

doing business in Mauritius

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country profile	
government structure	<ul style="list-style-type: none"> • Executive: The president is the chief of state, serving a five-year term, eligible for a second term. The president appoints the prime minister as the head of government, who serves a five-year term. Cabinet is appointed by the president, on the recommendation of the prime minister, with a five-year mandate. • Legislative: Mauritius has a unicameral parliament. • Judicial: The highest court is the Supreme Court. The subordinate courts are the District Courts, Court of Civil Appeal, Court of Criminal Appeal and Public Bodies Appeal Tribunal. • Next presidential and parliamentary elections: December 2019.
economic data	<ul style="list-style-type: none"> • Nominal GDP (USD billions): 12.87 • GDP per capita (USD): 10 105.10 • Inflation rate (% change): 4.97 • Government revenue (% of GDP): 23.90 • Government debt (% of GDP): 60.65 <p><i>*Source: IMF</i></p> <ul style="list-style-type: none"> • The services sector accounts for the majority of Mauritius' GDP, with tourism and financial services being the most vital sectors of the economy. Mauritius has a diversified economy and also relies on the textile industry and production of sugarcane. • Mauritius's main export partners are France, the United States, the United Kingdom, South Africa, Madagascar, Italy, and Spain. The main export commodities include clothing and textiles, sugar, cut flowers, molasses, fish, primates (for research). • Mauritius's main import partners are India, China, France and South Africa. The main import commodities include manufactured goods, capital equipment, foodstuffs, petroleum products, and chemicals.
risk ratings	<ul style="list-style-type: none"> • World Economic Forum Global competitive index (2017-2018): 45/137 • World Bank ease of doing business (2018): 25/190 • Corruption perception index (2017): 54/180

international treaties and memberships	
international and regional organisations and customs unions	<ul style="list-style-type: none"> • African Caribbean and Pacific ("ACP") Group of States • African Continental Free Trade Area • African Development Bank • African Economic Community • Common Market for Eastern and Southern Africa ("COMESA") • Indian Ocean Commission • Indian Ocean Rim – Association for Regional Cooperation • International Monetary Fund • <i>International Organisation of la Francophonie</i> • Southern African Development Community • United Nations • World Bank • World Economic Community • Mauritius receives preferential treatment under the following agreements: http://ptadb.wto.org/Country.aspx?code=480
bilateral investment treaties	<ul style="list-style-type: none"> • Mauritius has bilateral investment treaties with Barbados, Belgium-Luxembourg Economic Union, Burundi, China, Congo, Czech Republic, Egypt, Finland, France, Germany, India, Indonesia, Republic of Korea, Kuwait, Madagascar, Mozambique, Pakistan, Portugal, Romania, Senegal, Singapore, South Africa, Sweden, Switzerland, Tanzania, Turkey, the United Kingdom, and Zambia. • Treaties have been signed with Benin, Botswana, Cape Verde, Cameroon, Chad, Comoros, France, Gabon, Gambia, Ghana, Guinea, Ivory Coast, Kenya, Mauritania, Nepal, Rwanda, Sao Tome and Principe, Swaziland, United Arab Emirates, and Zimbabwe, but these have not yet entered into force.
investment-related agreements / institutions	<ul style="list-style-type: none"> • African Growth and Opportunity Act • Multilateral Investment Guarantee Agency • Overseas Private Investment Corporation
dispute resolution	<ul style="list-style-type: none"> • Convention on the Recognition and Enforcement of Foreign Arbitral Award (New York Convention) • International Centre for the Settlement of Investment Disputes • London Court of International Arbitration – Mauritius International Arbitration Centre Ltd • Mauritius Chamber of Commerce and Industry – Arbitration and Mediation Centre • United Nations Commission on International Trade Law ("UNCITRAL")
intellectual property ("IP") treaties	<ul style="list-style-type: none"> • A comprehensive list of IP-related treaties signed by Mauritius is available at: http://www.wipo.int/wipolex/en/profile.jsp?code=mu • See the trade marks section below for further detail.



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legal regime	
applicable legal regime	<ul style="list-style-type: none"> Mauritius's legal system is based on a hybrid system of French civil law and common Law.
dispute resolution	<ul style="list-style-type: none"> International arbitration is governed by the Mauritian International Arbitration Act, which is based on the International Commercial Arbitration, the UNCITRAL Arbitration Rules, the English Arbitration Act and the New Zealand Arbitration Act. Entities wishing to enforce a foreign award must apply to the court and produce an authentic original award and original agreement, which may be enforceable provided that it is not contrary to Mauritian public policy. Domestic arbitration remains French-based and is codified in the Mauritian <i>Code de Procédure Civile</i>.
land acquisition, planning and use	<ul style="list-style-type: none"> The Non-Citizens (Property Restriction) Act provides that foreign citizens wishing to acquire real estate in Mauritius must obtain written permission from the Prime Minister's Office or the Economic Development Board ("EDB") in certain specific cases. This authorisation often requires the real estate to be connected with the trade for which the foreigner has been given permission to invest. Under the Permanent Residence Scheme foreigners may acquire properties, subject to specific restrictions, for example, the properties being located in specified development areas.
competition	
<i>merger control</i>	<ul style="list-style-type: none"> The Mauritian Competition Act ("the Act") established the Competition Commission of Mauritius and the competition regime, under which the Competition Commission investigates possible anti-competitive behaviour by businesses. The Act regulates merger control in Mauritius. The Act defines a merger as the bringing together, under common ownership and control, two or more enterprises, of which at least one carries on activities in Mauritius, or through a company incorporated in Mauritius. The Act provides examples of when enterprises are regarded as being under common control for the purposes of merger regulation. A merger is subject to review in Mauritius (i) where the merger would result in merged entity supplying / acquiring 30% or more of goods or services in a relevant market; or (ii) where one party to merger already supplies / acquires 30% or more of goods or services in a relevant market, and the Mauritian Competition Commission has reasonable grounds to believe that the creation of the "merger situation" has resulted in, or is likely to result in, a substantial lessening of competition within any market for goods or services. No filing fees are payable for filing a merger in Mauritius. The Mauritian Competition Commission will take public interest considerations into account in making a determination on a merger, only

	<p>where a merger results in, or is likely to result in, a substantial lessening of competition.</p> <ul style="list-style-type: none"> Mauritius is not a pre-implementation regime. Where the Mauritian Competition Commission finds that a merger results in, or is likely to result in a substantial lessening of competition, it may require the merging parties to, among other things, (i) desist from completing or implementing the merger insofar as it relates to a market in Mauritius or (ii) divest of certain assets within a specified period as a condition for proceeding with the merger. Mauritius is a member of the regional competition body, COMESA. COMESA does have merger control. Merger activities in Mauritius should be conducted with COMESA in mind.
<i>prohibited practices</i>	<ul style="list-style-type: none"> The Act prohibits certain vertical and horizontal practices. The horizontal collusive agreements prohibited by the Act include price fixing, market division, bid-rigging and restricting the supply or acquisition of goods or services to / from any person. The Act provides that a horizontal agreement that is not collusive may still be reviewed where the parties to the agreement together supply or acquire 30% or more of goods and services of any description in the market; and there are reasonable grounds to believe that the agreement has the object or effect of preventing, restricting or distorting competition. From a vertical perspective, the Competition Act prohibits retail price maintenance. It also allows for any vertical agreement to be reviewed where the Mauritian Competition Commission has reasonable grounds to believe that one or more parties to the agreement is / are in a "monopoly situation". The Act prohibits abuses of dominance. Mauritius has an active Corporate Leniency Policy. The policy is not available to cartel initiators / ring-leaders. An enterprise that engages in a prohibited practice may be liable to a fine of up to 10% of the turnover of the enterprise in Mauritius during the period of breach, up to a maximum of five years. COMESA regulates prohibited practices in the region and competition activities in Mauritius should be conducted with this regional competition body in mind.



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employment requirements	
<i>immigration</i>	<ul style="list-style-type: none"> Expatriates working in Mauritius on a long-term basis must hold a valid a work permit and residence permit or an occupation permit (in the case of professionals earning more than MUR60 000 per month (MUR30 000 in the ICT sector) and non-citizen investors (investing a minimum of USD100 000)). Work permits are generally valid for a maximum period of three years and are renewable.
<i>local employment vs secondment</i>	<ul style="list-style-type: none"> In terms of Mauritius' employment legislation an employee may be seconded to Mauritius, as it is not a legal requirement for employees to be employed by a local entity In terms of Mauritius' immigration legislation is also not a prerequisite for an expatriate to be employed by a local entity in order to apply for a work permit.
<i>fixed-term contracts and temporary employment services</i>	<ul style="list-style-type: none"> Fixed term contracts are allowed in terms of the Employment Rights Act, provided that such contract does not exceed 24 months. Fixed-term contracts with expatriate workers are not bound by the 24-month maximum duration and can be renewed. The employment of staff by a job contractor / labour broker is permitted. The Employment Rights Act establishes joint liability of the principal and the job contractor in respect of the remuneration of the said employee.
<i>payment in local currency</i>	<ul style="list-style-type: none"> It is not a legal requirement for remuneration to be paid in local currency.
<i>restraint of trade agreements</i>	<ul style="list-style-type: none"> The law is silent about the validity and enforceability of restraint of trade agreements. However, a clause in a contract of employment restraining the worker from being involved in a business in the same line of operation in the same geographical area in Mauritius may be enforceable, depending on its reasonableness and validity.

foreign investment regime	
investment regime	<ul style="list-style-type: none"> The Investment Promotion Act governs foreign investment in Mauritius and the EDB (in operation since January 2018 following a merger between the Board of Investment, Enterprise Mauritius and the Financial Services Promotion Agency) has been established to promote Mauritius as an international investment, business and service centre, to formulate investment promotion policies and advise the government on strategies for investment policies.
registration / licensing requirements	
<i>Financial Services Commission ("FSC")</i>	<ul style="list-style-type: none"> Companies wishing to conduct global businesses under the Financial Services Act, should apply to the FSC for a Global Business Licence ("GBL") or "Authorised Company" Licence. The 2018/19 Budget announced that the Global Business Category 1 Licence ("GBL1") will henceforth be known as the "Global Business Licence" and will be required to comply with certain substance requirements, whereas the Category 2 Global Business Licence ("GBL2") is being abolished and replaced by the "Authorised Company" with effect from January 2019, subject to some grandfathering provisions.
non-industry specific registrations / licences	The following general non-industry specific registrations / licences may be required:
<i>Commercial Registry (Central Business Registration Database ("CBRD"))</i>	<ul style="list-style-type: none"> Any person conducting any business in Mauritius is required to register with the CBRD under the Business Registration Act and obtain a business registration card. An application must be made at least 14 days before the person proposes to commence business. It is not compulsory for a GBL company or an Authorised Company to apply for a business registration card, unless it intends to import goods into Mauritius or do business in Mauritius.
<i>Mauritius Revenue Authority ("MRA")</i>	<ul style="list-style-type: none"> All taxpayers must register with the MRA and obtain a tax account number. Companies registered with the Registrar of Companies are automatically registered with the MRA, but the entity is to indicate which other taxes it is registering for (eg, value-added tax ("VAT"), employees tax). If an enterprise's turnover exceeds the VAT registration threshold (see 'tax' below) it should specifically apply VAT registration.
<i>National Pension Fund ("NPF") and</i>	<ul style="list-style-type: none"> Companies must register with the Ministry of Social Security for the purpose of making social security contributions on behalf of their



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National Savings Fund ("NSF")	employees to the NPF and NSF (which replaced the Employees Welfare Fund) prior to registering for employees' tax purposes with the MRA.
industrial and vocational training levy	<ul style="list-style-type: none"> An industrial and vocation training levy is levied as part of NPF and NSF contributions and requires no separate registration.
industry-specific licences	<ul style="list-style-type: none"> Industry-specific licences may also be required.
incentives	<ul style="list-style-type: none"> Incentives includes: <ul style="list-style-type: none"> a five year tax holiday available to project developers and project financing institutions collaborating with the Mauritius Africa Fund for the development of Infrastructure in Special Economic Zones with effect from January 2018; the Deemed Foreign Tax Credit regime, to be abolished from 1 January 2019 and to be replaced by a partial exemption system regime whereby 80% of specified income will be exempted from income tax; a tax credit equal to 5% of the cost of new plant and machinery in the year of acquisition and in each of the two subsequent income years available to a company incurring capital expenditure in respect of new plant and machinery from 1 July 2018 to 30 June 2020; and a deduction equal to double the amount of qualifying research and development expenditure incurred during the period 1 July 2017 to 30 June 2022 on research and development carried out in Mauritius, where no annual allowance has been claimed.
exchange control regulation	<ul style="list-style-type: none"> Mauritius does not impose any exchange control regulations and there are no restrictions on the repatriation of capital gains, profits or dividends earned by foreign investors.
types of entities available for foreign investment	<ul style="list-style-type: none"> company limited by guarantee; company limited by shares – public or private limited liability company, which may be licensed as Global Business Company or an Authorised Company; company limited by shares and by guarantee funds; general partnership (<i>société en nom collectif</i>); limited life company; limited partnership (<i>société en commandite simple</i>); private foundation; and protected cell company.

private limited liability company	
minimum number of shareholders	<ul style="list-style-type: none"> A minimum of one shareholder is required and the maximum allowed is 25. There is generally no requirement for local shareholding.
minimum share capital	<ul style="list-style-type: none"> There are no minimum share capital requirements in Mauritius, except for industries subject to specific licensing such as banks, investment advisors and insurance companies. In practice, the share capital depends on the size of the company and any shares created or issued must be shares of no par value.
directors	<ul style="list-style-type: none"> A private company must have a minimum of one director who must be ordinarily resident in Mauritius. A GBL company must have at least two directors resident in Mauritius.
company secretary	<ul style="list-style-type: none"> Every company, except Authorised Companies and small private companies, must appoint a company secretary. The company secretary may either be an individual or a firm, but the company secretary of a GBL company must be a Management Company.
auditor	<ul style="list-style-type: none"> Every company, other than Authorised Companies and small private companies, must appoint an auditor who is: <ul style="list-style-type: none"> a member of the Institute of Chartered Accountants in England and Wales, Scotland, Ireland or India; a member of the Association of Chartered Certified Accountants; or a person who possesses equivalent qualifications to those of a member of any of the bodies specified above and is classified as an "approved auditor".
registered address	<ul style="list-style-type: none"> Every company must have a registered office in Mauritius to which all communications and notices may be addressed and which must constitute the address for service of legal proceedings on the company. A company may have its registered address at the offices of its management company, accountants or lawyers.
shelf companies	<ul style="list-style-type: none"> Shelf companies are not available in Mauritius.
registration process	<ul style="list-style-type: none"> Companies are registered with the Registrar of Companies (Corporate and Business Registration Department) and it takes approximately three working days to complete registration once all the required documents have been submitted.



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tax			
tax system	<ul style="list-style-type: none"> Mauritius has a residence-based tax system in terms of which residents are subject to tax on their worldwide income, whereas non-residents are subject to tax only on their Mauritius-sourced income. 		
corporate residence	<ul style="list-style-type: none"> A company is resident in Mauritius if it is incorporated in Mauritius or if its central management and control is exercised in Mauritius. 		
corporate tax rate	<ul style="list-style-type: none"> Resident companies and permanent establishments of foreign companies are subject to corporate income tax at a rate of 15%. Companies engaged in the export of goods are taxed at the rate of 3% on the chargeable income attributable to that export, according to a prescribed formula. Certain approved funds and associations are not subject to income tax, but companies in the Freeport Sector are no longer exempt from income tax. 		
capital gains tax ("CGT")	<ul style="list-style-type: none"> Mauritius does not tax capital gains. 		
withholding tax ("WHT") rates	WHT rate (%)		
	payment to	residents	non-residents
	branch profits	N/A	N/A
	dividends	N/A	N/A
	interest	N/A	15%/ 0% (if paid by a GBL company).
	royalties	10%	15%; 0% (if paid by a GBL company)
Management and technical service fees	3% (professional services) 5% (management services)	10%	
double tax agreements ("DTAs")	<ul style="list-style-type: none"> DTAs are in force with Australia (partial), Bangladesh, Barbados, Belgium, Botswana, Cabo Verde, China, Congo, Croatia, Cyprus, Egypt, France, Germany, Guernsey, India, Italy, Kuwait, Lesotho, Luxembourg, Madagascar, Malaysia, Malta, Monaco, Mozambique, Namibia, Nepal, Oman, Pakistan, Qatar, Rwanda, Senegal, Seychelles, Singapore, South Africa, Sri Lanka, Swaziland, Sweden, Thailand, Tunisia, Uganda, the United Arab Emirates, the United Kingdom, Zambia and Zimbabwe. 		
losses	<ul style="list-style-type: none"> Ordinary losses may be carried forward for a period of five years. 		

	<ul style="list-style-type: none"> Losses attributable to an annual wear and tear allowance relating to capital expenditure incurred on or after 1 July 2006 may be carried forward indefinitely. 						
transfer pricing	<ul style="list-style-type: none"> In terms of Mauritius' general anti-avoidance provisions, transactions between related persons must be entered into on an arm's length basis. 						
thin capitalisation	<ul style="list-style-type: none"> There are no thin capitalisation rules applicable in Mauritius. 						
employee taxes	<ul style="list-style-type: none"> The income tax rates applicable to resident individuals are: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>annual chargeable income (MUR)</th> <th>tax rate</th> </tr> </thead> <tbody> <tr> <td>up to 650 000</td> <td>10%</td> </tr> <tr> <td>over 650 000</td> <td>15%</td> </tr> </tbody> </table>	annual chargeable income (MUR)	tax rate	up to 650 000	10%	over 650 000	15%
annual chargeable income (MUR)	tax rate						
up to 650 000	10%						
over 650 000	15%						
social security contributions	<ul style="list-style-type: none"> Both employers and employees are required to make monthly social security contributions to NPF and NSF The employer contribution rates are 6% of the employee's monthly basic salary (with a maximum monthly contribution of MUR942) to the NPF, 2.5% (with a maximum monthly contribution of MUR393) to the NSF. An Industrial and Vocational Training levy at a rate of 1.5% of the employee's monthly basic salary is also due by the employer. The employee contribution rate to the NPF is 3% of basic salary, (limited to a maximum amount of MUR510 per month) and 1% to the NSF (limited to a maximum amount of MUR170 per month). 						
payroll taxes	<ul style="list-style-type: none"> There are no payroll taxes in Mauritius. 						
stamp duty	<ul style="list-style-type: none"> There is no stamp duty in Mauritius. Land transfer tax is payable at the rate of 5% by the transferor of immovable property. A registration duty is also payable by the transferee at a rate of 5% / 10% / 15% depending on the type of property and duration of ownership. 						
VAT							
taxable supplies	<ul style="list-style-type: none"> VAT is levied on the supply of goods and services in Mauritius, and on the importation of goods and services. 						
VAT rate	<ul style="list-style-type: none"> 15% 						
registration threshold	<ul style="list-style-type: none"> A person who has an annual taxable turnover of MUR6-million must register for VAT purposes. 						



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	<ul style="list-style-type: none"> Businesses whose turnover is below the registration threshold may apply for voluntary registration, provided any other registration requirements are met.
<i>reverse VAT on imported services</i>	<ul style="list-style-type: none"> Resident companies are required to account for output VAT in respect of imported services rendered by non-resident companies in terms of a reverse-charge mechanism. Provided that the recipient is using the services for making taxable supplies, such VAT may be claimed as an input credit.
trade marks	
international conventions, treaties and arrangements	<ul style="list-style-type: none"> Paris Convention World Trade Organization World Intellectual Property Organization
classification	<ul style="list-style-type: none"> The International Nice Classification of goods and services applies. A single application may cover any number of classes of goods and / or services.
categories of trade marks	<ul style="list-style-type: none"> Provision is made for: <ul style="list-style-type: none"> trade / service marks; and collective marks.
filing requirements	<ul style="list-style-type: none"> Name and address of applicant; soft copy of trade mark (if not a word mark); class/es and list of goods and services; Power of Attorney, notarised and legalised by means of Apostille; and a certified priority document for priority application.
procedure	<ul style="list-style-type: none"> Applications are examined as to inherent registrability and conflict with prior existing registrations / applications.
oppositions	<ul style="list-style-type: none"> Opposition may be lodged within two months following the date of advertisement of the trade mark application. Extension of the opposition period is possible at the discretion of the Registrar.
duration and renewal	<ul style="list-style-type: none"> A trade mark registration is effective for an initial period of 10 years and, thereafter, renewable for further consecutive periods of 10 years.

For more information or assistance please contact:

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