



Intercontinental Trust Ltd

GBC2 allowed to invest in securities listed on licensed exchanges

Category 2 Global Business Companies (GBC 2s) are now allowed to invest in securities listed on a securities exchange licensed under the Securities Act 2005 following the enactment of the Finance Act 2016. For the purpose of opening securities account and investing in listed securities, GBC 2s may now enter into a business relationship with licensed investment dealers.

The investment dealers will need to conduct all due diligence as per provisions of the FSC Code. Furthermore, the clearing and settlement facilities of the securities exchanges will have to submit to the FSC a monthly summary of aggregate purchases and sales in terms of number of shares transacted and amount under each security made by the GBC2.

For more information, click [here](#)



FSC grants new licences

Further to the enactment of the Finance (Miscellaneous Provisions) Act 2016, the Financial Services Commission is now granting the following licences:



Licence	Processing Fee USD	Annual Fee USD
Global Legal Advisory Services	Rs. 30,000 USD 1,000	Rs. 75,000 (USD 2,500)
Investment adviser (corporate finance advisory)	Rs.7,500 (USD 750)	Rs.50,000 (UDS 2,000)
Representative of Investment adviser (corporate finance advisory)	Rs.2,500 (USD 250)	Rs.10,000 (USD 750)
Global Headquarters Administration	Rs.30,000 (USD 1,000)	Rs. 75,000 (USD 2,500)
Global Treasury Activities	Rs.30,000 (USD 1,000)	Rs. 75,000 (USD 2,500)
Investment Banking	Rs. 100,000	Rs. 300,000

For more information about the different types of licences and on how ITL can be of assistance, please liaise with your usual contact person at ITL or write to us on info@intercontinentaltrust.com

Amendments to the Property Development Scheme

The Investment Promotion (Property Development Scheme) Regulations 2015 have been amended following the measures laid out in the 2016/2017 budget speech, as follows:

- (i) the maximum size limit of 50 arpents has been removed
- (ii) the requirement to sell at least 25% of residential units to Mauritian buyers has been removed
- (iii) the current maximum permissible land size for a villa has been reviewed from half an arpent (approx. 2110 m²) to 1.25 arpent (approx. 5276 m²).



As at end of Q3 2016, 1,966 residential units under the Property Development Scheme (formerly the Integrated Resort Scheme and Real Estate Scheme) have been sold.

Foreigners who have acquired residential property worth over USD500,000 under the Property Development Scheme may also apply for Permanent Residence Permits. ITL can assist you in this endeavor by providing a one-stop-shop package where our specialized team will assist you in finding the right property and help you and your family to relocate to Mauritius. For more information, please liaise with your usual contact person at ITL or write to us on relocation@intercontinentaltrust.com.

Amendments to the Film Rebate Scheme

The Investment Promotion (Film Rebate Scheme) Regulations 2013 (the “Regulations”) was amended following the measures proposed in the 2016/2017 budget speech, as follows:

1. A Film Rebate Committee (the “Committee”) will be set up to assess the economic benefit of a film production, set out the relevant requirements and determine whether a film production company meets the relevant requirements;
2. In relation to feature films, the rebate on Qualifying Production Expenditures (QPE) incurred in Mauritius has been revised from a flat rate of 30% to up to 40% provided that the requisites of the Committee are met. As such, the rebate percentage will be determined by the Committee and this will amount to a minimum of 30% subject to a maximum of 40% on the total QPE.



ITL can assist film producers in setting up the appropriate structure in Mauritius and also in obtaining the relevant licences to operate in Mauritius as well as the necessary approvals to obtain a reimbursement under the Regulations.

For more information, please liaise with your usual contact person at ITL or write to us on info@intercontinentaltrust.com

Ease of doing business – Mauritius 1st in Africa

The World Bank issued its flagship report on the ease of doing business (the “Report”) on 25th October 2016 according to which Mauritius, placed at the 49th position globally, provides the most business-friendly ecosystem in Africa for entrepreneurs to start, operate and expand their business. Rwanda is placed at the 2nd position followed by Botswana and South Africa respectively.

The report assesses 190 economies and is based on 11 indicators, namely: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and labor market regulation. For the first time, the report also includes gender dimension in 3 of its indicators (Starting a Business, Registering Property and Enforcing Contracts) in a bid to identify areas where women entrepreneurs are facing inequalities vis-à-vis their male counterparts.

To read the full report, click [here](#)



Mo Ibrahim Index 2016 – Mauritius retains top spot

The 10th edition of the 2016 Ibrahim Index of African Governance (IIAG 2016) was launched on 3rd October 2016 according to which Mauritius remains the highest scoring country in overall governance in Africa since the past decade.

This year’s index has also been expanded to include African citizens’ perception on poverty, inequality and unemployment through the inclusion of the Public Attitude Surveys from Afrobarometer.

The IIAG provides a comprehensive country-wise assessment of governance performance and is the most comprehensive collection of data on African governance. Initially, the IIAG only covered the Sub-Saharan African countries but its geographical coverage was widened over the past ten years to include the whole continent.

Whilst Mauritius constantly outperformed its peers since the introduction of the index in 2006, 37 countries improved their Overall Governance score with Cote d’Ivoire being the country that has progressed the most over the years.

To read the full report, click [here](#)



Global Competitiveness Index: Mauritius still occupying the pole position in Africa

Mauritius ranks 1st in Africa in the Global Competitiveness Index 2016–2017 (GCI) published by The World Economic Forum on 28th September 2016. Globally, Mauritius has moved up a notch compared to last year and is now placed at the 45th position.

The GCI is built on 12 pillars namely: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation.

This year's report assesses 138 countries and has summarized its key findings as follows:

“(…) it is clear that (1) monetary stimulus is not enough to reignite growth if economies are not competitive, (2) an increasingly important element of competitiveness is creating an enabling environment for innovation, and (3) innovation in turn goes hand in hand with openness and economic integration.”

To access the full report, click [here](#)

World Economic Freedom 2016: Mauritius 1st in Africa

The Fraser Institute issued its annual Economic Freedom of the World (EFW) report on the 15th September 2016, according to which Mauritius is reported to be the freest economy in Africa. On the overall ranking, Mauritius has climbed up a spot compared to last year's report and now ranks 5th alongside Canada, Georgia, Ireland and United Arab Emirates.

The EFW index measures the degree to which the policies and institutions of countries are supportive of economic freedom. It assesses 159 countries and territories based on 42 data points encompassed in 5 broad areas namely:

1. size of government: expenditures, taxes, and enterprises;
2. legal structure and security of property rights;
3. access to sound money;
4. freedom to trade internationally; and
5. regulation of credit, labor, and business.

The index is based on 3 fundamentals as described below:

- it will only be based on objective components as opposed to surveys or value judgments;
- data is collated from International Monetary Fund, World Bank, and World Economic Forum that assess a large number of countries; and
- transparency is used throughout.

To read more about the EFW Index 2016, click [here](#)



Exchange of information on tax matters: New agreement between Mauritius and Republic of Korea

An agreement between the Mauritius and the Republic of Korea on the exchange of information relating to tax matters (the “Agreement”), was signed by both countries on the 11th August 2016. Same has come into effect in Mauritius on the 15th September 2016.

The Agreement was made in accordance with the OECD’s guidelines and principles to promote co-operation in tax matters and follows a series of similar agreements that Mauritius has concluded with other countries. Indubitably, this is a testimony of Mauritius’ unfaltering commitment to minimize/eradicate tax malpractices.

New launch: Bank of China (Mauritius)

In our previous newsletters, we informed our readers of a banking licence that was granted by the Bank of Mauritius to the Bank of China (BoC).

The BoC has now established a branch in Port Louis, the capital of Mauritius, and the grand opening ceremony was held on 27th September 2016. The BoC is the first Chinese bank to operate in the Indian Ocean and aims to grow into a strategic platform for African businesses of the BoC Group. It will also handle businesses between China and Mauritius.

In addition to being listed in Fortune Global 500 for 27 consecutive years, the BoC ranks 4th in The Banker’s Top 1000 World Banks 2015.

The Mauritius Freeport Zone lauded by the fDI Magazine

In the October/November 2016 fDI Magazine supplement, Mauritius was acclaimed for the various facilities that it has put at the disposal of foreign investors, its excellent infrastructure and strategic location as well as its affiliations to pertinent trade blocks such as the COMESA and the SADC which facilitate trade with other member countries.

As such, Mauritius was highly commended in the African regional category of this year's awards and has been declared winner of the sub-Saharan Africa sub-national category.

To access the full magazine, click [here](#)

New MoUs signed by Mauritius

In a bid to enhance joint co-operation through investment and trade, the Mauritius Board of Investment signed 2 agreements with the Swaziland Investment Promotion Authority and the East Africa Trade and Investment Hub at the Africa Partnership Conference 2016 held on the 21st and 22nd September 2016.

The event brought together representatives of investment promotion agencies and industry representatives from Mauritius and Africa to discuss the opportunities and challenges of driving growth in Africa through greater collaboration on investment promotion.

FSC: Annual Report

The FSC released its 2015 annual report on 22nd September 2016. The report provides an interesting read about the performance of the organization in 2015 and also delivers an insight into the Mauritian finance and global business sector.

Click [here](#) to assess to full annual report.

Smart City: BOI issues Certificates

The Mon Trésor Smart City project, developed by Omnicane Ltd, is the first project to be issued with a Smart City Certificate by the Board of Investment (BOI), under section 18 of the Investment Promotion Act and regulation 9 (5) of the Investment Promotion (Smart City Scheme) Regulation 2015. Omnicane will kick-start the smart city development with the construction of its headquarters and a business gateway that will offer office space and business facilities. The business component of the project will generate inward FDI of MUR 600 to MUR 800 million i.e. approx. USD 17 to USD 22 million.

The second Smart City Certificate was delivered to Cap Tamarin Smart City which will be developed by Trimetys Ltd. The project will require an investment of MUR 9 billion i.e. approx. USD 251 million and will comprise an education and culture zone, office spaces, a boutique hotel, residential units, complementary civic centres and public amenities.

Mauritius has embarked on a major infrastructure overhaul which has captured the interest of many international property developers. ITL is licensed by the Financial Services Commission to provide a plethora of financial and fiduciary services and aims to provide a one-stop-shop solution to investors wishing to invest in Mauritius and/or use the island as a gateway for international investment. For more information about the services that we provide, please liaise with your usual contact person at ITL or write to us on info@intercontinentaltrust.com.

Mauritius aims to facilitate movement of its business persons and professionals in Africa

In line with the Africa Strategy, Mauritius has signed a Memorandum of Understanding (MoU) for the facilitation of movement of business persons and professionals among the Accelerated Program for Economic Integration (APEI) member countries.

Inter-alia, the MoU provides for Business Permits or short-term flexible Employment Permits with multiple entries to enable business persons and professionals to undertake a wide range of business activities.

It also facilitates the movement of high-level skills into priority sectors in the economy of the member countries through the issuance of long-term Employment/Business Residence permits. In addition, it establishes streamlined, harmonized and transparent procedures for granting of permits for business persons and professionals operating within the identified priority sectors.

It is recalled that the APEI was created to improve the policy environment for trade within the African region and comprises of Mauritius, Malawi, Mozambique, the Seychelles and Zambia.

For any additional information please contact us.

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