

Mauritius

Your Regional Strategic Partner



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Mauritius

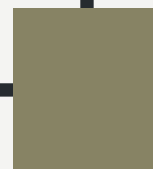
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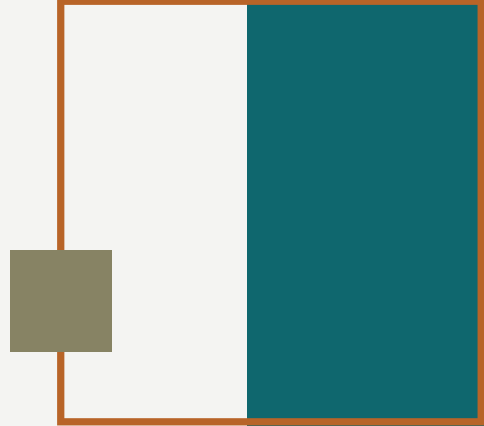


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| A New Industrial Vision





Mauritius: Salient Facts



Capital
Port Louis



Official language
English



Bilateral Agreements
50 DTAA's
45 IPPAs



Currency
Mauritian Rupee (MUR),
Current indicative exchange
rate: 1 ZAR = Rs 2.82



Population
1.3 Million



**World Bank
Doing Business 2017**
1st in Africa



Time Zone
GMT +4



Surface area
2040 km²



Exclusive economic zone
2.3 Million km²

Main Economic Sectors



GDP per capita
USD 10,500



Annual GDP
growth rate
~3.5% (2017)



Manufacturing
13.4%



Construction and
Real Estate
10.1%



Logistics
6.3%



Services
12.1%

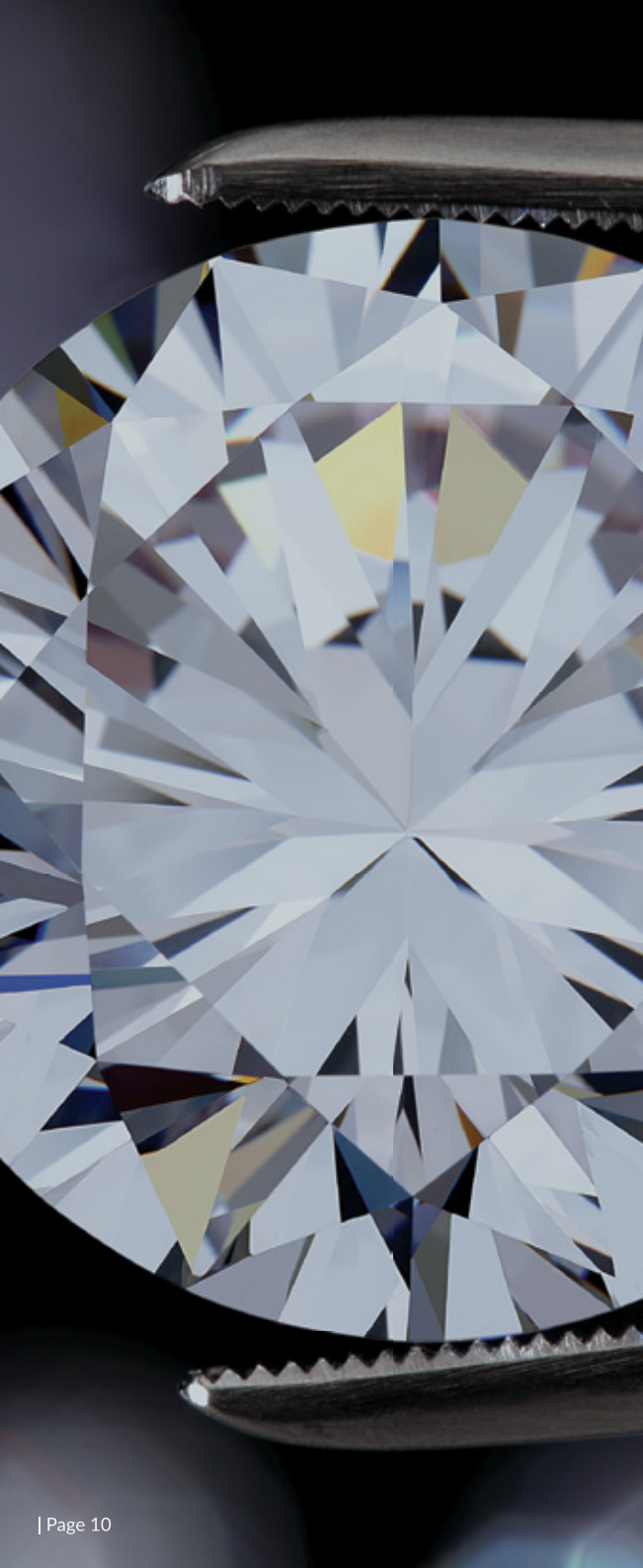


ICT
5.7%



Hospitality
6.9%





Towards an Industrial Revival

The Mauritian manufacturing sector has greatly diversified since the early 1970s and now regroups some renowned companies covering a wide range of activities such as textile, food industry, high-end jewellery, medical devices and pharmaceuticals.

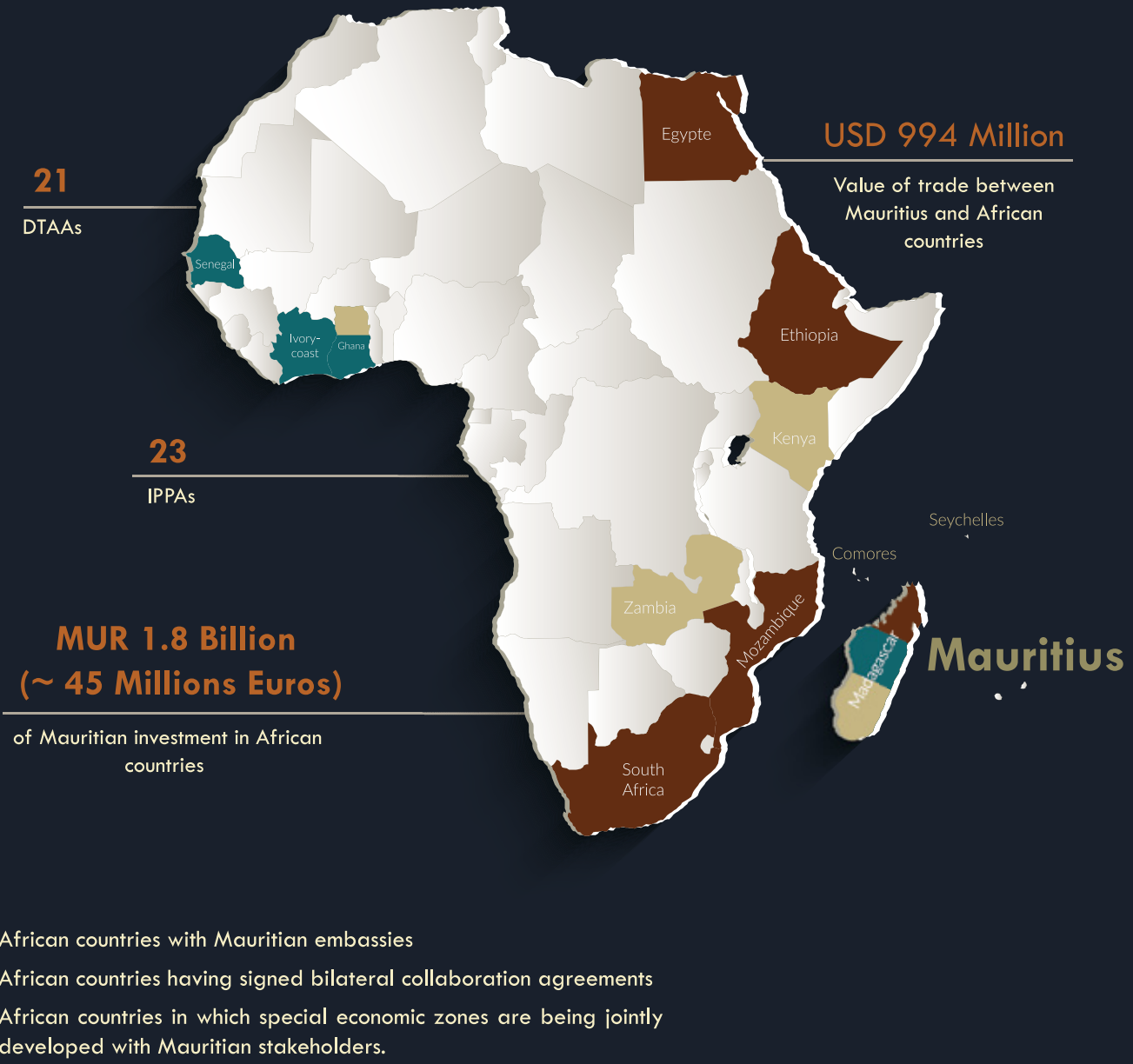
'Vision 2030', presented in 2015, is the Government's assertion of a new industrial ambition, mobilising all players in this sector around a national approach to position Mauritius as a leading industrial country in identified key areas and markets.

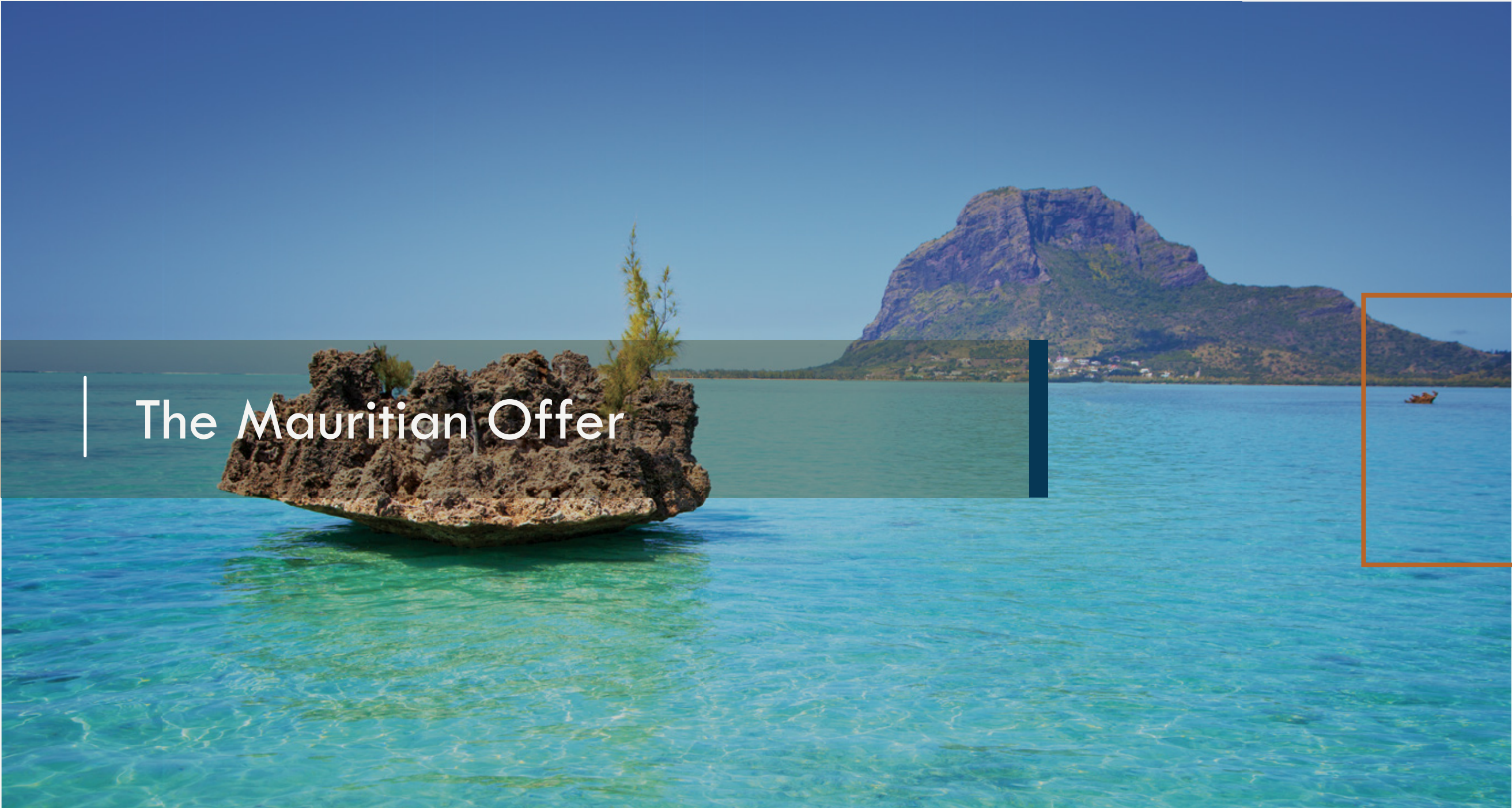
The New Context

The Growth of Intra-African Trade

Throughout its 50 years of independence, Mauritius has staunchly affirmed its regional position by placing the continent at the heart of its strategic choices. Now, Africa's economic and social emergence establishes the continent as one of the major growth poles of the 21st century and this economic boom represents a wide array of opportunities for Mauritius. Indeed, it is by increasing its exports to Africa that Mauritius will be able to leverage on these growth opportunities.

The strengthening of bilateral agreements, the establishment of commercial partnerships, the increase of air and maritime connectivity with African countries: no effort is thus spared by the Mauritian authorities to enhance the Mauritius-Africa dynamic and achieve regional integration.





| The Mauritian Offer





A Most Favourable Business Climate

Mauritius provides a conducive business environment developed through the streamlining, simplification and automation of business procedures. Today Mauritius ranks No 1 in World Bank Ease of doing business index and as a regional leader in terms economic freedom.



Incentives

Income tax, corporate tax and VAT at a harmonised rate of 15%
Corporate profit derived from export of goods taxed at only 3%

No import duties on equipment and raw material

VAT on raw materials is payable at customs clearance but reimbursable on exports

Annual investment tax credit of 5% on the purchase of production equipment

8-year corporate tax exemption for high-technology manufacturing activities (medical devices, pharmaceuticals etc.)

Tax-free dividends | No capital gains tax

Speed-to-market: 40% subsidy on air freight costs to Europe for textiles, processed food, vegetables, flowers, fruits and jewellery products manufactured in Mauritius

Freight Rebate Scheme: 25% subsidy on the Basic Freight Cost to the maximum of USD 300 per 20-foot container and USD 600 per 40 –foot container exported to eligible Ports in Africa Madagascar & Reunion.

Preferential Market Access

The country's ideal location in the Indian Ocean establishes it as an ideal trade hub between Asia and Africa. Trade is further facilitated through membership with regional trade blocs such as COMESA and SADC, but also through preferential trade agreements signed with the United States (AGOA), the European Union (Interim Economic Partnership Agreement), Turkey(FTA) and Pakistan(PTA).



Modern Infrastructural Development

Well-functioning infrastructure, from reliable supply of utilities to telecoms and transport, provided the underpinnings for the growth of foreign trade, on which the Mauritius economy is heavily dependent. It also provides the foundations for improved productivity of manufacturing enterprises and is therefore a critical component of the competitiveness of Mauritius as an industrial destination. Significant investments have thus been carried by the Government to attain the right level of infrastructure provision needed to support the island's global competitiveness.



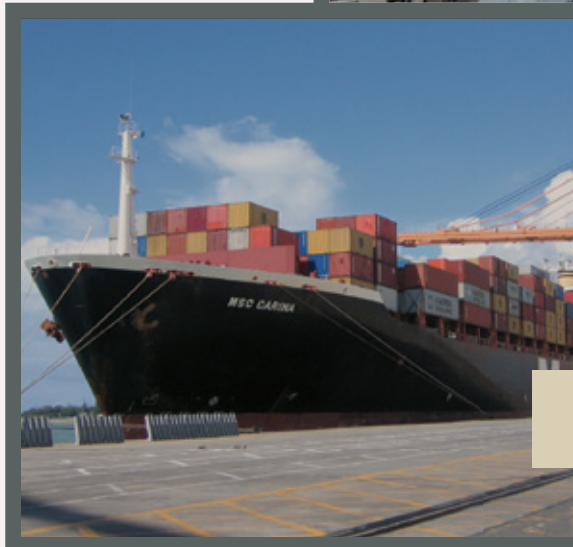


SSR International Airport

SSR International Airport has been equipped with modern passenger and cargo terminals, boosting its handling capacity to more than 4 million annual passengers. Airlines operate scheduled flights to all major African and Asian destinations. A new expansion plan to double capacity has recently been approved by the authorities.

Port Louis harbour

Port Louis harbour provides unparalleled access to Southern and Eastern Africa and is equipped with a wide range of equipment for container handling. The port was nominated as Best Transshipment Port in 2017. The port operator (the Mauritius Ports Authority) has already begun work on terminal expansions and new facilities to strengthen the port's status as an access port for the African market.



The Mauritius Freeport

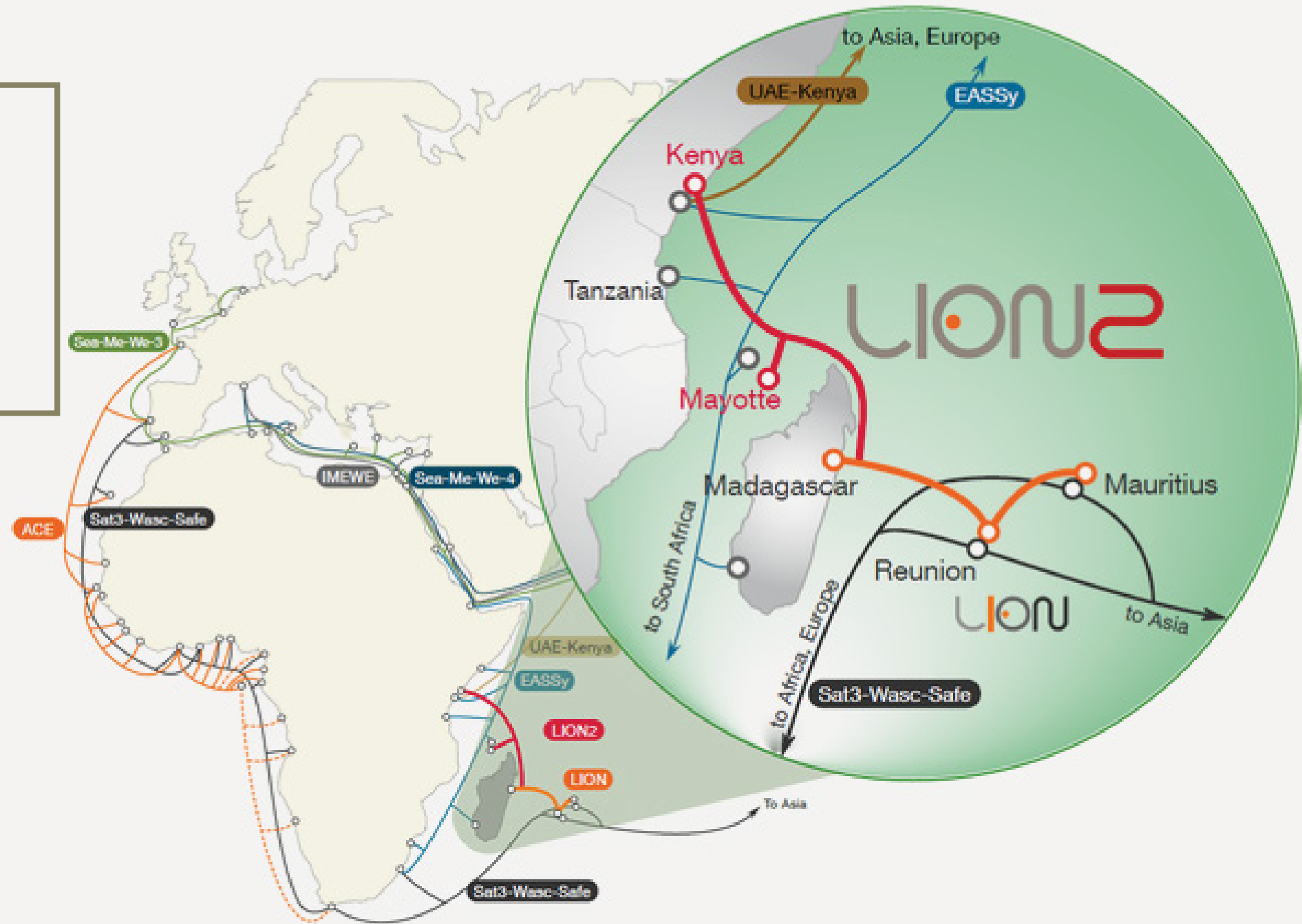
The Mauritius Freeport was crowned “Best Free zone in Sub-Saharan Africa” by the FDI Intelligence magazine in its 2016/2017 Global Free Zone report, thus recognizing the leading role of the Freeport in positioning the country as a regional platform for value-addition and goods distribution. The Freeport equipped with its excellent industrial and logistical infrastructure, offers a total tax exemption on corporate profits and VAT for any manufacturing company exporting mainly to Africa.

Freeport zones are located near Port Louis harbour and the airport, especially for high-value added products requiring air freight.



Telecommunications

Mauritius is connected to the SAT3 / WASC / SAFE and LION submarine cable network linking Southern Europe, Africa and Southeast Asia, ensuring high bandwidth. Connections to the METISS and IOX wiring systems are also planned to significantly increase broadband infrastructure and international connectivity.





| Investment Opportunities





Agro-Industry

Food processing is an established sector in Mauritius, especially with respect to seafood, dairy products, rum and even animal feed. Investment opportunities exist in a number of niches such as confectionery, energy drinks or spirits.

Salient facts & figures 2016

- Export value: USD 300 Million
- Main exports: Seafood, food packaging etc.
- Number of large enterprises: 25
- Employment: 5,600

Food Processing Scheme

The Food Processing has been introduced to promote global value chain through the cultivation and importation of agricultural products to be used as raw materials for processing into intermediate and finished products and to encourage re-export activities. (www.investmauritius.com/media/491640/Operational-Registration-Certificate-Food-Processing.pdf)

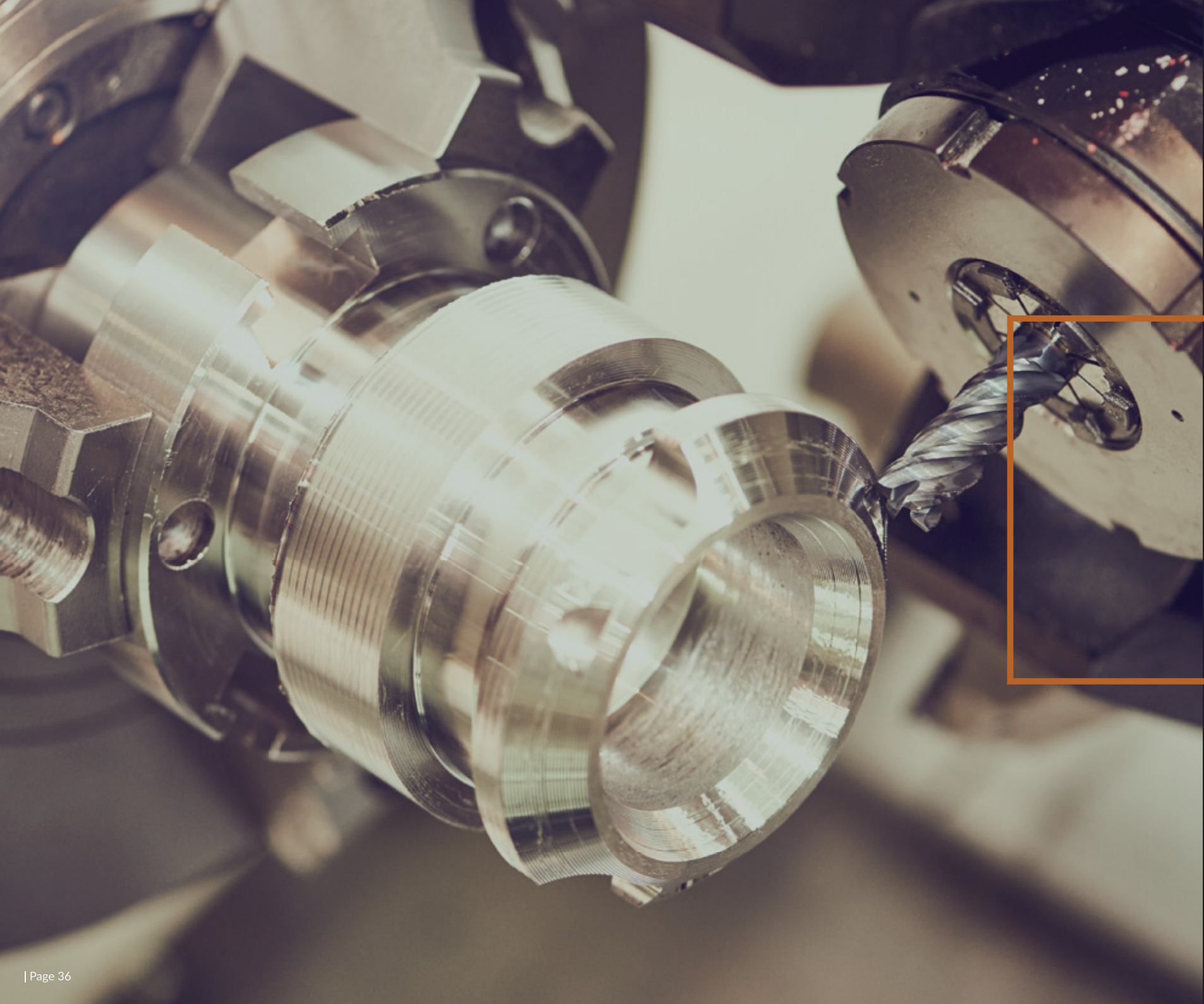


Technical textiles

Technical textiles are identified as the most logical evolution of the current Mauritian traditional textile sector. Opportunities can be seized in niches employing advanced materials for manufacturing protective gear, in healthcare, building materials and Agro-industry.

Salient facts & figures 2016 (traditional textile companies)

- Export value: USD 755 Million
- Main exports: Cotton shirts, t-shirts and pants, pull-overs
- Number of large enterprises: 116
- Employment: 36,400



Precision Engineering

Watchmaking, instrumentation and original equipment manufacturing (OEMs) are identified growth poles of the manufacturing sector. The provision of state-of-the-art infrastructure, a qualified workforce and professional training customised to the requirements of the operators are the major assets that have contributed to the successful establishment of renowned companies in these fields.

Salient facts and figures 2016

- Export value: USD 28 Million
- Number of enterprises: 7
- Employment: 1,020 (Approx.)



Medical Devices and Pharmaceuticals

The considerable growth experienced by medical devices manufacturing companies for the past 15 years have established this field as growth pole for the manufacturing sector.

Pharmaceutical manufacturing in Mauritius has also increased in recent years. Companies in this sector consider Mauritius as a platform to target continental Africa. To propel this sector forward, the authorities have announced the creation of a 'pharmaceutical village' as well as a variety of tax incentives including a 15% tax credit on investment and an eight-year tax holiday for new manufacturers of pharmaceuticals.





Textile & Apparel

Mauritius prides itself for having successfully developed a solid reputation in the textile and apparel industry for the last 50 years. The vision of the founding fathers was to develop the manufacturing industry of Mauritius so that the economy is not dependent on exports of sugar.

As from late 60s, pioneer entrepreneurs initiated the manufacture of gloves, pullovers and basic t-shirts. At the end of each decade, there were successful innovation in order to satisfy the exigencies of the market. This has resulted in production and export of a wide range of products ranging from T-shirts, Shirts, Knitwear, Swimwear, Lingerie, Women's/Kids wear to Denim. Our main exports markets are USA, Europe and South Africa.

Exports to South Africa have increased by more than 60% since 2010 and is today one of the top four export markets of Mauritius. In view to increase trade in the region and contribute to position Mauritius as a reliable sourcing destination, Mauritius aims to consolidate its partnership with South Africa.



Work and Live in Mauritius



Mauritius offers a quality lifestyle which combines comfort with luxury, modernity with cultural traditions, work with leisure. A wide range of modern facilities and amenities are available at reasonable costs, comprising quality accommodation, educational facilities, healthcare and medical facilities, shopping center, recreational and sporting facilities.

Foreign nationals wishing to work, live or retire in Mauritius may explore various avenues either through the Occupation Permit, the Residence Permit or the Permanent Residence Permit.

A non-citizen can apply for an Occupation Permit/Residence Permit in any of the following four categories:

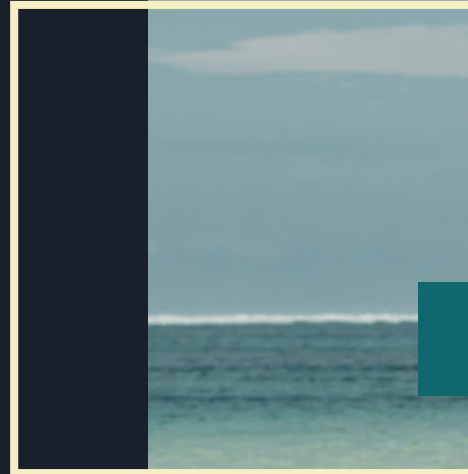
- **Investor:** the business activity should generate a turnover exceeding MUR 4 million annually with an initial investment of USD 100,000
- **Professional:** the basic salary should exceed MUR 60,000 monthly. However, the basic salary for professionals in the ICT Sector should exceed MUR 30,000 monthly.
- **Self-employed:** a self-employed should make an initial transfer of USD 35,000 or its equivalent in any convertible foreign currency.

The business activity should generate an income exceeding MUR 600,000 annually for the first two years of activity. The annual income has been increased from MUR 600,000 to MUR 1,200,000 as from the third year of activity.

- **Retired:** the non-citizen must undertake to transfer at least USD 40,000 annually to his/her local bank account in Mauritius.

The occupation permit and the residence permit are granted for a maximum period of three years, renewable thereafter subject to established criteria.

Occupation and residence permit holders are eligible to acquire an apartment located in a building complex comprising ground + at least 2 floors, as from date of issuance of the occupation permit under specified criteria.



Permanent Residence Permit

As a holder of an Occupation or Residence Permit, a foreign national is eligible to apply for a 10-year Residence Permit provided specific conditions are met.

- **Investor:** The aggregate turnover should exceed MUR 45 million for the 3 years' period.
- **Professional:** The basic monthly salary should exceed MUR 150,000 for 3 consecutive years.
- **Self-Employed:** The business Income of the applicant should exceed MUR 3 million per annum for the 3 consecutive years.
- **Retired Non | Citizen:** A Retired Non – Citizen who has made a transfer of USD 40,000 annually to his/her local bank for 3 consecutive years.
- A foreign national who has invested a minimum of USD 500,000 into a qualifying activity is also eligible for the 10-year residence permit.
 - Qualifying activities are Agro-based industry, Audio-visual, Cinema and Communication, Banking, Construction, Education, Environment-friendly and green energy products, Financial Services, Fisheries and Marine Resources, Freeport, Information Technology, Infrastructure, Insurance, Leisure, Manufacturing, Marina development, Tourism and Warehousing, Initial Public Offerings.



Upscale Luxury Residential Properties

Non-citizens and expatriates are eligible to make an acquisition for accommodation under approved schemes managed by the Economic Development Board of Mauritius. These residential properties include luxury condominiums, villas and apartments.

The Property Development Scheme (PDS) is a program to facilitate the development of and a purchase of residential luxury estate by non-citizens.

The acquisition of a residential property in the schemes approved by the Economic Development Board, namely PDS entitles buyers and their dependents to a residence permit, provided that the property is acquired for a price exceeding USD 500,000. The owners also have the option to rent the property or to elect for tax residence in Mauritius.

The logo is contained within a thin black rectangular border. The word "Mauritius" is written in a dark blue, serif font. Below it, the tagline "Your Regional Strategic Partner" is written in a smaller, orange, italicized serif font. To the right of the bottom-right corner of the rectangle is a solid olive-green square.

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