistics Mauritius

2.5 Exports to the SADC and COMESA Region

It can also be observed that there has been a notable increase in domestic exports to the region namely to SADC and COMESA Member States. Domestic exports for the SADC/COMESA region have increased from 12% to 18% over the last five years.

As depicted in Figure 8 below, the market structure for our regional exports has remained more or less the same. South Africa stays the main regional export market followed by Madagascar, Kenya and Seychelles. South Africa and Madagascar together make up for 84% of total domestic exports to the region pinpointing to the untapped potential in the SADC/COMESA region.

Figure 8: Market Structure of Domestic Exports to SADC/COMESA Member States



Data Source: Statistics Mauritius

A breakdown of the main products exported to the region is shown in Table 4 below. Whilst the exports basket to the region is varied in terms of products, it must be noted that *Textiles and Clothing* accounted for 72.2% of the total domestic exports to the region.

Table 4: Main Domestic Exports to the Region (2015)

| Domestic Exports to the SADC/COMESA Region (2015) | | | |
|---|---------------------------|----------------------------|--|
| Main Products | | | |
| | Product | FOB Value (Rs. Million) | Main Markets |
| 1 | Textiles and Clothing | 7,700 | South Africa, Madagascar |
| 2 | Refined sugar | 810 | Kenya, Madagascar, Comoros, Mozambique |
| 3 | Animal Feed | 314 | Madagascar, Seychelles, Uganda, Zambia |
| 4 | Printed Materials | 264 | South Africa, Madagascar, Kenya |
| 5 | Wheat flour | 227 | Madagascar, Seychelles, Comoros |
| 6 | Alcohol | 184 | Madagascar, Kenya, Uganda, Seychelles |
| 7 | Metal tubes and Iron bars | 180 | Rwanda, Madagascar, Burundi, Seychelles |
| 8 | Noodles | 155 | Madagascar, Zimbabwe, South Africa, Malawi |
| 9 | PET Bottles | 70 | Madagascar, South Africa |
| 10 | Cosmetics | 40 | Madagascar, Seychelles, South Africa |

Source: Statistics Mauritius

It is worth highlighting that *Garments (Cotton Trousers and T-shirts)* were our main SADC Export with South Africa being the main market whereas *Sugar* was our top export in COMESA with Kenya as the most important export market.

3.0 Re-Exports

3.1 Top Re-Exports by Product

The top three product categories re-exported, as shown in Table 4, accounted for 61.4% of the total re-exports in 2015.

Table 5: Top Re-Exports by Chapter (2015)

| Chapter | Description | Total FOB Value (Rs. million) |
|-----------|---|-------------------------------|
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles | 11,217 |
| 03 | Fish and crustaceans, molluscs and other aquatic invertebrates | 3,629 |
| 84 | Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof | 1,698 |
| 30 | Pharmaceutical products | 1,004 |
| 09 | Coffee, tea and spices | |

Source: Statistics Mauritius

The top products re-exported from Mauritius in 2015 are listed in Table 6 (at 4 digit level):

Table 6: Top 15 Re-Exports for 2015

| 4-digit HS Code | Description | Total FOB Value (Rs. million) | % Change from 2010 |
|-----------------|--|-------------------------------|--------------------|
| 8517 | Electric apparatus for line telephony (Mobile phones) | 10,060 | 3568% |
| 0303 | Fish (frozen) | 3,315 | 49% |
| 0905 | Vanilla | 751 | 886% |
| 3004 | Medicament mixtures (not 3002, 3005, 3006), put in dosage | 591 | -36% |
| 3923 | Plastic packing goods or closures stoppers, lids, caps, closures | 582 | 63% |
| 0511 | Animal products (not specified elsewhere) | 535 | 88% |
| 8471 | Automatic data processing machines; optical reader, etc | 431 | 961% |
| 2402 | Cigars, cheroots, cigarillos & cigarettes | 421 | 137% |
| 3005 | Medical Dressings (packaged for medical use) | 408 | 152960% |
| 5208 | Woven cotton fabrics, 85% or more cotton | 398 | 169% |
| 1604 | Prepared/Preserved Fish | 354 | 120% |
| 2207 | Ethyl alcohol & other spirits | 349 | 752% |
| 3304 | Beauty, make-up & skin-care preparations | 344 | 31% |
| 9018 | Electro-medical apparatus (electro-cardiographs, infra-red ray) | 318 | 289% |
| 8528 | Television receivers (including video monitors & video projectors) | 317 | 1296% |

Source: Statistics Mauritius

The following elements can be highlighted:

- Re-exports of *Mobile Phones (HS Code: 85171200)* amounted to Rs. 9.7 billion accounting for 96.1% of exports under 8517. It is worth noting that Rs. 9.5 billion worth of re-exports of this product was sent to the United Arab Emirates.
- Re-exports of *Vanilla, Neither Crushed Nor Ground (HS Code: 09051000)* added up to Rs. 751 million in 2015 with the following key markets: United States (50.2%), Germany (26.9%) and France (16.0%).
- There has been a considerable increase in the re-export of *Portable Digital Computers (HS Code: 8471.30)* with the total re-export value amounting to Rs. 351 million in 2015. The main market for this product was the United Arab Emirates (Rs. 274 million).
- Re-exports of *Wadding, Gauze and Bandage (HS Code: 3005.90)* accounted for 99.9% of Re-Exports under the heading 3005. France and India were the main re-export markets with market shares of 72% and 28% respectively.
- Of the Rs. 344 million re-exports of *Undenatured Ethyl Alcohol (HS Code: 2207.1090)*, 91% were meant for the South African market.
- Re-Exports of television sets classified under the heading 8528 also experienced a major increase. The main markets were South Africa with a market share of 60% and Madagascar with a share of 26.6% in contrast with 2010 whereby Madagascar made up for 74% of the market share and South Africa contributed to barely 0.2%.

3.1 Main Re-Export Destinations

During the 2010-2015 period, the Re-Exports⁴ figures increased from Rs. 11 billion to Rs. 27 billion, representing a rise of 144%.

The top 15 destinations for re-exports are depicted in Table 6 below for 2015 and 2010. The three most important countries accounted for 54.5% of total re-exports in 2015 compared to 32.3% in 2010.

⁴ It should be noted that Statistics Mauritius estimates that a certain percentage of re-exports is in fact sourced locally.

Table 7: Top 15 Destinations for Re-Exports (2015 & 2010)

| Country | FOB Value (Rs. million) | % Share | Country | FOB VALUE (Rs. million) | % Share |
|----------------------|----------------------------|---------|----------------------|----------------------------|---------|
| 2015 | | | 2010 | | |
| United Arab Emirates | 10,313 | 38.3% | Madagascar | 1,662 | 14.6% |
| Madagascar | 2,937 | 10.9% | Reunion | 1,098 | 9.7% |
| France | 1,413 | 5.2% | France | 907 | 8.0% |
| South Africa | 1,192 | 4.4% | Spain | 866 | 7.6% |
| Spain | 1,051 | 3.9% | Japan | 531 | 4.7% |
| Singapore | 1,036 | 3.8% | Thailand | 402 | 3.5% |
| Reunion | 974 | 3.6% | India | 381 | 3.4% |
| Taiwan | 900 | 3.3% | United Arab Emirates | 366 | 3.2% |
| United States | 879 | 3.3% | South Africa | 354 | 3.1% |
| Japan | 552 | 2.0% | Seychelles | 352 | 3.1% |
| Seychelles | 534 | 2.0% | Singapore | 342 | 3.0% |
| India | 446 | 1.7% | Malaysia | 263 | 2.3% |
| Germany | 417 | 1.5% | Switzerland | 259 | 2.3% |
| Thailand | 410 | 1.5% | Italy | 251 | 2.2% |
| China | 392 | 1.5% | Taiwan | 239 | 2.1% |

It can be observed that the United Arab Emirates (UAE) emerges as the top country for re-exports and this is mainly due to the high re-exports of *mobile phones* which in fact account for 92% of re-exports to the UAE. Other products that are re-exported to UAE include *Portable Digital Computers, Other Base Stations* and *Women's & Girls' Dresses*.

Madagascar has remained amongst our top re-export destinations although its market share has decreased slightly. The main products re-exported to Madagascar are *Machinery, Electrical Appliances, Cotton Fabrics, Articles of plastics* and *Pharmaceutical Products*.

France ranked in the top three re-export destinations, albeit with a lower market share, with the following products making up for 56% of re-exports to the country: *Wadding, Gauze and Bandage* (20.8%), *Other waste and scrap of gold* (16.3%), *Watch straps, bands and bracelets and parts thereof* (10.9%) and *Vanilla* (8.5%).

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