AFRICA RISK CONSULTING

Mauritius Monthly Briefing October 2026

Mauritius Summary 30 October 2026

Protests break out across Mauritius from 7 October over water shortages and the rising cost of living. Demonstrations turn violent after police shoot and wound a woman on 9 October in Beau Bassin-Rose Hill, marking a wave of social unrest that the island has not seen since 1999. Statistics Mauritius confirms on 7 October that annual inflation accelerated from 4.9% in August to 5.7% in September, its highest level since February 2024, driven mainly by rising fuel and food costs, a reflection of Mauritius' vulnerability to external shocks. The African Union (AU) launches the Africa Credit Rating Agency (AfCRA) on 7 October, with the new pan-African agency based in Port Louis highlighting Mauritius' position as the continent's primary financial hub.

Unprecedendent unrest breaks out across island

Protests broke out across **Mauritius** from 7 October over water shortages and the rising cost of living. The demonstrations turned violent after police shot and wounded a woman on 9 October in **Beau Bassin-Rose Hill**, marking a wave of social unrest that the island has not seen since 1999. The 1999 protests, in which four people were killed, were in response to the killing of a popular singer, **Joseph Reginald Topize**, in police custody, underscoring sensitivity to police violence on the island.

Notably, surgeons from **India** were flown into Mauritius to operate on the woman shot, removing a bullet from her neck. The police officer who shot the 27-year-old woman at a roadblock was arrested and police suspended three others for *"failing to provide assistance to a person whose life was in danger"*. It is unclear what prompted the shooting.

The initial protests broke out in **Vacoas-Phoenix** and **Bambous**, located near **St Louis**, over water cuts, with residents reporting they had not had water for four days. By 12 October, widespread looting and destruction of public property was reported. The country is currently experiencing its worst drought since the 1990s. The main reservoirs were filled to 53.9% of capacity, as of 19 October, compared to 79.2% in 2025. Infrastructure is also neglected, with up to 60% of piped water lost to leaks. Energy and public utilities minister **Patrick Assirvaden** confirmed that it would cost MUR 40 billion ($846m) over ten years to fix the distribution systems. The issue is not new, with the country suffering successive droughts for years *(see ARC Briefing Mauritius Jan 2023 & Jan 2025)*.

In response to the unrest, prime minister **Navin Ramgoolam** (2024-present) introduced an overnight curfew covering areas in approximately one third of the island from 13 October, from 8:30pm to 6am, and the education ministry closed some schools during that week. On 16 October, the government extended the curfew for another three nights, but shortened its hours from 10pm to 4:30am.

Although protests and unrest on this scale are rare in Mauritius, **United States (US)**-based conflict monitor **Armed Conflict Location and Event Data (ACLED)** has reported its data show that protests in response to water shortages have increased steadily since 2020, when the island's economy was nearly crippled by the **Covid-19** pandemic. Mauritius' economy is once again facing significant headwinds, driven by the conflict in the **Middle East** (see below). ACLED added that social media was key in growing the protests, with a **WhatsApp** group titled 'The Burning Paradise' serving as a way for protestors to organise. This rise in the use of social media is reflective in the arrests made; by 16 October, police had arrested at least 150 people, of whom 16 were minors. The government responded that it would seek to lower the age at which minors can be detained and prosecuted from 14 to 12.

Ramgoolam blamed the violence on drug traffickers. However, a Mauritius-based country risk analyst told ARC Briefing that *"if they are so certain that it's the drug dealers, it's a wonder why they haven't been arrested"*. The government is seeking to shift the blame, as it currently does not appear to have solutions to addressing the protest issues other than offering MUR 15,000 ($316) vouchers to approved households to purchase water tanks.

Inflation reaches 32-month high

Statistic Mauritius confirmed on 7 October that annual inflation accelerated from 4.9% in August to 5.7% in September, its highest level since February 2024, driven mainly by rising fuel and food costs, a reflection of Mauritius' vulnerability to external shocks. **Bank of Mauritius (BoM)** (central bank) governor **Priscilla Muthoora Thakoor** said in an interview that the central bank has forecast that headline inflation, which reached 4.1% in September, will exceed its target band of 2% to 5%.

The **International Monetary Fund (IMF)** in its **Article IV Consultation** in June forecast that inflation would reach 6.4% by year-end, before returning to the midpoint of the central bank's target over the medium term. The IMF also noted that risks to its outlooks – it forecast GDP growth to slow from 3.2% in 2025 to 2.8% in 2026 – are tilted to the downside due to the increase in fuel and food prices, with its upside dependent on easing geopolitical tensions, which has not happened.

Mauritius is heavily reliant on fuel and food imports, which have been significantly impacted by the conflict in the Middle East. The Monetary Policy Committee (MPC) at its next meeting will need to consider this alongside several other factors, including a depreciating rupee and forecasts of reduced economic growth. US-headquartered **Fitch Solutions** has forecast growth will slow to 2.4% in 2026. Fitch also noted in its report, released on 2 October, that this deceleration in growth is due to elevated prices reducing household purchasing power but that this is expected to ease in 2027, allowing growth to recover slightly to 2.9%. Fitch also forecast that inflation will average 4.2% this year, up from 3.7% in 2025. Like the IMF, Fitch has noted that an easing in geopolitical tensions would help to lower energy and transport costs but Fitch itself has forecast that a peace deal could be reached in Q1 of 2027, meaning inflation is likely to continue to rise over at least another quarter.

Thakoor has said that a policy rate increase will depend on how long elevated prices persist. The key rate was raised by 25 basis points in May to 4.75% and maintained at this level during an MPC meeting in August. The MPC will meet in November, but inflation is likely to increase during October, which may force a hike to help bring inflation down and protect household purchasing power.

Mauritius in strategic position as its hosts Africa's new credit rating agency

The **African Union (AU)** launched the **Africa Credit Rating Agency (AfCRA)** on 7 October, with the new pan-African agency based in **Port Louis** highlighting Mauritius' position as the continent's primary financial hub. Mauritius' hosting the AfCRA was announced in September 2025 after a competitive bidding process overseen by the **African Peer Review Mechanism (APRM)**. APRM CEO Ambassador **Marie-Antoinette Rose Quatre** noted that the choice of Mauritius is due to the island's strong governance standards, robust financial sector and commitment to regional integration.

The AfCRA is intended to offer an alternative to the three largest ratings agencies – **Fitch Ratings**, **Moody's** and **S&P Global** – and to offset what several African governments have called inherent bias against African countries by these agencies, which they say has manifested in an 'Africa premium'. What makes the AfCRA different from other credit rating agencies is that the programme is specifically designed to increase transparency in the credit rating decision making process, so that African countries may challenge potential biases or inconsistencies in the credit rating methodologies.

On the sidelines of the launch, AU Commission chairperson **Mahmoud Ali Youssouf** held a meeting with vice president **Jean Yvan Robert Hungley**, during which Youssouf noted that for the AU, Mauritius is a strategic link between the continent and **Asia** that will help strengthen Africa's presence in international trade. Youssouf cited Mauritius' location, institutional stability and economic environment.

While this strong promotion of Mauritius is key in continuing to bolster and promote the vital financial services sector, which contributes approximately 13.4% to GDP and employs over 19,000, the country is facing increasing competition. **Rwanda** is actively seeking to promote its financial centre as an alternative to Mauritius, offering lower personal income tax and five-year work permits for qualified professionals to help grow its sector. Rwanda's financial services sector has attracted $600m in assets and prominent entities, including the **Qatar Investment Authority**. A **South Africa**-based director in the financial services industry also told ARC Briefing that **Jersey** is seeking to promote its international finance centre status to African companies, family offices and high net worth individuals – mainly in **South Africa**, **Kenya** and **Nigeria** – as an alternative to Mauritius.

Planner

29 Oct 2026 **(Mauritius) International Conference on Public Policy, Governance and Sustainable Cities (ICPPGSC)**

11 Nov 2026 **(Mauritius) Bank of Mauritius** (central bank) **Monetary Policy Committee (MPC)** meeting

6-9 Dec 2026 **(Mauritius)** 18th **United States-Africa Business Summit**

Chronology

26 Oct 2026 **Maputo (Mozambique)** *Africa Global Funds.* **United Kingdom (UK)**-headquartered **Helios Investment Partners** acquires up to a 49% stake in **Mauritius**-headquartered **Stratton Africa Holdings Limited**, the parent company of Mozambique's largest flour milling business, **Merec Industries**, from **Abu Dhabi**-headquartered **Invictus Investment**;

24 Oct 2026 **Port Louis (Mauritius)** *Bloomberg*. State-owned carrier **Air Mauritius** is planning to add single-aisle aircraft and to review the planned acquisition of wide-body planes as part of a long-term strategy review;

20 Oct 2026 **Port Louis (Mauritius)** *Al Jazeera*. Mauritius lifts a nighttime curfew that was imposed last week amid a rare wave of violent demonstrations;

17 Oct 2026 **Port Louis (Mauritius)** *Eastleigh Voice.* Cabinet approves a proposal to amend the **Police Act** to allow curfews to be imposed across the country, paving the way for the proposal to be submitted to the national assembly;

14 Oct 2026 **Port Louis (Mauritius)** *BBC.* Government extends a curfew until Friday morning after riots broke out following the shooting and injuring of a woman by police at a roadblock;

13 Oct 2026 **Virginia (United States)** *Africanews.* **United States' (US) University of Virginia** publishes its latest **Global Capitalism Index**, ranking **Mauritius** (48th), **Seychelles** (50th) and **Botswana** (52nd) out of 161 countries, making them the most capitalist countries in **Africa**;

12 Oct 2026 **Port Louis (Mauritius)** *Times Live.* Education ministry temporarily closes schools in some parts of the country after a night of protests that started when a police officer shot a woman, with no information on what led to the incident;

12 Oct 2026 **Port Louis (Mauritius)** *Bloomberg*. **Bank of Mauritius** (central bank) governor **Priscilla Muthoora Thakoor** says the bank sees inflation breaching the upper limit of its 5% target range by year-end, and its interest-rate policy decisions will hinge on how long price pressures are likely to endure;

12 Oct 2026 **Port Louis (Mauritius)** *African Capital Markets News.* **Stock of Exchange of Mauritius (SEM)** appoints former **Australian Stock Exchange** group executive (securities and payments) and chief operating officer (COO), **Tim Hogben**, as CEO;

7 Oct 2026 **Port Louis (Mauritius)** *CNBC Africa.* The **African Union (AU)** launches the continent's first credit rating agency, **Africa Credit Rating Agency (AfCRA)**, headquartered in Mauritius, seeking to provide an alternative to the 'big three' global ratings agencies as debt burdens weigh on many African economies;

7 Oct 2026 **Port Louis (Mauritius)** *Trading View.* Annual inflation increases to 5.7% in September, up from 4.9% in August, its highest level since February 2024;

6 Oct 2026 **Port Louis (Mauritius)** *CNBC Africa.* Junior finance minister **Dhaneshwar Damry** says Mauritius is seeking to strengthen its role as an international finance centre and primary de-risking hub for capital flows across the continent;

5 Oct 2026 **Port Louis (Mauritius)** *Channel Africa.* The **African Union (AU**) is set to launch the **Africa Credit Rating Agency (AfCRA)** in Port Louis this week, aiming to provide independent, Africa-focused assessments of the creditworthiness of governments, businesses and institutions across the continent;

2 Oct 2026 **Port Louis (Mauritius)** *Fitch Solutions.* **United States (US)**-headquartered **Fitch Solutions** forecasts that Mauritius' GDP will slow from 3.5% in 2025 to 2.4% in 2026, due to elevated energy prices weighing on household purchasing power;

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