

country profile											
government structure	<ul style="list-style-type: none"> • Executive: The president is both chief of state and head of government. The president is directly elected by absolute majority vote in two rounds for a five-year term and is eligible for a second term. Cabinet is appointed by the president. • Legislative: Comoros has a unicameral Assembly of the Union. • Judicial: The highest court is the Supreme Court. The subordinate courts are Court of Appeals, <i>Tribunal de premiere instance</i>, island village (community) courts and religious courts. • Next presidential elections: January 2029. 										
economic data	<table> <tbody> <tr> <td>• Nominal GDP (US Billions):</td> <td>1.59</td> </tr> <tr> <td>• GDP per capita (USD):</td> <td>1 594.49</td> </tr> <tr> <td>• Inflation rate (% change):</td> <td>1.95</td> </tr> <tr> <td>• Government revenue (% of GDP):</td> <td>17.62</td> </tr> <tr> <td>• Government gross debt (% of GDP):</td> <td>33.83</td> </tr> </tbody> </table> <p><i>*Source: IMF (June 2024 estimates)</i></p> <ul style="list-style-type: none"> • Comoros is a small trade-based island economy based on subsistence agriculture and fishing. • The main industries include fishing, tourism, and perfume distillation. • Comoros' main export partners are Türkiye, India, the United Arab Emirates, the United States, and Indonesia. The main export commodities include cloves, ships, vanilla, essential oils, and scrap vessels. • Comoros' main import partners are the United Arab Emirates, China, India, France, and Tanzania. The main import commodities include rice, refined petroleum, poultry, water, and synthetic fabric. 	• Nominal GDP (US Billions):	1.59	• GDP per capita (USD):	1 594.49	• Inflation rate (% change):	1.95	• Government revenue (% of GDP):	17.62	• Government gross debt (% of GDP):	33.83
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risk ratings	<ul style="list-style-type: none"> • S&P Global Overall Country Risk (Q2 2024): 155/211 • Corruption Perceptions Index (2023): 162/180 										

international treaties and memberships	
international and regional organisations and customs unions	<ul style="list-style-type: none"> • African Continental Free Trade Area Agreement • African Development Bank Group • African Union • Alliance of Small Island States • Common Market for Eastern and Southern Africa ("COMESA") • Community of Sahel-Saharan States • Group of 77 • Indian Ocean Commission • International Monetary Fund • International Organisation of the French-speaking World (<i>Organisation Internationale de la Francophonie</i>) • Islamic Development Bank • League of Arab States • Organisation of African, Caribbean and Pacific States ("OACPS") • Organisation of Islamic Cooperation • Organization for the Harmonization of Business Law in Africa ("OHADA") • Southern African Development Community • United Nations • World Bank Group • World Customs Organization • Comoros receives preferential treatment under the following agreements: http://ptadb.wto.org/Country.aspx?code=174
bilateral investment treaties	<ul style="list-style-type: none"> • Comoros has bilateral investment treaties in force with Burkina Faso, Egypt, and the United Arab Emirates. • Treaties have been signed with the Belgium-Luxembourg Economic Union, Burundi, Mali, and Mauritius, but these have not yet entered into force.
investment-related agreements / institutions	<ul style="list-style-type: none"> • Africa Growth and Opportunity Act • Samoa Agreement (it succeeds the Cotonou Agreement and its provisional application commenced on 1 January 2024. The Agreement will enter into force upon consent by the European Parliament and ratification by all European Union member states and at least two thirds of the OACPS members) • Multilateral Investment Guarantee Agency • World Trade Organization (Observer)
dispute resolution	<ul style="list-style-type: none"> • Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) • Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention) • OHADA • 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 Comoros is available at: https://www.wipo.int/wipolex/en/legislation/members/profile/KM?collection=treaties See the trade marks section below for further detail.
legal regime	
applicable legal regime	<ul style="list-style-type: none"> Comoros' legal system is based on Islamic religious law, the French civil code of 1975 and customary law.
dispute resolution	<ul style="list-style-type: none"> According to the Investment Code, as provided for by Law No. 07-0010/AU of 31 August 2007, disputes can be settled through mediation or the local courts. If there is no resolution, the matter can be taken up under OHADA law or COMESA jurisdiction.
land acquisition, planning and use	<ul style="list-style-type: none"> Foreigners may directly own or invest in land in Comoros.
competition	
<i>merger control</i>	<ul style="list-style-type: none"> The relevant competition legislation in Comoros is Law No. 13-014/AU of 26 December 2013 relating to competition (the "Competition Law") and its implementing Decree No. 14-015/PR. The Competition Law does not provide for merger control. Comoros is a member of two regional competition bodies, COMESA and OHADA. OHADA does not yet have an operational regulator and it is understood that its merger control regime is not yet functional. COMESA does, however, have an operational merger control regime in place and merger activities in Comoros should therefore be conducted with COMESA in mind.
<i>prohibited practices</i>	<ul style="list-style-type: none"> The Competition Law prohibits all agreements between companies (i.e. all agreements, cartels, conventions, express or tacit understandings, all decisions of business associations, and all other forms of coalition and concerted actions) which have as their object or effect the prevention, restriction, or distortion of competition. The Competition Law also prohibits abuses of dominance (including refusing the sale of products or services, tying, and bundling, imposing discriminatory sales conditions, imposing unfair purchase or sale prices, or other transaction conditions) and abuses of economic dependence. Firms engaging in anti-competitive practices, abuses of dominance or abuses of economic dependence are subject to a maximum fine of 5% of global turnover or 20% of the turnover achieved in Comoros during the financial year preceding the year in which the infringement occurred. In the event of a repeat offence this fine is doubled.

	<ul style="list-style-type: none"> OHADA does not regulate prohibited practices. COMESA regulates prohibited practices in the COMESA Common Market. Activities in Comoros should be conducted with this regional competition body in mind.
employment	
<i>immigration</i>	<ul style="list-style-type: none"> Law No. 88-025 of 29 December 1988 governs the residence and entry of foreigners into Comoros. Expatriates working in Comoros must hold a valid work permit and a residence permit. Both short-term and long-term visas are available. Any foreigner who wishes to stay in Comoros for a period exceeding three months must apply to the Minister of the Interior for a long-stay visa. Within 10 days of the person's entry into the national territory, the Minister of the Interior will issue a residence permit, which is renewable annually. Expatriates holding a residence permit and who wish to engage in professional activities must obtain a resident card. The resident card cancels the residence permit, is issued for 10 years, is subject to payment of an annual fee for the period of its validity and can be renewed.
<i>local employment vs secondment</i>	<ul style="list-style-type: none"> In terms of Comoros' immigration legislation, employment by a local entity is a prerequisite for applying for a resident card.
<i>fixed-term contracts and temporary employment services</i>	<ul style="list-style-type: none"> Fixed-term contracts are permitted in terms of the Labour Code. Fixed-term contracts entered into with Comoros residents cannot exceed two years and is renewable once for a maximum period of one year. Fixed-term contracts of expatriates cannot, except with exemption granted by the Minister of Labour, exceed three years. When a fixed-term contract is renewed more than once or when the employer continues to employ the employee after the end of the said contract, it is deemed to have been concluded for an indefinite period from its date of signature. Termination may then only take place under conditions provided for in the Labour Code.
<i>payment in local currency</i>	<ul style="list-style-type: none"> Remuneration must be paid in local currency.
<i>restraint of trade agreements</i>	<ul style="list-style-type: none"> In terms of the Labour Code, any clause in a contract prohibiting a worker from carrying out any activity upon expiry of the employment contract is automatically void. As such, restraint of trade agreements are invalid and unenforceable.
foreign investment regime	
investment regime	<ul style="list-style-type: none"> The Investment Code governs foreign investment in Comoros. The Comoros National Investment Promotion Agency (<i>Agence Nationale pour la Promotion des Investissements ("ANPI")</i>) has been established to promote, facilitate, and monitor investments in the country.



	<ul style="list-style-type: none"> The Union of Chambers of Commerce, Industry and Agriculture (<i>L'Union des Chambres de Commerce, d'Industrie et d'Agriculture, UCCIA</i>), which acts as an interface between the private sector and the government, facilitates activities of investors and safeguards investors' interests.
registration / licensing requirements	<ul style="list-style-type: none"> Investors wishing to take advantage of tax incentives under the Investment Code must obtain prior approval of the Minister in charge of Investments on the advice of ANPI.
non-industry specific registrations / licences	<ul style="list-style-type: none"> The following general non-industry specific registration / licences may also be required:
<i>Tax Administration (Administration Générale des Impôts et des Domaines ("AGID"))</i>	<ul style="list-style-type: none"> All taxpayers must register with the AGID to obtain a professional licence (<i>patente</i>).
<i>National Solidarity and Social Welfare Fund (la Caisse Nationale de Solidarité et de Prévoyance Sociale ("CNSPS"))</i>	<ul style="list-style-type: none"> Every employer must register for social security with the CNSPS.
industry-specific licences	<ul style="list-style-type: none"> Industry-specific licences may also be required.
incentives	<ul style="list-style-type: none"> Incentives under the Investment Code include: <ul style="list-style-type: none"> preferential regime A available to small and medium-sized companies which invest between KMF20-million and KMF100-million and create between five and 30 new jobs for local persons. Benefits granted for a five-year period include a reduced corporate income tax rate of 15%, unlimited loss carry forward, a suspension of customs duties and an exemption from certain import duties and taxes; preferential regime B available to large companies which invest between KMF100-million and KMF1-billion and create between 25 and 100 new jobs for local persons. The same benefits as under regime A are available for a period of seven years; preferential regime C available to priority projects where a company invests more than KMF1-billion in defined priority sectors and

	<p>creates between 80 and 300 new jobs for local persons. Benefits granted for a 10-year period include a reduced corporate income tax rate of 15% (which is further reduced if a commitment is made to create at least 150 jobs before the fifth year), unlimited loss carry forward and a suspension of customs duties and an exemption from certain import duties and taxes; and</p> <ul style="list-style-type: none"> preferential regime D for major projects where a company invests more than KMF10-billion in defined priority sectors and creates between 150 and 500 new jobs for local persons. Benefits granted for a 15-year period include a reduced corporate income tax rate of 10% for the first five years and 15% for the remaining 10 years (which is further reduced if a commitment is made to create at least 350 jobs before the fifth year), unlimited loss carry forward and a suspension of customs duties and an exemption from certain import duties and taxes.
exchange control regulation	<ul style="list-style-type: none"> There are no exchange control restrictions in Comoros, however, all relevant taxes due must be settled prior to the repatriation of funds.
types of entities available for foreign investment	<ul style="list-style-type: none"> The forms of doing business available in Comoros are mainly the following provided for by the OHADA Uniform Act on Commercial Companies and Economic Interest Groupings: <ul style="list-style-type: none"> public limited company (<i>société anonyme</i> ("SA")); simplified limited liability company (<i>société par actions simplifiée</i> ("SAS")); private limited liability company (<i>société à responsabilité limitée</i> ("SARL")); general partnership (<i>société en nom collectif</i>, SNC); limited partnership (<i>société en commandite simple</i>, SCSs); joint venture (<i>société en participation</i>); de facto partnership (<i>société de fait</i>); economic interest grouping (<i>groupement d'intérêt économique</i>, GIE); registered branch of a foreign company; and representation or liaison offices.
private limited liability company	
minimum number of shareholders	<ul style="list-style-type: none"> SARL SA SAS: A minimum of one shareholder is required. In principle, local shareholders are not required, but may be required in certain specified sectors such as mining, oil and gas.
minimum share capital	<ul style="list-style-type: none"> The following minimum share capital requirements apply: <ul style="list-style-type: none"> SARL: at least KMF100 000, divided into equal shares of a face value not less than KMF5 000; SA: KMF7.5-million, divided into shares of a face value of not less than KMF7 500; and SAS: no minimum required share capital.



directors	<ul style="list-style-type: none"> SARL: must have at least one managing director (<i>gérant</i>). It is recommended that someone who is either based in or regularly travels to Comoros be appointed as managing director, as it is required for such a person to hold a long-term visa. There is no requirement to appoint directors / managers in addition to the managing director. SA: must appoint a chairperson of the board who can also act as general manager of the company (<i>directeur général</i>). A board of directors with three to 12 members, including a chairperson, is to be appointed. SAS: free to determine its management structure, which should, as a minimum, consist of one chairperson. There is no requirement to appoint a board of directors.
company secretary	<ul style="list-style-type: none"> There is no requirement to appoint a company secretary in Comoros.
auditor	<ul style="list-style-type: none"> SARL and SAS: must appoint a statutory auditor when two of the following three conditions are met at the end of the financial year: <ul style="list-style-type: none"> its total balance sheet exceeds F.CFA125-million; the annual turnover exceeds F.CFA250-million; or the permanent staff exceeds 50 employees. SA: appointment of an auditor is mandatory. SAS: appointment of an auditor is mandatory where an SAS effectively controls one or more companies, or where an SAS is effectively controlled by one or more companies.
registered address	<ul style="list-style-type: none"> Every company must have a registered office in Comoros which must be indicated in the Articles of Association. The address of the company's accountants or lawyers may be used as registered address for an interim period.
shelf companies	<ul style="list-style-type: none"> There are no shelf companies available in Comoros.
registration process	<ul style="list-style-type: none"> Companies are registered with the Commercial Court, and it takes approximately three weeks to complete registration once all the required documents have been submitted.
tax	
tax system	<ul style="list-style-type: none"> Comoros has a source-based tax system, in terms of which both residents and non-residents are subject to tax on income earned from a source in Comoros.
corporate residence	<ul style="list-style-type: none"> The concept of residence is not defined by the General Tax Code. Corporate income tax is levied on any entity on all its taxable activities in Comoros and in practice, all companies that are incorporated in Comoros or that have their place of management or their principal place of business in Comoros are deemed to be tax residents.

corporate tax rate	<ul style="list-style-type: none"> Resident companies and permanent establishments of foreign companies are subject to corporate income tax at the rate of 35%. A reduced rate of 10% applies to profits derived from non-commercial activities. Entities which are subject to corporate income tax are subject to a minimum lump-sum tax (<i>impôt minimum forfaitaire</i>) of 1.5% of the turnover realised during the previous financial year. 		
capital gains tax	<ul style="list-style-type: none"> Capital gains are generally included in ordinary taxable income and subject to corporate income tax at the standard rate. Net capital gains on the direct or indirect disposal of shares and bonds of Comorian companies and rights relating to natural resources are subject to a 15% non-final withholding tax. 		
withholding tax ("WHT") rates	WHT rate		
	payment to	residents	non-residents*
	branch profits	N/A	10%
	dividends	10% 0% (at least 25% of capital held for at least two years)	10%
	interest	10% (interest on bonds, debt claims, deposits, guarantees and current accounts)	10%
	royalties management, consulting, and technical service fees	N/A	10%
*The withholding tax rate may be reduced in terms of a relevant double tax agreement.			
double tax agreements ("DTAs")	<ul style="list-style-type: none"> A DTA is in force with the United Arab Emirates. 		
losses	<ul style="list-style-type: none"> Losses may be carried forward for a period of three years. 		
transfer pricing	<ul style="list-style-type: none"> In terms of Comoros' transfer pricing rules, transactions entered into between resident and non-resident related parties must be entered into on an arm's length basis. 		
limitations on interest deductibility	<ul style="list-style-type: none"> Interest on loans by shareholders exceeding their contributions is only deductible up to a limit of the Central Bank interest rate plus two percentage points. In addition, the capital of the company must be fully paid up and the amount of deductible interest cannot exceed 15% of the 		

	gross operating profits. The latter provision does not apply to banks and financial institutions.														
employee taxes	The income tax rates applicable to resident individuals are: <table border="1"> <thead> <tr> <th>chargeable income (KMF)</th> <th>tax rate</th> </tr> </thead> <tbody> <tr> <td>150 001 – 500 000</td> <td>5%</td> </tr> <tr> <td>500 001 – 1 000 000</td> <td>10%</td> </tr> <tr> <td>1 000 001 – 1 500 000</td> <td>15%</td> </tr> <tr> <td>1 500 001 – 2 500 000</td> <td>20%</td> </tr> <tr> <td>2 500 001 – 3 500 000</td> <td>25%</td> </tr> <tr> <td>above 3 500 000</td> <td>30%</td> </tr> </tbody> </table>	chargeable income (KMF)	tax rate	150 001 – 500 000	5%	500 001 – 1 000 000	10%	1 000 001 – 1 500 000	15%	1 500 001 – 2 500 000	20%	2 500 001 – 3 500 000	25%	above 3 500 000	30%
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social security contributions	<ul style="list-style-type: none"> Both employees and employers must make monthly social security contributions to the CNSPS. Both the employer and employee contribution rate is 2.5 % of the gross monthly income paid to employees. 														
payroll taxes	<ul style="list-style-type: none"> There is no payroll tax in Comoros. 														
stamp duty	<ul style="list-style-type: none"> Stamp duty (<i>droits de timbre</i>) is levied on all papers used for official documents, judicial instruments and documents to be used as evidence in judicial proceedings at fixed or variable duties. Transfer duties (<i>droits d'enregistrement</i>) at the rate of 5% is payable on the transfer of shares. Transfer duties (<i>droits d'enregistrement</i>) on the sale of immovable property is levied at the rate of 9%. In addition, property registration duty (<i>taxe de publicité foncière</i>) is paid by the transferee or buyer of immovable property at a rate of 2% on the value of the property. 														
consumption tax															
<i>taxable supplies</i>	<ul style="list-style-type: none"> Consumption tax is levied on the importation, production and sale of goods and the supply of commercial and non-commercial services. 														
<i>consumption tax rate</i>	<ul style="list-style-type: none"> Consumption tax rates vary depending on the type of product or service and its use, ranging from 0% to 25%. 														
<i>registration threshold</i>	<ul style="list-style-type: none"> Generally, any person who carries on business in Comoros and has an annual turnover exceeding KMF20-million must register for consumption tax purposes. Companies that are importers and have an annual turnover of between KMF15-million and KMF20-million are also considered taxable persons. 														

<i>consumption tax on non-residents</i>	<ul style="list-style-type: none"> Corporate entities established or domiciled outside Comoros and carrying on business activities are subject to the consumption tax in Comoros on the same basis as resident companies. All non-resident companies must appoint a tax representative domiciled in Comoros to represent them in dealings with the AGID.
trade marks	
international conventions, treaties, and arrangements	<ul style="list-style-type: none"> Madrid Protocol Nice Agreement Paris Convention Trade Mark Law Treaty World Intellectual Property Organization Convention World Trade Organization / Trade-Related Aspects of Intellectual Property Rights (TRIPS) (all <i>Organisation Africaine de la Propriété Intellectuelle</i> ("OAPI") countries are members except Comoros and Equatorial Guinea) <p><i>*Note</i></p> <p>Comoros is a member of OAPI. OAPI has a central registry in Cameroon which facilitates the central filing of IP rights, including trade marks. An OAPI application automatically covers all member countries, as the member states had to renounce their national IP laws to become members. It is therefore not possible to file individual national applications in any of the OAPI member states.</p> <p>OAPI member states include: Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Republic of the Congo, Senegal, and Togo.</p>
classification	<ul style="list-style-type: none"> The International Classification of Goods and Services (Nice Classification) applies. A single application may cover any number of classes.
categories of trade marks	<ul style="list-style-type: none"> Provision is made for: <ul style="list-style-type: none"> collective trade marks; ordinary trade marks (goods and service trade marks); and geographical indications.
filing requirements	<ul style="list-style-type: none"> Full particulars of the applicant; Power of Attorney, in French or English, simply signed (per application); electronic representation of the trade mark; and a certified copy of the priority document (if applicable), with a verified French and English translation.



procedure	<ul style="list-style-type: none"> An application is filed at the OAPI office in Cameroon. Applications are examined for compliance with formal requirements only. If the office finds that the formal conditions for registration have been met, the trade mark registers, and the registration is published.
oppositions	<ul style="list-style-type: none"> Opposition may be lodged within six months following the date of advertisement of the registration. No extensions are allowed.
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 periods of 10 years.

ENS is a full-service law firm with significant experience and specialist expertise that spans all commercial areas of law, tax, forensics, and IP across Africa. For more information or assistance please contact:

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