

MAURITIUS

1 POLICY, PLANS AND PRIORITIES

Evolution of Economy

Mauritius has evolved from a mono-crop sugar economy in the 1970's, to a combination of textiles, sugar and tourism in the 1980's and early 1990's. Since then services have taken on a more prominent role through international financial services, consolidation of tourism services and Freeport activities. Following significant reform in business procedures undertaken since 2006 and the introduction of the Business Facilitating Act, Mauritius ranks first in Africa and 19th globally in Ease of Doing Business 2013 according to the IFC/World Bank Survey. Further reforms are being undertaken to improve the business climate in Mauritius.

The Sugar Cane Cluster

The changes in the ACP - EU Sugar Protocol meant that Mauritius experienced price cuts and lower earnings. To counter this impact the Government launched the Roadmap for the Sugarcane Industry for the 21st Century in 2005 and in 2006, the Multi-Annual Adaptation Strategy (MAAS) Action Plan 2006-15. The MAAS aimed to rationalise and integrate the sugar sector by creating major clusters with the capacity to realise the full potential from sugar cane biomass, converting it into the most economically viable and sustainable production mix of sugars, electricity and ethanol. These developments required centralisation of sugar factories, re-grouping small planters, right-sizing human resources through a Voluntary Retirement Scheme, permitting extension of field mechanisation through rock clearing and land preparation, and the production of electricity and ethanol from the cane biomass. The core objectives of the Action Plan are to: (i) modernise and diversify the sector to make it more cost-efficient and competitive, geared towards the production of raw, white, industrial and special sugars, generate electricity from bagasse and produce ethanol from molasses; (ii) Fulfil sugar trade commitments; and (iii) Reduce dependency on imported fossil fuels and oil.

Reforms Since 2006

Further reforms were introduced since 2006 to consolidate fiscal performance and improve public sector efficiency including:

- Fiscal rules implemented (current expenditure rule and public debt legislation)
- Performance-based budgeting, public management systems, and medium-term expenditure frameworks introduced
- Tax system revamped (single flat tax on personal and corporate income)
- New procurement legislation
- Reforms in the parastatal sector launched
- Enhancing Competitiveness
- Tariff duties reduced
- Export Processing Zone (EPZ) and rest of economy under same regime
- Air access liberalised
- Immigration restrictions eased
- Broadband Internet costs reduced through regulatory reforms
- Improving the Business Climate
- Business registration and regulation procedures simplified
- Restrictions on land acquisition by foreigners eased
- New insolvency legislation
- New labour market legislation
- Widening the Circle of Opportunity through Participation, Social Inclusion and Sustainability
- The National Empowerment Foundation for training redundant and re-allocated employees established
- Education reform launched
- Eradicating Absolute Poverty Plan launched

Investment Climate Assessment

Source: World Bank in IMF (2010)

A World Bank, African Development Bank, and Mauritius Board of Investment (BOI) (2009) report on Mauritius Investment Climate Assessment (Mauritius ICA 2009) found that firms in Mauritius are hampered by constraints including a poorly skilled labour force (especially for exporting firms), infrastructure deficiencies, the informal market, and the difficulty in accessing finance brought on by the global financial crisis (see p.3).

The Mauritius ICA 2009 report states at p. 19-20 that “Mauritius remains engaged in the reform agenda to remedy fiscal weaknesses, open-up the economy, improve the investment climate, attract foreign capital, skills and know-how, mobilize domestic investment, and to implement programs that support sustainable development. But, in order for Mauritius to fully integrate into the global economy, it must stay innovative and reform oriented. Among the initiatives launched to strengthen Mauritius’ position in the mainstream global economy are the following:

- (i) Deepen the economic reform agenda to improve the investment and business climate of Mauritius. This aims to streamline the licensing procedures and the initiative to set up an e-platform for business licensing to make Mauritius a system-base investment destination.
- (ii) Craft a national investment policy for Mauritius to enable all parties—government and its agencies, private sector and foreign investors—to have a single document for investing in Mauritius.
- (iii) Make provisions for appropriate and adequate legal provisions with regard to safeguarding intellectual property rights, enforcing data protection, and ensuring competition.
- (iv) Promote Mauritius as an investment destination for its traditional markets and more importantly in new markets like Russia, Scandinavia, U.A.E, Brazil, and China.
- (v) Harness the power of re-investment from the existing investor community through a well-structured investor aftercare policy to retain and embed investment in Mauritius;
- (vi) Mobilise domestic investment into emerging sectors through joint-venture collaboration, franchising, and mergers and acquisitions;
- (vii) Adopt a pro-active Africa Policy so as to encourage more and more Mauritian;
- (viii) Entrepreneurs to do business with and invest in Africa.

The government is committed to transforming Mauritius into a vibrant and robust island state, well integrated into the mainstream global economy. To do this, it will have to (a) boost economic growth through higher productivity; (b) increase reliance on value-added and innovative skill-intensive activities; and (c) develop human capital while preserving its long-standing commitment to social welfare in a multi-ethnic milieu. Given the size of the domestic market, the distance from export markets, and the lack of natural resources, Mauritius’ strategy for private sector-led industrial development must lean toward high value, knowledge intensive, and niche markets in the manufacturing and services sectors. The long-term vision for Mauritius is to diversify and expand its export base and improve its competitiveness. But economic diversification and improved competitiveness require both the enhancement of existing products as well as the discovery of new sectors, finding niche markets, establishing links among sectors, and increasing the knowledge component of products. This ICA argues that, to achieve these objectives, firms must absorb technology and innovate. The capacity to absorb technology in turn will depend on trade flows, labour mobility, and foreign direct investment—as well as a good investment climate, skills, and domestic R&D.

Mauritius will also have to overcome several important constraints to achieving this growth, including an inadequately skilled labour force, especially among exporting firms, as well as the obstacle to accessing finance—especially in light of the global financial crisis..”

Supporting Actions

The Mauritius ICA 2009 report recommended:

- Support exports,
- Establish programmes that target firms entering new export markets or exporting new products to existing markets,
- Design programs tailored to very small firms to help them become suppliers of larger exporting firms.

The level of support should be a balance between being sufficient to encourage change, but not so large so as to encourage free riding. Support should be approximately 50% of expenditures with a limit on the total support obtained by an individual firm.

Improve private sector R&D

- Fund a campaign of quality improvement, and provide incentives, including tax exemptions, prizes and visits to facilities and institutions overseas,
- The government needs to raise awareness on quality needs, systems and techniques, based on detailed analysis of enterprise practices and gaps, benchmarked against international standards,
- Within this framework, the infrastructure of metrology, standards, testing and quality should be improved, ensuring that industries have access to accredited facilities for testing, certification, and calibration,
- Make use of a matching grant scheme for innovation where firms are required to finance a share of the R&D project from its own resources to commit to the project and share risk.

Upgrade skills and increase scale and quality of human resources

The Mauritius ICA 2009 states that a long-term view and broad base for skills development is lacking. A more comprehensive lower secondary school could cater to students with different learning abilities. Investment in science and engineering education would strengthen the technical workforce. In technical education, the Government should ensure that the curriculum is up-to-date and relevant to the skill needs of the industrial sector. Collaboration with overseas universities (e.g. in the United Kingdom and Australia) would provide an additional channel for human resource development. The Human Resource Development Council is responsible for addressing these issues.

Expand access to finance

- Extend Credit Information Bureau coverage to other financial intermediaries, and lower the reporting threshold to improve the quality of information available regarding small borrowers,
- Rationalise and review the subsidised lending programs to achieve better and more sustainable results,
- Provide financial literacy training (especially to SMEs) to build capacity to develop and present proposals that would attract funding and provide support to SME to keep better accounts,
- Design and implement partial risk guarantees and other financial products to reduce the risk associated with existing collateral and support the banking system in risk assessment based more on cash flows rather than fixed assets,
- Establish a national Business Plan Competition to identify the best new business proposals. This programme would use workshops and seminars, as well as mentoring by professionals, ideally from the Mauritian diaspora.

Industrial and SME Strategic Plan 2010 - 2013

The Republic of Mauritius Industrial and SME Strategic Plan 2010-13 issued by the Ministry of Industry, Science and Research (MISR) and the Ministry of Business, Enterprise and Cooperatives (MBEC) sets out actions to be taken to further improve the economy. [Note since mid-2010 the names of some Ministries have changed]. The sub-title of the Plan is Nurturing Entrepreneurship and Moving towards a Technology and Innovation Based Industrial Sector. The Plan sets out the Government's approach to industrial development. To date strategies have been underpinned by fiscal and financial incentives, tariff protection and trade preferences, schemes with subsidies and matching grants, institutional support and

infrastructural services. These contributed to the emergence of the industrial sector to diversify the economic base, create employment opportunities, substitute imports, save foreign exchange, expand exports and generate foreign exchange earnings.

Trade preferences and tariffs protection have given way to more open trading and business environment. As costs have increased, Mauritius is no longer a low-cost producer. There is fierce competition for sales and investment. Changes are needed in processes and systems in enterprises, creativity and innovation, institutional and policy framework, business delivery services and human resource development. The focus of the strategy is on an Entrepreneurial and Innovation-led model of industrial development to pave the way for the next level of industrial growth.

The strategy was prepared after consultation with stakeholders. It aims to help the sector to produce more efficiently in a sustainable manner, raise innovative capabilities, compete in the domestic and international market, expand exports and diversify markets by tapping market niches and attracting investment in technology-driven activities. It identifies key areas where stakeholders have to act and establish output and Key Performance Indicators (KPIs) in line with Performance Based Budgeting (PBB). Successful implementation of the strategies hinges on coordination across a range of Government departments and organisations, both public and private.

Strategic Direction

The direction in which Mauritius wants to progress include

- An entrepreneurial and diversified economy fully integrated into a globalised world,
- A competitive industrial sector with high value added, knowledge and technology-driven products and services that guarantee high incomes,
- Join the rank of high income countries,
- Create a hub for knowledge, logistics and distribution, finance and business, and service activities.

The criteria and principles to be considered when planning development include best island destination, green destination, more liberal and equitable economy and good quality of life.

Competitive policies, institutions, SMEs and HR

The focus is on four main subjects, competitive policies, competitive institutions, competitive SMEs and competitive HR base and these are further elaborated into 14 strategies and 83 projects and programmes. The interventionist strategy takes into consideration successful models of industrial development, including those of the Asian economies, economic theories such as Michael Porter's Four Phase model of competitiveness as well as the SADC Industrial Upgrading and Modernisation Programme to be implemented with UNIDO's technical support.

SWOT Analysis

The Strategy contains a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis which identified major strengths as political stability, dynamic entrepreneurship, favourable trade agreements, strong public / private sector dialogue and shared goals, and positive economic and social indices. Weaknesses include uncoordinated institutional support, inadequate economic infrastructure, weak technology / innovation base and inadequate R & D, low productivity, product and market concentration and an inward oriented manufacturing sector. Externally Mauritius should capitalise on opportunities represented by regional and international trade agreements and advantages, knowledge potential through university, social capital and location advantages as a gateway between Africa, Continental Asia and Europe, improve linkages between sectors. Threats stem from volatile energy and other input costs, further trade liberalisation under EPA, SADC and COMESA, low cost competition, and zero tariff rate through the duty free island concept.

Strategic Aim	The aim is to build a strong, diversified and globally competitive industrial sector supported by Knowledge, Science, Technology and Innovation. Mauritius aims to develop a competitive industrial sector producing high value added products and services and to position itself as a hub for knowledge, logistics / distribution, finance / business and service oriented activities. Mauritius is looking towards the experience of successful East Asian economies that adopted a structuralist approach supported by strong Government intervention to steer economies on a high growth path.
Skills and Education	The Industrial and SME Strategic Plan 2010-13 says that competitiveness in the past was derived from cheap factors of production but now comparative advantage has to be based on qualitative factors - technology, creativity, knowledge and innovation. In fostering an integrated, export-oriented industrial sector, all enterprises, including small, medium and large, should adopt best practices in these areas to be internationally competitive. Greater emphasis on competitiveness and diversification require development of new skills and on-the-job training for enhanced work performance. Investment in education and Human Resource Development (HRD), as a proportion of GDP, needs to be substantially increased, especially in tertiary education and the number of students enrolled in science and engineering courses so that Mauritius can match benchmarks of comparable countries.
Streamline Institutional Support Framework	The Strategic Plan states that overlapping of services among institutions is striking and that support services are inadequate in promoting export, investment, international strategic partnerships, R&D, innovation and technology transfer. The institutional landscape requires significant streamlining. Provision of business development services should be left to private sector providers, while public institutions would focus on conceptualisation, facilitation, coordination and monitoring. Some organisations have taken on roles outside their mandate. Lack of coordination reduces the effectiveness of the institutional structure and indicators measuring organisations performance against objectives are missing.
New Investment Strategy	The Strategic Plan states that a new investment strategy should involve the setting up of clear guidelines, actions plans and key performance indicators. The strategy should combine both outward and inward investment promotion missions and joint initiatives should be undertaken by the MISR and BOI. The strategy should focus on a range of investors including those producing high value products. These investors can join those currently producing sophisticated products including spare parts for the aerospace industry, medical devices and high precision plastic parts.
	Mauritius has to leverage an enabling business framework by minimising business procedures, establishing sound macroeconomic fundamentals through appropriate fiscal and monetary policies, and develop modern infrastructure including a modern airport and port, and well-connected, free-flowing road network if it is to capture FDI and encourage domestic investment. The country has unique climatic conditions and an attractive quality of life to offer to investors and these factors are to be publicised internationally to portray Mauritius as a preferred destination for business.
Investment Opportunities	BOI indicates that investment opportunities exist in a wide variety of sectors including: Agro industries, Financial Services, Healthcare and Life Sciences, Hospitality and Property Development, Information Technology and Business Process Outsourcing, Logistics and Distribution, Creative Industries, Manufacturing and Light Engineering, Renewable Energy, Environment, Seafood and Aquaculture and Ocean economy.
ICT Strategic Plan 2011-2014	The National ICT Strategic Plan (NICTSP) was reviewed in 2011 for the period 2011-2014. The Strategic Plan aims to accelerate growth by making the ICT sector a stronger pillar of the economy. The strategic areas are: reviewing of the regulatory, institutional and policy frameworks to attract investment in the ICT sector and to enhance the performance and optimization of IT services; positioning Mauritius as an excellent export destination and a regional ICT hub; enhancing e-government

services; providing a secure and reliable ICT environment for online transactions; investing in human capital development for ICT and elaboration and implementation of a Broadband strategy.

2 INVESTMENT PROMOTION

2.1 Institutions

Board of Investment	The Investment Promotion Act 2000 sets out the legal framework and makes provision for the promotion and facilitation of investment in Mauritius including the establishment of BOI. The website of BOI and links on the site provide detailed information and access to forms http://www.investmauritius.com/
BOI Aims	The aims of BOI are (a) to stimulate the development, expansion and growth of the economy by promoting Mauritius as an international investment, business and service centre; (b) to promote and facilitate the development of all forms of investment and business activities; (c) to formulate investment promotion policies and plans and marketing strategies and undertake promotion to attract foreign and local investments; and (d) to advise Government on strategies for investment policies, national investment marketing and investment after care, economic and industrial planning and country image building.
BOI Functions	<p>The functions of BOI include</p> <ul style="list-style-type: none">• improve investment and business environment and undertake such other activities as may be necessary to promote Mauritius as an attractive base for investments and as an international financial centre;• prepare, fund, implement and monitor programmes relating to strategies for promoting investments in Mauritius;• conduct research and studies in identifying investment opportunities;• maximise opportunities and arrangements for the development of all forms of investments and business activities in Mauritius;• act as a think tank in highlighting policy issues and making policy recommendations to Government to boost investment and attain Government economic objectives;• co-ordinate multi-sector promotional activities and be the focal point for all investment-related promotional and marketing activities for Mauritius;• consider and register investment proposals from investors and self-employed persons and provide necessary assistance for implementation of projects;• provide support services to investors and self-employed persons, including assistance to procure authorisations and permits required for establishment and operation of enterprises and to lease or purchase real estate, for activities promoted by the Board of Investment;• to ensure co-ordination and cooperation between the public sector and the private sector on matters of investments and for policy decisions impacting on investment, act as the single interface with all investors and liaise with relevant authorities for the granting of occupation permits, residence permits and other relevant permits required by the investor to operate in Mauritius;• provide all relevant information to potential investors on any matter relating to investments.
Tourism Authority	<p>The Tourism Authority Act 2006 regulates tourism activities and establishes the Authority with the objects of</p> <ul style="list-style-type: none">• promote the sustainable development of the tourism industry;

- foster and encourage the conduct of activities in the tourism industry in a responsible manner in order to preserve the integrity of the Mauritian destination; co-ordinate, support and interact with organisations and institutions aimed at promoting the tourism industry;
- foster research for the effective implementation of tourism policies;
- promote public understanding and interest in the tourism industry;
- develop and implement tourism and tourism related projects;
- promote co-ordination and co-operation between the public sector agencies and the private sector organisations engaged in the tourism industry.

The functions of the Authority are to (a) license, regulate and supervise tourist enterprises; (b) register, license and regulate the use of pleasure crafts; (c) license and supervise the activities of canvassers and skippers; (d) manage and develop tourist sites; (e) carry out investigations and take measures to suppress illegal, dishonourable, unsound and improper practices in relation to any activity regulated under the Act; (f) establish standards, guidelines, and codes of practice in relation to the carrying on or running of a tourist enterprise, the operation of pleasure crafts, and the activities of a skipper and a holder of a canvasser permit; (g) prepare action plans for the development and improvement of the tourism industry; (h) carry out research and commission studies in the field of tourism; (i) take appropriate measures for the protection of consumers of the tourism industry; (j) collect, compile and publish information and statistics in respect of any activity regulated under the Act; (k) advise the Minister generally on any matter relating to the tourism industry; and (l) do such acts or things as are incidental or conducive to the attainment of its objects.

Mauritius Tourism Promotion Authority

The Mauritius Tourism Promotion Authority (MTPA) is established by the MTPA Act 1996 with a view to:

- promote Mauritius abroad as a tourist destination by conducting advertising campaigns, participating in tourism fairs and organising, in collaboration with the local tourism industry, promotional campaign and activities in Mauritius and abroad.
- provide information to tourists on facilities, infrastructures and services available to them in Mauritius;
- initiate such action as may be necessary to promote cooperation with other tourism agencies;
- conduct research into market trends and market opportunities and disseminate such information and other relevant statistical data on Mauritius; and
- advise the Minister on all matters relating to the promotion of tourism.

Development Bank of Mauritius

The role and functions of DBM Ltd has been reviewed to ensure a more effective channeling of funds and to strengthen the delivery of business development services to SMEs. DBM is concentrating on enterprises with an annual turnover of less than Rs 15 m, while commercial banks will cater for SMEs with annual turnover between Rs 15 m and Rs 50 m.

2.2 Investment and Export Incentives

Streamlining Incentives

The Finance Act 2006 abolished all incentive schemes provided for under the Industrial Expansion Act of 1993. The Act amended the Investment Promotion Act, the VAT Act, the Customs Act, as well as the Non Citizens (Employment Restriction) Act and Non Citizens (Property Restriction) Act, repealed The Export Service Zones Act, Hotel Management (Incentives) Act, Industrial Expansion Act, and Health Development Certificate Act and repealed the following regulations, the Investment Promotion (ICT Scheme) Regulations 2002; Investment Promotion (Permanent Resident Scheme) Regulations 2002; Investment Promotion (Regional Development Scheme) Regulations 2001; Investment Promotion (Regional Headquarters Scheme) Regulations 2001; and Investment Promotion (SAPES) Regulations 2002.

Innovation and Design

Mauritius has streamlined the many incentive schemes and abolished all investment schemes approval of investment projects, except for the Real Estate Development Scheme and Freeport Scheme. The latter two schemes are the only schemes for which it is necessary to submit project briefs and feasibility studies before starting a business.

Out-sourcing has created a global value chain and finding the right product to manufacture in Mauritius is a challenge. Following the shift from total manufacturing to task-based production, the strategy should be to identify the right products in the value chain for production in Mauritius and attract FDI in a bid to diversify the industrial base. Products are being differentiated through the addition of knowledge and services that innovate and build an attractive image. Knowledge and services are gaining prominence in global trade through investment in intangibles or knowledge assets such as original designs, innovative packaging, brand building, R&D and investment in people and logistics to ensure timely and problem free supply of products.

Mauritius has set up the Fashion and Design Institute to foster original design manufacturing for product differentiation and achieve higher value addition. The Institute will focus on training, development of a new class of entrepreneurs in the production of fashionable products/services, product development and provision of consultancy services. It will also pave the way for enterprises to improve their products through knowledge, innovation and creativity.

National Resilience Fund

With a view to supporting enterprises at microeconomic level, a National Resilience Fund (NRF) has been created. As per the Budget 2012, Rs 7.3 billion rupees has been committed to the NRF which will be used to strengthen the resilience of the economy.

The Leasing Equipment Modernisation Scheme

LEMS was set up to modernise equipment for enhanced productivity and competitiveness. Under the LEMS 1, Rs 500m was provided so that enterprises with turnover less than Rs 50 m could benefit up to Rs 5m for the purchase of equipment. Under LEMS 2, Rs 400m was provided to cover enterprises with turnover between Rs 50m up to Rs 150m, whereby each enterprise could benefit up to Rs 15m. As per Budget 2014, the Foreign Currency Leasing Equipment Modernisation Scheme has greatly relieved our exporters in terms of reduced exchange exposure and has thus induced them to invest in new and modern equipment. To build on this success, a further Rs 1 billion is being injected into the scheme.

The Finance and Audit (Manufacturing Adjustment and SME Development Fund) Regulations 2008 were revoked by the Finance and Audit (Saving Jobs And Recovery Fund) Regulations 2009. The SJR Fund is to finance projects and schemes submitted by the Mechanism for Transitional Support to Private Sector (MTSP) Committee, the Support to Manufacturing and Services Sector (SMSS) Committee and the Support to Small and Medium Enterprises Committee SSME Committee and approved by the SJR Steering Committee. The SJR Steering Committee oversees the progress in implementation of the projects and schemes that it approves.

Finance and Audit (Tourism Fund) Regulations 2003 as amended in 2006 provides for a Tourism Fund to finance

- (a) the implementation of
 - (i) infrastructural and associated works in connection with tourism and tourism-related development projects, sites and attractions in Mauritius,
 - (ii) infrastructural and associated works, and social amenities for the benefit of the inhabitants of the areas in which the tourism and tourism related projects are being developed, and
- (b) the development and maintenance of tourism and tourism related projects, including but not limited to eco-tourism and cultural-tourism.

2.3 EPZs, Freeport and other Special Economic Zones

Freeport

The Mauritius Freeport is a commercial free zone whose main objective is to diversify the economic base of Mauritius through the development of a competitive logistics and distribution platform for international trade.

The Mauritius Freeport has come a long way since its inception in 1992. Initially developed with 5,000 m² of infrastructures over 2 hectares, Freeport infrastructures in the Port area have now reached 180,000 m² over 42 hectares. In 2013, the trade volumes reached 350,000 tons, representing MUR 23 Billion (USD 750 million) in terms of trade value. Ranked 14th position by the FDI magazine among the 'Top 50 Free Zones' and 4th Airport zone in the Global Free Zones of the Future 2012/13 report and recognised as the oldest freeport of this region, the Mauritius Freeport has played a pivotal role in positioning Mauritius as a leading regional trading, logistics and distribution hub.

Investment opportunities exist in a wide range of authorized export-oriented Freeport activities to Freeport operators. Companies in the Mauritius Freeport are allowed to carry out the following activities:

- Warehousing and storage
- Breaking bulk, sorting, grading, cleaning and mixing
- Labeling, packing, re- packing and repackaging
- Minor processing and light assembly
- Ship building, repairs and maintenance of ships and aircrafts
- Storage, maintenance and repairs of empty containers
- Export-oriented seaport and airport based activities
- Freight forwarding services
- Quality control and inspection services
- Any manufacturing activity, provided that –

(a) the enterprise exports its manufactured goods to the extent of at least 95 per cent of its annual turnover, of which at least 80 per cent shall be exported to Africa; and

(b) the remaining percentage may, upon approval by the Board of Investment, be put on the local market.

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As Africa is becoming the new land of opportunities, Chinese and Indian investors are paving the way for exciting investment projects in Mauritius connect Asia to Africa. Hence, the Mauritius Freeport is not missing the opportunity to consolidate its position as an effective and efficient logistics platform. To further strengthen its competitive position as a regional platform, the Mauritius Freeport is now open for companies to carry out manufacturing activities with the main objective to export to Africa. .

EPZ

Export Processing Zones were a key part of the industrial and export development effort but are being phased out and integrated with the rest of the economy.. Mauritius does not have an EPZ scheme but some incentives for companies involved in spinning, weaving, dyeing and knitting have been "grand-fathered" (i.e. remain in existence for those companies that already possessed them).

Jin Fei

The Chinese Jin Fei project is an integrated development project with \$650 million FDI. Chinese investors will avail of the business friendly environment in Mauritius and preferential market access to the EU, US, COMESA and SADC.

2.4 Tax Incentives

Mauritius offers an advantageous tax jurisdiction: (i) corporate and income tax of 15 %, (ii) tax free dividends, (iii) no capital gains tax, (iv) up to 100 % foreign ownership, (v) exemption from customs duty on equipment, (vi) free repatriation of profits, dividends, and capital, (vii) no minimum foreign capital required, (viii) 50 % annual allowance on declining balance for the purchase of electronic and computer equipment; and (ix) an extensive tax treaty network with several countries.

Global business companies have special fiscal regimes and incentives such as possibility to benefit from foreign tax credit, no withholding tax on dividends, interest and royalties, no Capital Gains Tax, possibility to benefit from a wide network of double taxation treaty (including 19 with African countries).

The Budget 2014 provides for the introduction of an Investment Tax Credit Scheme to encourage High-Tech Manufacturing.

2.5 International Trade & Export Promotion

Import and Export Permits

There are a limited number of products subject to import control related to health, sanitary and phyto-sanitary, security, social and environmental concerns. Permits are provided by relevant ministries or agencies including Commerce, Health, Agriculture, Fisheries. There are no restrictions on exports except for a few products of strategic importance where export permits e.g. cement, silver and gold. Rules and procedures for import and export permits are provided on the web site <http://www.gov.mu/portal/site/commercesite>

Trade Facilitation

With the implementation of the automated Customs Management System (CMS), a single document (SGD) as recommended by WTO / WCO has been introduced to replace all the different sets of documents which were used to clear goods from Customs. The SDG is submitted electronically, processed and validated by CMS using the Electronic Data Interchange (EDI-TradeNet) platform. This has been a key component in the trade facilitation concept and all customs declarations for imports / exports, freeport transactions and movements of containers are done using the Single Goods Declaration.

Enterprise Mauritius

Export promotion has been undertaken by Enterprise Mauritius (EM) mainly by organising participation in trade fairs, market surveys and improving export capacity. EM is a Trade Promotion Organisation, resulting from a partnership between the Mauritian public and private sectors. It supports locally based business through market development, financial assistance, consultancy, product and quality improvement, market intelligence, skills and trends monitoring, networking, strategy development. EM provides services to companies in textile, garments and accessories, light engineering and jewellery, agro-industry (including beverages and seafood), consultancy services, ICT / BPO, logistics, printing, packaging, publishing and plastics, furniture, paints and chemicals.

EM coordinates the participation of businesses in various local and international events such as Trade Fairs, Buyers Sellers Meetings, B2Bs (Business to Business), Contact Promotion Programmes, and conferences. Enterprise Mauritius also facilitates joint ventures and inward buying missions. Other activities include country briefs and market intelligence reports, assistance in the development of new products for existing markets or for new markets, assistance in conducting market

tests of sample products with potential buyers, dealing with issues relating to trade barriers [Non-Tariff Barriers (NTB) and Technical Barriers to Trade (TBT)], provision of a web-based marketing and e-commerce transaction platform and access to offshore resources for conducting market research

Export Promotion Initiatives

The Industrial and SME Strategy states that a new export promotion drive will improve enterprise response times, promote exports to the wider region and exploit niches in the global value chain. Mauritius needs to reposition itself in its traditional marketplace and seek openings in new and emerging markets. This requires market intelligence, links with buyers while meeting their requirements, responding to lead time and taking advantage of regional and multilateral trade liberalisation. EM has embarked on a project to connect Mauritian suppliers with the global market place through a new e-platform. Other complementary measures are to be devised to enable enterprises and buyers to work on real time.

WTO and Mauritius Trade Regime

WTO Trade Policy Review Report by The Secretariat, Mauritius WT/TPR/S/198 19 March 2008, states that “Mauritius trade regime would benefit from increased predictability if the gap between applied and bound rates were reduced, and the existing services commitments were modified to make them better reflect the current, more liberal regime applied in the sector. This is particularly the case for professional services, given Mauritius increased use of imported labour and attempt to attract foreign professionals. Elimination of non-tariff barriers would enhance the transparency of Mauritius trade regime. The credibility of the latter would also benefit from bringing the other duties and charges applied to imports to their bound level, and accelerating the legislative process.”

2.6 Other Issues

Economic empowerment is at the centre of democratising the economy by broadening the circle of opportunities to each citizen, create employment and bring social justice.

National Empowerment Foundation CSR Fund

The NEF was set up in 2006 to provide training and placement to vulnerable groups.

From 1 July 2009 any company making profit is required under Section 50K and 50L of Income Tax Act to contribute 2% of book profit after income tax derived in the preceding year to set up a Corporate Social Responsibility (CSR) Fund. The Fund is to implement (a) an approved programme by the company, (b) an approved programme under the National Empowerment Foundation, or (c) finance an N.G.O. For the purpose of CSR a company does not include: (a) a company holding a Category 1 Global Business Licence, (b) a bank holding a banking licence under the banking Act in respect of its income derived from its banking transactions with non-resident or corporation holding Global Business Licence. (c) an Integrated Resort Scheme (IRS) Company, (d) a non- resident société, a trust or a trustee of a unit trust scheme.

3 ACCESS AND ADMISSION OF FOREIGN INVESTORS

3.1 Foreign Investment & Capital Mobility

The Investment Promotion Act 2000 defines investor

- (a) means any person carrying on or who intends to carry on any economic activity and satisfying the criteria referred to in item 1 of Part I of the Schedule; and
- (b) includes
 - i. a person who is not a citizen of Mauritius; or
 - ii. an association or body of persons, whether corporate or incorporate, the control or management of which is vested in persons who are not citizens of Mauritius, and registered as such under this Act; but
- (c) does not include a small enterprise or handicraft enterprise registered under the Small Enterprises and Handicraft Development Authority Act 2005;

The Investment Promotion (Amendment of Schedule) Regulations 2010 sets out criteria for registration:

1. Company: Initial Investment US\$100,000 or equivalent in freely convertible currency and annual turnover exceeding 4 million rupees
2. Self-employed person: Initial investment US\$35,000 or equivalent in freely convertible currency at time of issue of occupation permit, engaged in services sector only and with annual income exceeding 600,000 rupees (US\$18,300)
3. Professional: Monthly salary exceeding 45,000 rupees (except for ICT 30,000 rupees)
4. Retired non-citizen: transfer US\$40,000 or equivalent in freely convertible currency at time of grant of residence permit and annual transfer of at least 40,000 US dollars or its equivalent in convertible foreign currency.

The Business Facilitation (Miscellaneous Provisions) Act No 21 of 2006 amended 11 Acts to eliminate burdensome compliance with regulations. It provides a new legal framework which allows business to start operations on the basis of self-adherence to comprehensive and clear guidelines, and the authorities to check for compliance by exercising ex post control, facilitate doing of business and acquisition of properties by foreigners and enable small enterprises to start their business activities within three working days.

The Government of Mauritius suspended foreign exchange controls in 1994. Approval is not required for the repatriation of profits, dividends, and capital gains earned by a foreign investor in Mauritius and there is no difficulty obtaining foreign exchange.

The Independent Broadcasting Authority Act provides that foreign capital participation in a TV broadcasting company and proportion of foreign members of the board of directors must not exceed 20%.

3.2 Foreign Investment Establishment, Registering and Licensing Processes

Business Registration

The Business Registration Act 2002 provides for the registration of persons carrying on business in Mauritius, registration of business names, allocation of a single business registration number and issue of a business registration card. Business is defined in the Act as (a) includes every form of trade, commerce or manufacture, craftsmanship, calling, profession, vocation or occupation or any other activity carried on by a person for the purposes of gain or profit; but (b) does not include any office or employment, or the business of a craftsman who exercises his craft from his own domestic premises and does not have any business premises, or any religious, charitable or educational organisation, or any person engaged in the cultivation of land of an extent not exceeding 4.2208 hectares (10 arpents). The term person is defined as including a consortium, société, partnership, joint venture, trust or firm.

The Registrar of Businesses is the Registrar of Companies. According to the Companies Act 2001, the Registrar shall assign a unique number to the company as its company number. There is no provision for a number for a commercial partnership. Utilities and infrastructure are generally controlled by the public sector although consideration is given to private sector management of some facilities.

Incorporating a Company

Regulations governing incorporation of a company are contained in the Companies Act of 2001. The Insolvency Act 2009 simplifies winding up while protecting rights of creditors. To submit an application for an Occupation Permit, a company needs to register with the Board of Investment. Upon submission of complete application, a Registration Certificate is issued. All businesses must be registered with the Companies Division which can be done online at www.eregulations.mu, <http://companies.gov.mu> or by visiting the Registrar's office. For a limited number of regulated activities in such sectors as tourism, sugar, and broadcasting, an application for the appropriate permit or license must be made to the competent authorities prior to start of operations.

Public or Private Company

Companies can be formed as either a public or private company. A private company cannot have more than 25 members, may restrict share transfers and cannot offer its shares to the public. A company is considered to be a public company unless its constitution or application for incorporation states that it is private. A company may be limited by shares, limited by guarantee or limited by both shares and guarantee or may be an unlimited company. A company can be incorporated with a single shareholder, without a Constitution and no minimum paid-up share capital, within 3 working days – in practice it may be completed in a half day. Incorporation is by application to the Registrar of Companies and payment of the prescribed fee. According to Companies Act 2001 s (276)(1)(e), for foreign companies, there should be two or more members resident in Mauritius

Branch of Foreign Company

A foreign company which desires to establish a place of business in Mauritius but does not want to incorporate a local company may register as a branch of a foreign company A foreign company must register a branch in Mauritius within one month of establishing a place of business in Mauritius. Registration is obtained from the Registrar of Companies upon submission of the prescribed documents:

- a duly authenticated copy of the certificate of its incorporation or registration in its place of incorporation or origin or a document of similar effect;
- a duly authenticated copy of its constituting, charter, statute or memorandum and articles or other instrument constituting or defining its constitution;
- a list of directors of the company;
- where the list includes directors resident in Mauritius who are members of the local Board of directors of the company, a memorandum duly executed by or on behalf of the foreign company stating the powers of the directors;
- a memorandum of appointment or power of attorney under the seal of the foreign company or executed on its behalf in such manner as to be binding on the company, stating the names and addresses of two or more persons resident in Mauritius, authorised to accept on its behalf service of process and any notices required to be served on the company;
- notice of the situation of its registered office in Mauritius and, unless the office is open and accessible to the public during ordinary business hours on each day, other than Saturdays and public holidays, the days and hours during which it is open and accessible to the public; and
- a declaration made by the authorised agents of the company.

Management companies (MCs)

MCs are specially licensed by the Financial Services Commission (FSC) to provide services such as company formation, trusteeship and administration and management to the Global Business Sector. Applications for a Global Business Licence must be channelled through a MC which is required to exercise due diligence and perform Know Your Client (KYC) duties on its clients.

Applications for licences are processed and approved by the FSC. A Category 1 or a Category 2 Global Business Licence is issued by the Financial Services Commission of Mauritius.

**Category 1 Global
Business
Companies (GBC
1s)**

GBC 1 can now conduct business inside and outside Mauritius. No minimum capital is prescribed. GBC 1 may have more than one shareholder and can be resident. According to Companies Act 2001 a company shall have at least one director who shall be ordinarily resident in Mauritius. Activities of GBC 1s include aircraft financing and leasing, assets management, consultancy services, employment services, financial services, funds management, information and communication technologies, insurance, licensing and franchising, logistics and or marketing, operational headquarters, pension funds, ship and ship management and any other activity approved by the FSC. Provided they demonstrate that their management and control is in Mauritius, GBC1s are regarded as tax-resident in Mauritius and can take advantage of Double Taxation Avoidance Treaties (DTAs) between Mauritius and other countries.

DTAAs normally provide for a preferential rate of withholding tax on payments (e.g. dividends, interest, royalties, technical and other fees) made by investees in the DTA country to the GBC 1. GBC 1s are taxed at 15% after application of a foreign tax credit of 80% due to the foreign nature of the income this rate is reduced to 3%. They are not subject to Capital Gains Tax (CGT), as there is no CGT in Mauritius. Indicative criteria to be fulfilled by GBC 1s, to show that their management and control is in Mauritius, include:

Having at least two Mauritian-resident directors with the calibre to exercise independence of mind and judgement; Providing for meetings of directors to include at least two directors from Mauritius; Maintaining, at all times, its principal bank account in Mauritius; Maintaining, at all times, its accounting records at its registered office in Mauritius; Making arrangements for the preparation and audit of its statutory financial statements in Mauritius.

GBC 1s are required to file annual audited financial statements prepared in accordance with International Accounting Standards or other Internationally Accepted Accounting Standards with the FSC. The names of the beneficial owners of a GBC 1 are known only to the MC and the FSC. Both have a duty of confidentiality, but the veil can be lifted, if there are suspicions of fraud, money laundering or drugs and arms trafficking.

**Category 2 Global
Business
Companies (GBC
2s)**

A GBC 2 is a company which undertakes any business or other activity which is carried on by a private company: (i) incorporated or registered under the Companies Act 2001; (ii) which does not conduct business with persons resident in Mauritius nor conduct any dealings in Mauritius currency; (iii) which holds a Category 2 Global Business Licence. GBC 2 may have a corporate director. GBC 2 has to file its financial statements with the Financial Services Commission. GBC 2 must have a registered agent and a management company acts as the registered agent. GBC2 must provide full due diligence on the beneficial owner and the business objective outline.

A GBC 2 is not considered to be resident in Mauritius and is therefore not liable to tax in Mauritius and cannot take advantage of DTAs. Some of the other characteristics of GBC 2s are as follows:

No minimum capital; Minimum number of shareholders / directors – Financial summaries should be filed in Mauritius; accounting records must be maintained, in Mauritius or elsewhere; Shareholders' and Board meetings need not be held in Mauritius; Bank accounts can be held in Mauritius or elsewhere. A GBC 2 must have a MC in Mauritius, licensed by the FSC. The names of the beneficial owners of a GBC 2 are known only to the MC and the FSC. Both have a duty of confidentiality,

but the veil can be lifted, if there are suspicions of fraud, money laundering or drugs and arms trafficking.

Limited Partnerships

The Limited Partnership Act 2011 allows for the formation of limited partnerships (LP) in Mauritius to carry on any lawful business in Mauritius or from within Mauritius with persons outside Mauritius, or both in Mauritius and from within Mauritius with persons outside Mauritius. Profits and losses in a LP are attributed to the partners of the company, and they will be taxed according to their proportionate share of such profits and losses. The LP holding a GBL 1 may elect to be taxed as a company, in which case it will be liable to tax at the maximum effective rate of 3% on its foreign sourced income.

The formation of a limited partnership requires one or more general partners and one or more limited partners. A general partner and a limited partner may be resident, domiciled, incorporated and registered under the laws of Mauritius or any other country. However, where there is not a Mauritius general partner, then the limited partnership is required to have a registered agent in Mauritius.

The features of a limited partnership are the following:

- A LP must have a partnership agreement which shall be binding upon the partners, setting out the affairs of the partnership and the conduct of its business;
- A LP can be set up with or without legal personality
- A LP consists of one or more general partners and one or more limited partners;
- Unlimited liability of a general partner for the debts and obligations of the limited partnership (subject to any indemnity in the partnership agreement);
- The acts of the general partner in connection with the business of the LP binds the partnership;
- If a limited partner is not involved in the management of the LP, the limited partner enjoys limited liability;
- A limited partner cannot participate in the conduct or management of the business of the limited partnership and cannot transact the business of or execute documents for the limited partnership. Where the limited partner contravenes the above, he is liable as if he was the general partner in respect of all the debts. However, the legislation does provide for some protection to limited partners;
- A limited partnership can hold a Global Business Category One Licence ("GBL 1");
- An application for a GBL 1 must be made if it is being managed and controlled from Mauritius;
- A limited partnership holding a GBL 1 must maintain at all times, a management company as its registered agent;
- A limited partnership registered in any other jurisdiction may migrate to Mauritius and be registered as a limited partnership;
- A limited partnership formed in Mauritius may migrate to another jurisdiction, subject to the laws of that country.

Protected cell company (PCC) (Protected Cell Companies Act 1999)

A GBC 1 may be structured as a PCC, which is a special legal structure made up of cellular and non-cellular assets. It provides legal segregation of assets attributable to each cell of the company whether owned by individuals or body corporate. The PCC offers a wide range of applications namely insurance (general, long term, reinsurance, captive) and collective investment schemes. Incorporation and licensing procedures of a PCC are similar to those which apply for a GBC 1.

Trusts

The legal framework for the setting up of trusts is the Trusts Act 2001. Trusts can be of various types, such as charitable, discretionary, purpose and trading trusts, and can be set up by residents and non-residents, as legitimate and effective instruments for the sheltering of assets. The Trusts Act provides flexibility as to the legal regime applicable to a trust and allows enforceability of a foreign trust, subject to the proviso that it does not purport to do anything outside the laws of Mauritius or is immoral or contrary to public policy. A trust may carry on Qualified Global Business upon obtaining a Category 1 Global Business Licence, but cannot apply for a Category 2 Global Business Licence.

Société

A business may be formed as a partnership which is an association formed by two or more partners for a specific purpose. Société en Nom Collectif (partnerships) and Société en Commandite Simple may be used as vehicles to structure investments in the global business sector. A Société may conduct any qualified global business activities upon obtaining Category 1 Global Business Licence from the FSC, but does not qualify for a Category 2 Global Business Licence.

Banking Regulation

The Bank of Mauritius (BOM) operates a regulatory framework set out in the Banking Act 2004 and the Bank of Mauritius Act 2004. The Banking Act 2004 provides for the integration of domestic and offshore banking business and eliminates the previous distinction between offshore banks and domestic banks. The new legislation has helped to dissipate the misapprehension regarding regulation of offshore banks and further improve the overall image of The Mauritian International Financial sector. The Banking Act 2004 also enables existing and new banks to provide Islamic financial services in Mauritius. Under the Bank of Mauritius Act 2004 and Banking Act 2004, the BOM is responsible for the regulation and supervision of banks, money-changers and foreign exchange dealers, and the deposit-taking activity of non-bank financial institutions.

Financial Services

The Financial Services Commission (FSC) was first established as the regulator for the non-bank financial services sector under the Financial Services Development Act 2001 but now takes authority from the Financial Services Act 2007. The FSC is the integrated regulator for the industry and its remit encompasses those of the former regulatory bodies for securities (Stock Exchange Commission), insurance (Insurance Division of the Ministry of Economic Development, Financial Services and Corporate Affairs) and global business (Mauritius Offshore Business Activities Authority). The FSC licenses, regulates and supervises non-bank financial institutions in Mauritius. The non-bank financial sector includes institutions involved in Insurance & Pensions, Capital Market operations, Leasing & Credit Finance as well as Global Business activities. The FSC is responsible for the regulation and development of the Financial Services Sector and is committed to the sustained development of Mauritius as a sound, stable and competitive international financial services centre while ensuring the protection of investors.

Insurance

The Insurance Act 2005 aims to improve the soundness of the insurance market and aims at enhancing the regulatory and supervisory insurance framework by incorporating international standards set out by the IAIS. 111. The Securities Act 2005 contains many innovative provisions designed to enhance the regulatory standard of the Mauritian securities market in accordance with internationally accepted standards and principles set out by International Organisation of Securities Commissions (IOSCO).

ICT

Information and Communication Technologies Authority Act 2001, created the ICT Authority. Operators who want to start or conduct telecom operations must apply to the ICT Authority for a licence. The ICT Authority is also in charge of the Mauritian numbering plan and allocates number resources to telecom operators. The ICT Authority acts as the Controller of Certification Authorities (CCA), the "Root" Authority that certifies the technologies, infrastructure and practices of all the Certifying Authorities licensed to issue Digital Signature Certificates. It is also responsible for protecting consumers of telecommunication services.

It was announced in the last Budget that the ICT Act 2001 will be amended in view of conferring more powers to ICTA so as it can effectively intervene in case of unfair telecom pricing practices.

3.3 Foreign Employment & Residence

Occupation and Residence Permit

A non-citizen that holds an occupation permit is permitted to reside and work in Mauritius for a maximum of three years under the terms of the permit but is renewable on application. An occupation permit application can be made as an investor, a self-employed person or a professional. A registration form should be filled in and submitted to BOI. An investor or self-employed must provide details about his / her business project such as proposed investment level, amount to be transferred to Mauritius and expected annual business turnover / income. In the case of a professional, the employer must submit a copy of the contract of employment. A registration certificate may be issued to eligible applicants who may then apply for an occupation permit through BOI to the Passport & Immigration Office (PIO). A satisfactorily completed application for Occupation Permit is processed within three days of submission.

The criteria for an occupation permit are:

- **Investor:** The business activity should generate a turnover exceeding MUR 4 million annually with an initial investment of US\$100,000 or its equivalent in freely convertible foreign currency. If there is more than one investor in the same company applying for an Occupation Permit, the turnover criteria should apply in respect of each applicant (i.e. MUR 8 million for two applicants, MUR 12 million for three applicants, and so on).
- **Self-employed:** Income from the business activity should exceed MUR 600,000 annually with an initial investment of US\$ 35,000 or its equivalent in freely convertible foreign currency.
- **Professional:** Basic salary should exceed MUR 45,000 monthly. However, the basic salary for the category of Professional in the ICT Sector should exceed MUR 30,000 monthly. The term of the permit will be the lesser of three years or the term of engagement stated in the contract. Professionals should show proof of Academic qualifications in their respective fields.

A spouse or dependent of an occupation permit holder may apply for a residence permit and may work in Mauritius if he / she satisfy the eligibility criteria for an occupation permit. An applicant that does not satisfy the above criteria, but wishes to work in Mauritius, must apply for a Work Permit from the Ministry of Labour, Industrial Relations and Employment and a separate Residence Permit from the Passport & Immigration Office. The application is made by the employer and processing time is at least three weeks.

Non-citizens holding an Occupation Permit under the categories of Investors and Self-employed may apply for Permanent Residence status on expiry of the term of the Occupation Permit and on satisfying these conditions:

The turnover of the investor should have exceeded MUR 15 million during each of the previous three years, while the gross income of the self-employed should have exceeded MUR 3 million during each of the previous three years. A holder of an occupation permit by satisfying the professional criteria is not eligible to apply for permanent residence.

A permanent residence permit is valid for 10 years and it may be extended. Holders of a permanent residence permit are eligible to acquire property for residential purposes.

Retired non-citizens can apply, through BOI, for a Residence Permit, which is valid for a period of three years. To qualify the retiree, irrespective of nationality, must be aged 50 years or above and undertake to transfer at least US\$40,000 annually, or the equivalent amount in convertible foreign currency, to a bank account in Mauritius, to meet living expenses. At the time of application, the non-citizen should produce evidence of transfer of USD 40,000. The spouse and dependents of the non-citizen retiree may apply for a Residence Permit. Applications are processed within three working days.

Non-citizens, who have been resident in Mauritius for at least three years, are eligible for a Permanent Residence Permit granted for a period of ten years. The qualifying criteria are:

- Investor, annual turnover must exceed Rs 15 million
- Self-employed, annual income must exceed Rs 3 million;
- Retired non-citizen, transfers of at least USD 40,000 must have been made every year for three years.
- Professionals drawing a salary exceeding Rs 150,000 monthly.

Non-citizen professionals earning more than USD 3,000 per month or a non citizen investing more than USD 100,000 issued with an Occupation permit (OP) can acquire an immovable property in an apartment in a Ground Plus 2 complex as from the date of issue of their OP, subject to application to BOI. This is in addition to the existing provision which allows a non- citizen to buy an immovable property under the IRS or RES.

Non-citizen having invested a minimum of USD 500,000 in a qualifying business activity will obtain a 10-year Permanent Residence Permit, renewable. He/she will have the right to acquire an apartment in a Ground Plus 2 complex, in addition to a property under the IRS or RES scheme.

Real Estate

Investment Promotion (Real Estate Development Scheme) Regulations 2007 provides for the (a) the Integrated Resort Scheme (IRS); and (b) the Real Estate Scheme (RES), (c) Investment in Hotel Scheme (IHS). The Integrated Resort Scheme (IRS) is aimed at large landowners (more than 10 hectares) and the Real Estates Scheme (RES) at small landowners (at least 1 arpent but less than 10 hectares). Both the IRS and the RES are targeted at non-citizens. The IRS involves the construction and sale of luxury residential units to foreigners. Units should be erected on freehold land of more than 10 hectares and a unit is to be sold at a price exceeding US\$500,000 out of which the sum of US\$70,000 is paid as a Land Registration Duty. The purchaser, spouse and dependents are granted resident permits to live in Mauritius.

The RES allows small landowners to develop and sell residential property to non-citizens. The RES requires that residential units of international standard should be built on freehold land of at least 1 arpent but not more than 10 hectares (23.69 arpents). The land must be owned by a land owner who cannot own more than 10 ha. Ancillary commercial facilities and leisure amenities and day-to-day management services for the residents such as security, maintenance, gardening, solid waste disposal and household services may be included in the development. A small landowner can combine land with other qualifying small landowners provided that the lands are contiguous and the total real estate development area for the RES project does not exceed 10 hectares. The residential units can be sold to non-citizens.

3.4 Foreign Investor Access to Land and Property Rights

Non-Citizen

The Non Citizen (Property Restriction) Act as amended by the Finance Act 2010 defines non-citizen as:

- (a) a person who is not a citizen of Mauritius;
- (b) an association or body of persons, whether corporate or incorporate, where –
 - a. it is not domiciled in Mauritius;
 - b. it is quoted on the Official List of the Stock Exchange or admitted to any second Market established under the Securities Act and its control or management is vested in one or more persons who are not citizens of Mauritius; or
 - c. it is not so quoted or admitted and one its shareholders is not a citizen of Mauritius;
- (c) a trust in so far as it is involved in any transaction referred to in section 22 of the Trusts Act;

Property

The Finance (Miscellaneous Provisions) Act 2009 amended the definition of property in the Non Citizen (Property Restriction) Act

(a) means an immovable property, whether freehold or leasehold, in Mauritius; and (b) includes (i) in relation to a trust or otherwise, any rights or interests in immovable property, whether legal or beneficial; or (ii) any shares; “share” (a) means an interest, by any name called, in a company, partnership or society or any other body corporate which holds or purchases or otherwise acquires an immovable property in Mauritius; and (b) includes (i) a share in a partnership or societe or anybody corporate which reckons amongst its assets –

- (A) any freehold or leasehold immovable property in Mauritius; or
 - (B) any share in a company or in a company holding shares in a subsidiary or any share in a partnership or societe or any other body corporate, which itself reckons amongst its assets, freehold or leasehold immovable property in Mauritius;
- (ii) a share in a company which reckons amongst its assets –
- (A) any freehold or leasehold immovable property in Mauritius; or
 - (B) any share in a company holding shares in a subsidiary or any share in a partnership or societe or any other body corporate, which itself reckons amongst its assets, freehold or leasehold immovable property in Mauritius; or
 - (C) any share in a company holding shares in any successive subsidiary company, or any share in any successive partnership or *société* or any other successive body corporate, which itself reckons amongst its assets, freehold or leasehold immovable property in Mauritius;

“shareholder” includes an association or body of persons, whether corporate or incorporate, which is a non-citizen.

(b) in section 3(3)(a)(i) of the Non Citizen (Property Restriction) Act, by inserting, after the words “commercial purposes”, the words “other than a lease agreement or a sublease agreement in respect of a residential property”.

Authorisation to hold or acquire Immovable Property

A non-citizen who wishes to hold or acquire immovable property requires an authorisation from either the Prime Minister’s Office or the Board of Investment as shown in the figure below.

Prime Minister’s Office approval is not required by non-citizens for

- Acquisition of immovable property, subject to BOI approval, intended to be used as personal residence, by holders of permanent residence status;
- Acquisition of immovable property under Integrated Resort Scheme (IRS), Real Estate Scheme (RES) and Invest Hotel Scheme (IHS), subject to BOI approval ;

- Acquisition of immovable property, subject to BOI approval, to be used only for business purposes, by an investor registered with BOI;
- Acquisition of shares in companies with no immovable property;
- Investments in unit trusts or other collective investment vehicle and acquisition of shares, through normal share dealings, in companies quoted on the Stock Exchange;
- Leasehold interest not exceeding 20 years in immovable property..

An investor registered with BOI can acquire immovable property for business purposes on approval by BOI. An investor is a person carrying on or who intends to carry out an economic activity generating an annual turnover exceeding MUR 4 million. An investor cannot purchase immovable property as an individual in his or her own name. Immovable property or right to immovable property must be purchased by a company incorporated under the Companies Act 2001, or registered in Mauritius, or a société, where its deed of formation is deposited with the Registrar of Companies, where at least one shareholder of the company is a person who is not a citizen of Mauritius. A company incorporated or registered under the Companies Act 2001 and issued with a registration certificate from BOI may apply to acquire immovable property.

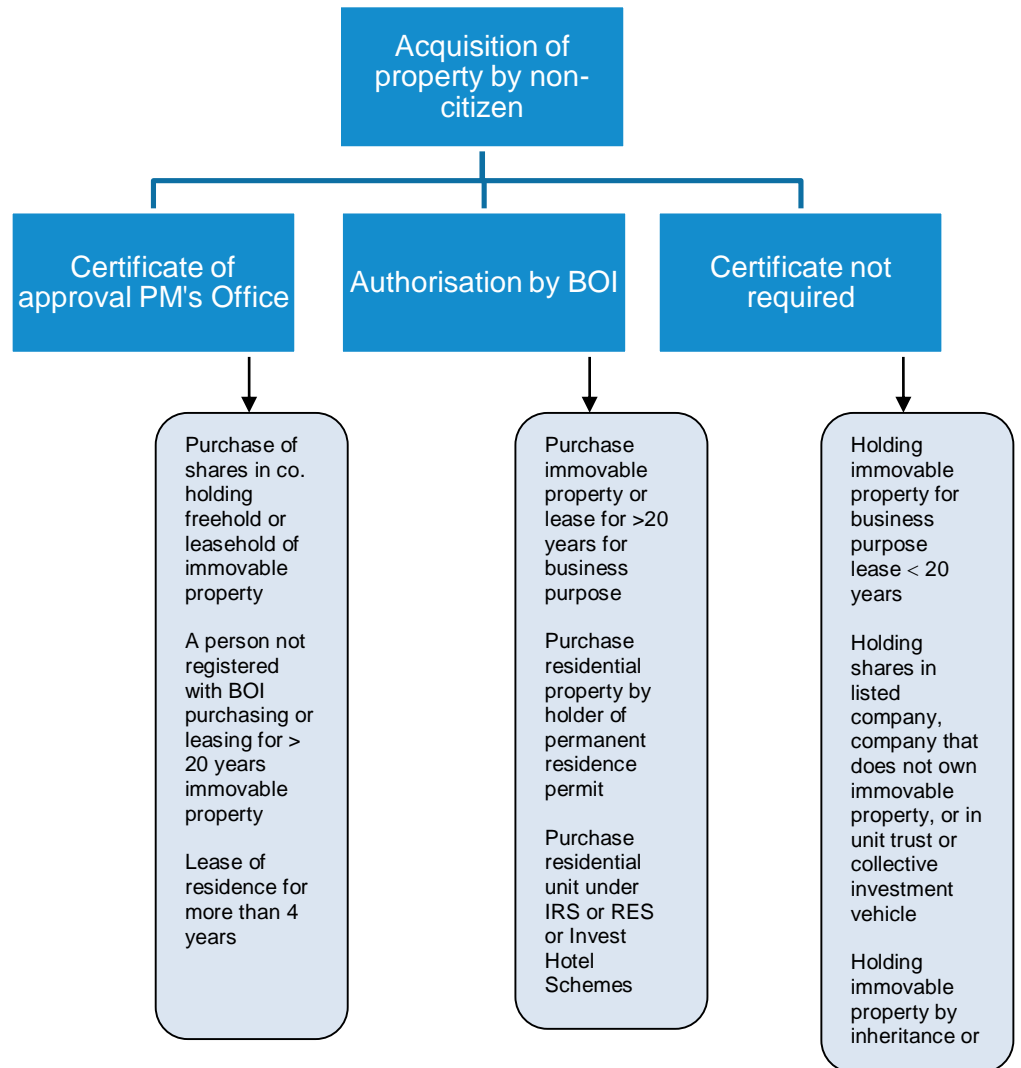
The non-citizen shareholder may be a company, or successive subsidiary companies, or any other successive body corporate which itself includes a non-citizen shareholder. A non-citizen investor must apply to BOI for:

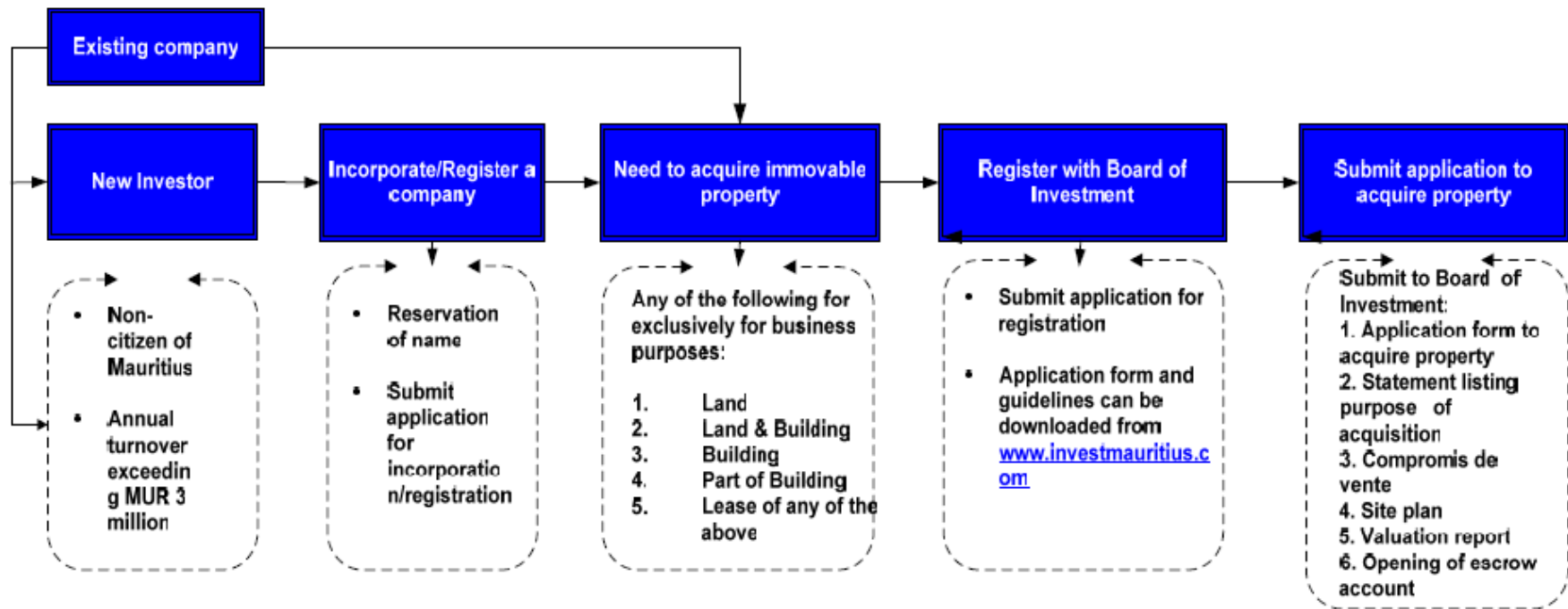
- Acquisition of immovable property or part of a building for business purposes;
- Lease of immovable property or part of a building for a period exceeding 20 years for business purposes.

Authorisation to acquire apartment by holders of PR

A non-citizen who has been granted a permanent residence permit under the Immigration Act is eligible to submit an application to purchase an apartment for his personal residence. The apartment has to be a residential dwelling that forms part of a block of residential dwellings located in a building of not less than ground plus two (2) floors. The necessary amendments have been brought to the Non-Citizens (Property Restriction) Act in the Finance Act 2011.

**Non-Citizen and
Immovable Property**





Foreign Investor Company and Land

Business Purpose

Business purpose means the acquisition or holding of property by non-citizens for:

- the development of high activity commercial use building including, but not limited to, shopping mall, office building or warehouse, for own use, sale, rental or lease;
- the development of residential properties developed under the Integrated Resort Scheme or Real Estate Scheme; and
- any other activity carried out for reward, gain or profit but excluding (i) the acquisition for resale or lease or rental of any bare land or serviced land; or (ii) the acquisition of immovable property to be used as apartments, penthouses, villas, flat, tenement or similar properties to be used or available for use as residence except where they are developed under the Integrated Resort Scheme, Real Estate Scheme or Invest Hotel Scheme.

The BOI authorisation is valid for six months to enable completion of the transaction. The investor shall not dispose of the property at any time without prior BOI approval. Shares in the investor may not be disposed of without prior approval under the Non-Citizens (Property Restriction) Act;

Licenses and Permits

All licence, authorisation, permission, or consent must be sought for and obtained from relevant authorities prior to the start of operations. The investor shall, unless prevented by circumstances beyond its control, complete the construction of the building and the installation of its plant and machinery within a period of 18 months from the date of signature of the deed witnessing the transfer of the immovable property. (Shorter periods apply where no construction is required).

Construction, alteration or development of land requires a Building Land Permit issued by the Local Authority. A Building and Land Use Permit (BLP) Application Guide explains how to prepare, submit and process an application. It provides a simple, step by step guide to applicants, persons involved in preparation of plans, to officers of Local Authorities and to the public at large. The Guide includes a check list for completing plans and other supporting documentation. If the application includes all the required details, the Local Authority can make a decision on the application within 3 days for a small enterprise and 14 days for other applications. On payment of fees, construction and completion of the building, an occupation certificate must be obtained from the Local Authority, prior to occupying the building. There must be compliance with the guidelines issued under the Building Act, Town & Country Planning Act 1954 and the Planning & Development Act 2004 and with guidelines issued by Ministry of Health & Quality of Life, Fire Services and Ministry of Environment. A trade fee should be paid within 15 days after the start of business.

The Government of Mauritius website describes licenses for industrial use at <http://www.gov.mu/portal/site/industry-site> and at http://www.gov.mu/portal/site/housing/menuitem.ce75c2cf785b7600a589525ba0208a0c/?content_id=26b1675ffa058010VgnVCM100000ca6a12acRCRD#ics

In accordance with Section 7 of the Investment Promotion (Miscellaneous Provision) Act 2004, the guidelines for the grant of Building, Industrial / Commercial, Agricultural, Socio / Cultural/Religious and Campement Site Leases are posted on the website of the Ministry of Housing and Lands.” The guidelines states that it is the policy of Government to grant industrial leases over State land to promote industrial development, offices and commercial development and hotels. Industrial leases may be granted in favour of an individual, company or society. Industrial leases are normally granted for an initial period of twenty years with option of renewal for four consecutive periods of ten years each. At each renewal the rent is reassessed to reflect the market value. The Chief Government Valuer assesses the rent to be paid. In the first two years the rent paid is 25% of the economic rent, in years 3 and 4 it is 50% and in years 5-10 100% of the economic rent. In the second ten year period the rent is 150% of the economic rent.

Other legislation relating to land includes Land Acquisition Act 1982, State Lands Act 1982, Landlord and Tenant Act 1999 and Landlord and Tenant (Amendment) Act 2005, Transcription and Mortgage Act 1982.

4 FOREIGN INVESTMENT OPERATIONS

4.1 Employment

Employment Rights Act 2008 and the Employment Relations Act 2008 have as their main objectives to revise and consolidate the existing labour and industrial relations laws and liberalise the labour market. The legislation provides for the introduction of a Workfare Program under which workers who have been laid off will benefit from government financial assistance for up to twelve months and opportunities for training. Negotiation or arbitration of labour disputes is carried out by the Permanent Arbitration Tribunal and the National Remuneration Board.

The Tourism Employees Welfare Fund act aims at establishing a fund for the social and economic welfare of employees of tourism enterprises and their families.

By fulfilling eligibility requirements a non-citizen may obtain an occupation (residence and work) permit, a residence permit, or a permanent residence permit (see section 3.3 Foreign Employment and Residence).

4.2 Business Taxation

From January 2010 the fiscal year is on the basis of a calendar year. Income Tax Act 1995 as amended by subsequent Finance Acts. Corporate and Personal Taxes are embodied under one heading of Income Tax and are payable by all resident companies and individuals on non-exempt income derived from Mauritius and from other sources. The profits of all Resident Sociétés (Partnerships) are taxable in the hands of the associates based on receipts of profits. A non-resident société is liable to income tax as if the société was a company.

Resident

In relation to an income year resident means:

- A company which is incorporated in Mauritius or has its central management and control in Mauritius;
- An individual who (a) has his / her domicile in Mauritius unless his / her permanent place of abode is outside Mauritius, (b) has been present in Mauritius in that income tax year for a period of, or an aggregate period of, 183 days or more or has been present in Mauritius in that income year and the two preceding income years for an aggregate period of 270 days or more;
- A société which has its seat in Mauritius and includes a société which has at least one associate resident in Mauritius;
- Trust where the trust is administered in Mauritius and a majority of the trustees are resident of Mauritius or where the settler of the trust was resident in Mauritius at the time the instrument creating the trust was executed;
- Any other association - an association or body of persons which is administered in Mauritius.

Tax Rate

The rate of tax applicable for companies is 15% but there is an alternative minimum tax in certain specific cases. Where in the case of a company the normal tax payable is less than 7.5% of its book profit, the tax payable for that income year is deemed to be 7.5% of its book profit or 10% of any dividends declared in respect of that year, whichever is the lesser. Offshore Companies (known as Corporation Holding

Category 1 Global Business Licence) pay tax at a rate of 15%. Tax credit is up to 80% or the tax paid whichever is higher. Offshore International Companies (Corporation Holding Category 2 Global Business Licence) are exempt from tax. There is no branch profits tax in Mauritius.

Losses are carried forward for a period of five years, except for losses arising from capital allowances which can be carried forward beyond five years. There is no capital gains tax in Mauritius. Value added tax rate is 15% with certain essential items zero rated.

4.3 Environment, Physical Planning, Health & Safety, Consumer Protection

See above regarding building permits.

Standards

Only 220 firms in Mauritius are certified ISO 9000 and certification to other ISO standards is relatively low. The Mauritius Standards Bureau (MSB) is developing new standards, providing testing facilities and promoting acceptance and implementation of quality systems. Trading in the global markets also entails, amongst others, demonstration of conformity of export products with international standards. Mauritius needs a conformity assessment infrastructure in order to be able to accredit conformity assessment bodies and to ensure that this accreditation is recognised regionally and internationally by our trading partners. MAURITAS provides accreditation services to bodies involved in conformity assessment, i.e. testing / calibration, certification bodies and inspection bodies. MSB and MAURITAS are expected to implement projects on a demand-driven basis.

Environment, Health and Safety

<http://www.gov.mu/portal/sites/legaldb/index.htm> contains all environment, health and safety legislation including the text of Environment Protection Act 2002, Environment Protection (Amendment) Act 2008, Occupational Safety and Health Act 2005. There is a detailed National Development Strategy for spatial development published in 2003.

Consumer Protection (Prices and Supplies Control Act) 1991

4.4 Competition Policy & Law

Competition Act No 25 of 2007 sets up the Competition Commission which shall make determinations of restrictive business practices, review monopolistic positions and control merger activity.

4.5 Monetary Policy, Foreign Exchange and Foreign Investors

There are no foreign exchange controls in Mauritius since 1994. Approval is not required for the repatriation of profits, dividends, and capital gains earned by a foreign investor in Mauritius and there is no difficulty obtaining foreign exchange.

The Bank of Mauritius Act 2004 established the Monetary Policy Committee (MPC). Since September 2007 the MPC determines monetary policy to be conducted by the Bank of Mauritius. The members of the MPC are the Governor, the two Deputy Governors, two Board members appointed by the Minister of Finance and three other persons appointed by the Minister who are not directors or employees of the Bank. The Governor is the Chairperson of the MPC.

4.6 Public Procurement

The legal framework for Public Procurement is composed of:

- Public Procurement Act (2006)
- Public Procurement Regulations (2008) also known as the principal regulations
- Public Procurement (Suspension and Debarment) Regulations (2009)

Government appointed a review committee to study the above recommendations and to propose changes which have to be made to the present legal framework.

Besides legislative reforms, actions are underway to implement the following:

- E-Procurement
- Sustainable Procurement
- Framework Arrangements
- Electronic Reverse Auctions

4.7 Intellectual Property

Intellectual property rights are protected by the Copyrights Act 1997 and the Patents, Industrial Designs and Trade Marks Act 2002, Protection against Unfair Practices (Industrial Property) Act 2002. Draft IP legislation is currently being prepared. Mauritius is a member of the World Intellectual Property Organisation (WIPO) and party to the Paris and Bern conventions for the protection of industrial property and the Universal Copyright Convention. Capacity building is to be carried out to strengthen institutions and enforcing agencies.

4.8 Investment Protection and Dispute Settlement

Constitution of Mauritius Property Protection

Section 8 Protection from deprivation of property

- (1) No property of any description shall be compulsorily taken possession of, and no interest in or right over property of any description shall be compulsorily acquired, except where
 - (a) the taking of possession or acquisition is necessary or expedient in the interests of defence, public safety, public order, public morality, public health, town and country planning, the development or utilisation of any property in such a manner as to promote the public benefit or the social and economic well-being of the people of Mauritius; and
 - (b) there is reasonable justification for the causing of any hardship that may result to any person having an interest in or right over the property; and
 - (c) provision is made by a law applicable to that taking of possession or acquisition
 - i. for the payment of adequate compensation; and
 - ii. securing for any person having an interest in or right over the property a right of access to the Supreme Court, whether direct or on appeal from any other authority, for the determination of his interest or right, the legality of the taking of possession or acquisition of the property, interest or right, and the amount of any compensation to which he is entitled, and for the purpose of obtaining payment of that compensation.
- (2) No person who is entitled to compensation under this section, other than a resident of Mauritius, shall be prevented from remitting, within a reasonable time after he has received any amount of that compensation, the whole of that amount (free from any deduction, charge or tax made or levied in respect of its remission) to any country of his choice outside Mauritius.
- (3) Nothing contained in or done under the authority of any law shall be held to be inconsistent with or in contravention of subsection (2) to the extent that the law in question authorises

- (a) the attachment, by order of a court, of any amount of compensation to which a person is entitled in satisfaction of the judgment of a court or pending the determination of civil proceedings to which he is a party;
 - (b) the imposition of reasonable restrictions on the manner in which any amount of compensation is to be remitted; or
 - (c) the imposition of any deduction, charge or tax that is made or levied generally in respect of the remission of money from Mauritius and that is not discriminatory within the meaning of section 16(3).
- (4) Nothing contained in or done under the authority of any law shall be held to be inconsistent with or in contravention of subsection (1)
- (a) to the extent that the law in question makes provision for the taking of possession or acquisition of property (i) in satisfaction of any tax, rate or due; (ii) by way of penalty for breach of the law or forfeiture in consequence of a breach of the law or in consequence of the inability of a drug-trafficker or a person who has enriched himself by fraudulent and/or corrupt means to show that he has acquired the property by lawful means; (iii) as an incident of a lease, tenancy, mortgage, charge, sale, pledge or contract; (iv) in the execution of judgments or orders of courts; (v) by reason of its being in a dangerous state or injurious to the health of human beings, animals, trees or plants; (vi) in consequence of any law with respect to the limitations of actions or acquisitive prescription; (vii) for so long only as may be necessary for the purposes of any examination, investigation, trial or inquiry or, in the case of land, the carrying out on it (A) of work of soil conservation or the conservation of other natural resources; or (B) of agricultural development or improvement that the owner or occupier of the land has been required, and has, without reasonable and lawful excuse, refused or failed to carry out, except so far as that provision or, as the case may be, the thing done under its authority is shown not to be reasonably justifiable in a democratic society; or
 - (b) to the extent that the law in question makes provision for the taking of possession or acquisition of (i) enemy property; (ii) property of a person who has died or is unable, by reason of legal incapacity, to administer it himself, for the purpose of its administration for the benefit of the persons entitled to the beneficial interest in it; (iii) property of a person adjudged bankrupt or a body corporate in liquidation, for the purpose of its administration for the benefit of the creditors of the bankrupt or body corporate and, subject thereto, for the benefit of other persons entitled to the beneficial interest in the property; or (iv) property subject to a trust, for the purpose of vesting the property in persons appointed as trustees under the instrument creating the trust or by a court or, by order of a court, for the purpose of giving effect to the trust; or
 - (c) to the extent that the law in question (i) makes provision for the payment of the amount for which the property is to be compulsorily taken possession of, together with interest at the legal rate in equal yearly instalments, within a period not exceeding 10 years; (ii) fixes the amount for which the property is to be compulsorily taken possession of or acquired or makes provision for the determination of that amount in accordance with such principles as may be prescribed.
- (4A) (a) Notwithstanding subsection (1)(c), section 17 or any other provision of the Constitution, no law relating to the compulsory acquisition or taking of possession of any property shall be called in question in any court if it has been supported at the final voting in the Assembly by the votes of not less than three quarters of all the members of the Assembly. (b) No law under paragraph (a) shall be amended or repealed otherwise than by a Bill which has been supported at the final voting in the assembly by the votes of not less than three quarters of all the members of the Assembly.
- (5) Nothing in this section shall affect the making or operation of any law so far as it provides for the vesting in the State of the ownership of underground water or un-extracted minerals.

- (6) Nothing in this section shall affect the making or operation of any law for the compulsory taking of possession in the public interest of any property, or the compulsory acquisition in the public interest of any property, or the compulsory acquisition in the public interest of any interest in or right over property, where that property, interest or right is held by a body corporate established by law for public purposes, in which no money has been invested other than money provided from public funds.

Arbitration

The International Arbitration Act 2008 regulates international arbitration taking place in Mauritius as part of the framework to encourage use of Mauritius as a centre for international dispute settlement.

The Code de Procédure Civile governs arbitration on disputes arising within Mauritius. Arbitration agreements should be in writing, and only Mauritian lawyers may represent in domestic arbitration.

The Supreme Court enforces arbitration awards made in Mauritius with decisions on enforcement being subject to appeal to the Judicial Committee of the Privy Council. (This is the court of final appeal for the UK overseas territories and Crown dependencies, and for those Commonwealth countries that have retained the appeal to Her Majesty in Council or, in the case of a Republic, to the Judicial Committee.)

4.9 International Agreements and Obligations – Trade and other Agreements, BITs, DTTs

Mauritius and the United States signed a Trade and Investment Framework Agreement (TIFA) in 2006, aimed at strengthening and expanding trade and investment ties and are engaged in the negotiation of a Bilateral Investment Treaty.

Mauritius signed the interim Economic Partnership Agreement with the European Union in 2009.

Mauritius is a contracting state to the Convention on Settlement of Investment Disputes (ICSID) and a member state of MIGA.

Mauritius is a member of SADC, COMESA and IOC and supports the establishment of the COMESA – EAC - SADC Tripartite Free Area.

Comprehensive Economic Co-operation and Partnership Agreement negotiated with India. Negotiations for similar agreements are under way with other Asian countries, including China and Pakistan.

A Free Trade Agreement (FTA) between Mauritius and Turkey was signed on 09 September 2011 in Istanbul. The FTA will provide enhanced market with duty free access on most industrial products. All Mauritian industrial products will enter Turkey duty free with the exception of some 70 lines related to textiles which will be phased on four years. Mauritius will offer duty free access on more than 80% of its tariff lines to Turkish products. The Agreement also provides a platform for encouraging investment from Turkish businessmen. Mauritius can be used as a gateway to the African continent.

Mauritius is committed towards fostering South-South Cooperation. It requested observer status in the South Asian Association for Regional Cooperation (SAARC). The 29th Session of the (SAARC) Council of Ministers in December 2007 welcomed Mauritius to be associated as Observer. Mauritius has applied for observer status with the Association for South East Asian Nations (ASEAN).

See tables below for Bilateral Investment Treaties and Double Tax Agreements.

SADC RELATED ISSUES

The Strategic Plan states that trade in the region can be leveraged to provide new export avenue particularly for domestic enterprises, by optimising on higher economic growth, greater economic vibrancy and increasing trade liberalisation among countries in the SADC and COMESA region.

WTO Trade Policy Review 2008

WTO Trade Policy Review: Report by Mauritius WT/TPR/G/198 19 March 2008 states that Mauritian investors have delocalised some of their textile production units to lower cost countries in the region. FDI from Mauritius has been substantial in the tourism sector in the Seychelles and Maldives. Local sugar companies have also carried out substantial investment in the agricultural sector in mainland Africa, namely in Mozambique, Tanzania and Uganda.

Mauritius stated in that Report "One of the main objectives of the SADC Trade Protocol is to achieve a Free Trade Area (FTA) by 2008 whereby 85% of all intra-SADC trade will be duty free, and the remaining 15% (sensitive products) will be liberalized by 2012. It has to be noted that the list of sensitive products of Mauritius amounted to around 10% at the time of entry into force of the SADC Trade Protocol.

However, Mauritius has not been able to reap the full benefits of the Trade Protocol due to several trade-related constraints namely the stringent rules of origin and the non-tariff barriers. The Mid-Term Review of the SADC Trade Protocol has strongly recommended that the SADC rules of origin be made simpler, flexible and adapted to the region's own realities. As regards to the negotiations pertaining to the SADC Custom Union, Mauritius has consistently underlined the importance of the consolidation of the SADC FTA before moving ahead in the regional integration process."

WTO Trade Policy Review Report by The Secretariat Mauritius WT/TPR/S/198 19 March 2008 states that "Mauritius considers its participation in regional agreements as a step towards building resilience for full integration into the world economy. Nevertheless, membership of various regional agreements, with differences in geographical coverage, trade liberalisation agenda, provisions on rules of origin, and in goals (such as building a customs union), is difficult to manage. Furthermore, Mauritius' plans to become a duty-free island would be difficult to reconcile with its participation in these regional agreements."

RMCE

The Regional Multidisciplinary Centre of Excellence (RMCE) is a regional training institution hosted by Mauritius and developed with COMESA in consultation with other regional blocs and international partners. The main objectives are to provide a regional training and advisory facility to support the process of Regional Economic Integration in African countries, and be a forum for dialogue serving as a capacity building and expertise hub for the Eastern and Southern Africa – Indian Ocean (ESA-IO) region. The RMCE aims to build capacity to formulate and implement regional economic development strategy and policy within the countries of the Eastern & Sub-Saharan region encompassing the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Indian Ocean Commission (IOC), the Inter Governmental Authority on Development (IGAD) and the Southern Africa Development Community (SADC).

The focus is on improving Member States' professional capacity in addressing issues of Regional Economic Integration (REI) in five core areas of common regional concern; macroeconomic management, trade and transit, cross-border finance, business development and investment and common sectoral policies. RMCE will concentrate on senior level staff training, i.e. for senior levels of the administrative / professional cadre of member Governments and Regional Economic Communities. The scope of services to be provided by the RMCE will include Training (Short courses, workshops, seminars & conferences) and Advisory, consulting and information services. The main sources of funding include donor agencies, member

Governments' budgets, REC Secretariat budgets and private firms. The European Commission has finalised a contribution agreement to finance operations of RMCE in its initial years. The Government of Mauritius is also contributing financially to the running costs of the RMCE. Other development partners have already confirmed their support to the RMCE.

BOI MOUs with IPAs

BOI has signed a number of MOUs with Investment Promotion Agencies of the region and is actively promoting outward investment in Africa.

No.	Country / Institution	Date signed
1	Madagascar	
	Economic Development Board of Madagascar (EDBM)	14 January 2008
2	Uganda	
	Uganda Investment Authority (UIA)	27 May 2008
3	Zimbabwe	
	Zimbabwe Investment Authority (ZIA)	24 August 2010
4	Comoros	
	Invest in Comores	28 May 2009
5	Cape Verde	
	Cape Verde Investment, Exports and Tourism Promotion Agency (CV-IPA)	09 April 2010
6	Swaziland	
	Swaziland Investment Promotion Authority	19 August 2010
7	Democratic Republic of Congo	
	Agence Nationale pour la Promotion des Investissements (ANAPI) de la République Démocratique du Congo	18 January 2011
8	Mozambique	
	Investment Promotion Centre of Mozambique (IPC)	18 January 2011
9	Seychelles	
	Seychelles Investment Bureau (SIB)	18 January 2011
10	Sierra Leone	
	Sierra Leone Investment and Export Agency (SLIEPA)	14 April 2011
11	Tanzania	
	Tanzania Investment Centre (TIC)	24 January 2011
12	Kenya	
	Kenya Investment Authority (KenInvest)	28 January 2011
13	Namibia	
	Namibian Investment Centre (NIC)	16 June 2011
14	South Sudan	
	South Sudan Investment Authority (SSIA)	4 May 2012
15	Egypt	
	General Authority for Investment (GAFI)	31 January 2013
16	Malawi	

	Malawi Investment Promotion Agency	07 February 2013
17	South Africa	
	Trade and Investment South Africa (TISA)	02 July 2013
18	Ghana	
	Ghana Investment Promotion Centre	10 July 2013
19	Djibouti	
	Djibouti National Investment Promotion Agency	23 September 2013
20	Zambia	
	Zambia Development Agency (ZDA)	27 May 2013
21	Gabon	
	Agency for Promotion of Investment and Exportations	17 October 2013

Bilateral Investment Treaties

	PARTNER COUNTRY	Date of Signature	Date of Entry into force
1.	Germany	25.05.1971	27.08.1973
2.	France	22.03.1973	01.03.1974
3.	U.K and Northern Ireland	20.05.1986	13.10.1986
4.	China	04.05.1996	08.06.1997
5.	Mozambique	14.02.1997	26.05.2003
6.	Pakistan	03.04.1997	03.04.1997
7.	Indonesia	05.03.1997	28.03.2000
8.	Portugal	12.12.1997	03.01.1999
9.	South Africa	17.02.1998	07.10.1998
10.	India	04.09.1998	20.06.2000
11.	Switzerland	26.11.1998	21.04.2000
12.	Czech Republic	05.04.1999	06.05.2000
13.	Nepal	03.08.1999	*
14.	Romania	20.01.2000	20.12.2000
15.	Singapore	04.03.2000	19.04.2000
16.	Swaziland	15.05.2000	*
17.	Zimbabwe	17.05.2000	*
18.	Benin	18.05.2001	*
19.	Burundi	18.05.2001	22.11.2009
20.	Ghana	18.05.2001	*
21.	Mauritania	18.05.2001	*
22.	Tchad	18.05.2001	*
23.	Comores	18.05.2001	*

24.	Guinea Republic	18.05.2001	*
25.	Rwanda	30.07.2001	*
26.	Cameroon	03.08.2001	*
27.	Sénégal	14.03.2002	14. 10. 2009
28.	Sweden	23.02.2004	01.06.2005
29.	Madagascar	06.04.2004	29.12.2005
30.	Barbados	28.09.2004	18.06.2005
31.	Belgium/Luxemburg Economic Union	30.11.2005	16.01.2010
32.	Republic of Korea	18.06.2007	09.05.2008
33.	Finland	12 09 2007	17 10.2008
34.	Tanzania	04.05.2009	02.03.2013
35.	Republic of Congo	20.12.2010	*
36.	Kenya	07.05.2012	*
37.	Turkey	07.02.2013	*
38.	Kuwait	18.04.2013	*
39.	Gabon	18.07.2013	*

Double Tax Agreements

	PARTNER COUNTRY	Date of Signature	Date of Entry into force
1.	Belgium	04.07.1995	28.01.1999
2.	Botswana	26.09.1995	13.03.1996
3.	China	01.08.1994	05.05.1995
4.	Croatia	06.09.2002	09.08.2003
5.	Cyprus	21.01.2000	12.06.2000
6.	France	11.12.1980	17.09.1982
7.	Germany	15.03.1978	01.01.1981
8.	India	24.08.1982	11.06.1985
9.	Italy	09.03.1990	28.04.1995
10.	Kuwait	24.03.1997	01.09.1998
11.	Lesotho	29.08.1997	09.09.2004
12.	Luxembourg	15.02.1995	12.09.1996
13.	Madagascar	30.08.1994	04.12.1995
14.	Malaysia	23.08.1992	19.08.1993
15.	Mozambique	14.02.1997	08.05.1999
16.	Namibia	04.03.1995	25.07.1996

17.	Nepal	03.08.1999	10.11.1999
18.	Oman	30.03.1998	20.07.1998
19.	Pakistan	03.09.1994	19.05.1995
20.	Russian Federation	24.08.1995	*
21.	Rwanda	30.07.2001	14.04.2003
22.	Senegal	17.04.2002	15.09.2004
23.	Singapore	19.08.1995	07.06.1996
24.	Sri Lanka	12.03.1996	02.05.1997
25.	South Africa	05.07.1996	20.06.1997
26.	Swaziland	29.06.1994	08.11.1994
27.	Sweden	23.04.1992	21.12.1992
28.	Thailand	01.10.1997	10.06.1998
29.	United Kingdom	11.02.1981	26.10.1987
30.	Zimbabwe	06.03.1992	05.11.1992
31.	Uganda	19.09.2003	21.07.2004
32.	Barbados	28.09.2004	28.01.2005
33.	Seychelles	11.03.2005	22.06.2005
34.	United Arab Emirates	18. 09. 2006	31 07.2007
35.	Tunisia	12.02. 2008	28.10.2008
36.	Qatar	28.07.2008	28 07 2009
37.	Bangladesh	21.12.2009	15. 09.2010
38.	Republic of Congo	20.12.2010	*
39.	Zambia	26.01.2011	04.06.2012
40.	Kenya	07.05.2012	*
41.	Nigeria	10.08.2012	*
42.	Egypt	19.12.2012	*
43.	Monaco	13.04.2013	08.08.2013
44.	Gabon	18.07.2013	*
45.	Guernsey	17.12.2013	*

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