



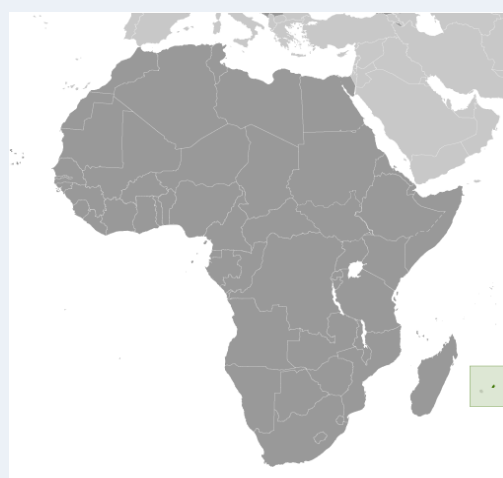
商業信託
Commercial Trust



Country Profile: Mauritius

The Facts

Location	Southern Africa, island in the Indian Ocean, east of Madagascar
Languages	Official – English Spoken – Creole, Bhojpuri, French and others
Nationality	Mauritian
Religions	Hindu – 48% Roman Catholic – 23.6% Muslim – 16.6% Other Christian – 8.6% Others – 3.2%
Government	Parliamentary Democracy
Head of Government	Prime Minister
Legislature	Unicameral National Assembly
Constitutional Document	Constitution of Mauritius
Economy	The Mauritian economy is one of the fastest growing economies in sub-Saharan Africa. Being the top 1 in Africa in the 'World Bank Ease of Doing Business Report', Mauritius is opening itself to the world by offering business friendly platforms like having one of the world's most generous tax regimes and no exchange control.
Currency	Mauritian Rupee (MUR)
GDP (2011)	Total – MUR 323.46 billion Per capita – MUR 250,934 Real GDP growth – +4.1%
Population	1,313,100 (approx.)
Percentage of population	Indo-Mauritian – 68% Creole – 27% Others – 5%
Area	2,040 km ²
Time zone	MUT (UTC+4)
Public Holidays	National holidays – 16
Climate	Tropical



Sources: Board of Investment, International Monetary Fund, Central Intelligence Agency

Mauritius

Mauritius, officially known as Republic of Mauritius, is an island nation in the Indian Ocean about 2,000 kilometers off the south east coast of the African continent. The country's populace is composed of several ethnicities, mostly people of Indian, African, Chinese and European descent. Most Mauritians are multilingual. English, French, Creole and Asian languages are used widely. The 2012 Ibrahim Index of African Governance ranked Mauritius first in good governance. According to the 2011 Democracy Index compiled by the Economist Intelligence Unit that measures the state of democracy in 167 countries, Mauritius ranks 24th worldwide and is the only African country with 'Full Democracy'.

Mauritius has strong and friendly relations with various African, American, Asian, European and Oceania countries. It is a member of the World Trade Organization, the Commonwealth of Nations, La Francophonie, the African Union, the Southern Africa Development Community (SADC), the Indian Ocean Commission, COMESA, and formed the Indian Ocean Rim Association. Considered part of Africa geographically, Mauritius has friendly relations with African states in the region, particularly South Africa, by far its largest continental trading partner. The country's political heritage and dependence on Western markets have led to close ties with the European Union and its member states, particularly the United Kingdom and France. Relations with China and India are strong for both historical and commercial reasons. Here's a look at some major reasons why most foreign investors want to invest in the Republic of Mauritius.

The Mauritius Business Climate

There are several reasons to invest in Mauritius:

- **Open and strong economy:** The Mauritian economy is one of the fastest growing economies in sub-Saharan Africa. In just three decades, the country has moved from a mono-crop sugar-dominated economy to a services-oriented one and is now heading towards an innovation-driven economy. Annual growth has been in the order of 5% to 6%. While traditional growth sectors like tourism and manufacturing continue to be strong and resilient despite the recent world financial turmoil, many other opportunities have risen in emerging sectors such as the ICT / BPO, Healthcare and Knowledge sectors with the potential to become tomorrow's economic pillars of a regional powerhouse. This rapid transition to a mature economy, one of just two in Africa to have graduated to middle-income status, comes as a promising result of sound economic management coupled with a vision to succeed shared between the government, the business community and civil society at large.
- **Strategic location:** Mauritius is a strategic business center situated in the Indian Ocean at the cross road between Asia, Africa and Australia. It is one of the most open and financially sound economies in sub-Saharan Africa. Mauritius is recognized as being an excellent place for doing business. The island is fully open to foreign capital, talents and ideas. Mauritius is the springboard for investment and doing business in Africa, Middle East and Asia.



- **Excellent infrastructure:** The Government is committed to endow Mauritius with a reliable, efficient and supportive infrastructure, at par with the best available in developed countries. The island has an extensive network of roads including a multiple lane highway linking the airport, in the southeast, to the north. The entire island is connected with electricity and water supply for agricultural, industrial and household consumption. Industries can thus be located anywhere on the island. Mauritius has a well-developed digital network infrastructure and offers excellent telecommunication facilities. The SAT3/WASC/SAFE (South Africa Far East) submarine fibre-optic cable links Mauritius to Europe via South Africa, and to Asia via India and Malaysia, thus placing the island on the information superhighway. The airport and the harbor are equipped to meet the need of both passenger and cargo traffic. Mauritius has regular air and sea connections with the rest of the world with major airlines and shipping companies servicing the island.
- **Highly skilled workforce:** Mauritius also has a smart brand of fine professionals, most of who are qualified from internationally recognized institutions and world class professional bodies. Recently too, the Government of Mauritius enacted legislation encouraging young foreign professionals to set up in the country. Mauritius has the highest adult literacy rate in the whole of Africa. This highly disciplined and educated workforce is also equally fluent in English and French, while many also speak a third international language: Hindi, Mandarin, Urdu and a host of European languages. The workforce is young, with 29.2% being aged less than 30. This workforce is business spirited, with innovative thinking, and is open to the world.
- **Social and political stability:** Mauritius is internationally recognized for its continuity of government, rule of law, political and social stability. A melting point of the world's oldest civilizations, Mauritius is a rare example of social peace and unity in a multi-cultural society. The population boasts origins from the European and African continents, as well as from India and China. Mauritius is also a safe place to live, Mauritians being naturally well-inclined and of a peaceful nature. All Mauritians enjoy freedom of expression and of religion. There is freedom of the press with the presence of dozens of dailies and weeklies. Mauritius has also enjoyed enduring political stability ever since its early days as an independent nation born in 1968. The Government is democratically elected every 5 years. Successive governments have all shown strong and sustained commitment to a market-driven economy where free enterprise can flourish and foreign investment prosper.

Setting up a Business in Mauritius

According to 2012 Doing Business Report by the World Bank Group, Mauritius ranks 24 out of 183 economies in terms of overall "Ease of Doing Business". According to the report, starting up a business takes only six working days. To successfully establish a company in Mauritius, one must complete the following major steps:

- **Incorporate and register the business:** Entrepreneurs can form a company in Mauritius without having to go through notary services. An annual registration fee of MUR 2000 is payable to the Registrar of Companies by small private companies (companies with a turnover of less than MUR 30 Million). The company must also register with the Commercial Registry to get a business registration card. This process takes about two working days to complete, and costs approximately MUR 2000.

- **Receive inspection by local authorities:** Once the company is registered, the Commercial Registry provides relevant agencies with an electronic notice about the newly registered business and the expected start date of its business activities. Subsequently, local authorities will select those prospective businesses that intend to trade within its jurisdiction and will communicate fees, relevant guidelines, and any other provisions. The relevant local authority will carry out ex-post control during company operation to ensure compliance with its guidelines. This procedure is done free of charge, and takes about four days to complete.
- **Pay license fees:** In addition to satisfying guidelines issued by the local authority, the prospective company must pay license fees according to the trade classification published by the local authority. The fee for the current financial year must be paid in 15 days of the start of the business and no later than January 15th in subsequent financial years. The authority will levy a 50% surcharge on any unpaid amount within the prescribed period. This procedure is completed simultaneously with the second procedure, and costs about MUR 6000.
- **Register with the social security office:** The entrepreneur must complete an application form and submit the employment contracts, the employer registration, and the certificate of incorporation on the Central registration database (two copies). Data is downloaded from the Central Business Registration Database system located at the Registrar of Companies, and potential employers are contacted by the Social Security Office. This process is completed simultaneously with the second and third procedures, and is done free of charge.
- **Make a company seal:** The final step towards establishing a business in Mauritius is to make a company seal. This process is also completed simultaneously with the second procedure, and costs about MUR 370.

Types of Business Structures in Mauritius

According to the Companies Act 2001, an investor can run a business in Mauritius in several formats, such as, sole proprietor, private company, public company, foreign company, partnership, global business company, and business trust. Let's take a close look at the various business structures in the country:

- **Sole Proprietor:** This type of structure is widely used in the jurisdiction and is regulated by the Code of Commerce. The name of the sole trader is registered in the Registrar of Companies, and a company owner has unlimited liability for its activities and debts. Annual tax return must be submitted with the tax authorities.
- **Private Company:** A private company is one which says it is private in its constitution and which restricts the transfer of its shares. Shares cannot be offered to the public. There are two major forms of private company in Mauritius:
 1. **Private Company Limited by Shares:** Shares of this type of company cannot be transferred to the general public. At least one and a maximum of 25 members can be registered in this type of company. Such companies can be exempted and non-exempted from paying taxes. Exempted companies must issue and reserve share capital below MUR 1M, and their turnover must be below MUR 2M.
 2. **Private Company Limited by Guarantee:** This type of company may be solely used for non-profit organization purposes. Liability of every company member is limited to their contributions. A minimum of MUR 5M is an obligatory requirement.
- **Public Company Limited by Shares:** A public company is defined as one which is not a private company, which has at the end of its name the words "Public Limited Company" or "P.L.C.", and its shares can be offered to the general public. A public company must have a minimum of two members.
- **Foreign Company:** A company incorporated outside Mauritius can register itself in Mauritius and will then be treated for most purposes as a Mauritius-incorporated company. Under the old legislation its status was properly that of a branch, but the new Companies Act provides for continuation under Mauritian law. A foreign company may be registered in Mauritius by submitting all the requested documents to the Registrar of Companies. Direct foreign ownership of a company is not automatic, but must be approved by local authorities.



- **Global Business Company Category 1 (GBC1):** This type of company replaced the old Offshore Company in 2001. This type of company is defined as an organization which manages an activity from Mauritius by persons who are residing outside Mauritius. The business must be conducted outside the jurisdiction in a currency different from MUR. This type of company must pay a relatively high annual registration fee, and it must file its annual accounts. This type of company is also suitable for financial operations such as fund management.
- **Global Business Company Category 2 (GBC2):** This type of company replaced an old International Company in 2001. It is often used for holding assets. Citizens of Mauritius cannot own shares in this company. Shares cannot be offered to the general public. Such a company cannot conduct banking or insurance business and cannot own or manage a collective investment fund. Annual accounts need not be filed.
- **Partnership:** There are two types of partnership in Mauritius:
 1. **General Partnership:** The general partnership in Mauritius is governed by the Code de Commerce and is known as the Societe en Nom Collectif. Partners may be individuals or companies. In a general partnership, a partner's liability is unlimited. Under the Code de Commerce Amendment Act 1985, general partnerships can acquire offshore status.
 2. **Limited Partnership:** The limited partnership in Mauritius is governed by the Code de Commerce and is known as the Societe en Commandite Simple. Partners may be individuals or companies. A limited partnership consists of one or more general partners with unlimited liability, and one or more limited partners, who are liable only to the extent of their capital contributions. Under the Code de Commerce Amendment Act 1985, limited partnerships can acquire offshore status.
- **Trust:** Trust law in Mauritius is based on English trust law. In order to be considered as an offshore trust, a settler may not be a resident in Mauritius. At least one trustee must be a Mauritius resident, and trust property must be situated outside the physical borders of Mauritius. There are no disclosure procedures, nor annual reporting requirements for trusts.

Taxation

Corporate income tax is charged on a company's profits. Tax is imposed on both active and passive income. Corporate tax rate in Mauritius stands at 15 percent. However, there is no capital gain tax. The same rule applies to any branch of foreign company earning profit by doing business in Mauritius. Following are some significant features in the country's tax system:

- There is no withholding tax on dividends
- For non resident companies, corporate income tax is charged only on income derived from Mauritius.
- Profit earned from business, rents, royalties, and interests are considered as taxable income
- A resident company is taxed on its worldwide income, which includes income from a foreign source



Immigration and Visa Requirements

Nationals of most countries do not require a visa prior to travelling to Mauritius. The visitor should hold a passport with a minimum validity of 6 months, a valid return ticket and sufficient funds to meet the costs of stay in Mauritius. Applications for a visa can be obtained from the Mauritian embassy or consulate. A tourist visa may be issued for up to 180 days per calendar year. A business visa may be issued for up to 90 days per calendar year.

Banking Requirement

It's fast and easy to open a bank account in Mauritius. Formalities are very simple and no subsequent efforts are needed. In general, Mauritian banks require evidence of identity (Passport, Identity Card), a copy of your work permit, a proof of residence in the island and recent bank statements. One can even fill up his/her application form online with some banks.

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Contact

Website: www.cmltrust.com

Email: inquire@cmltrust.com

Tel: +852 2162 7371