



THE INVESTMENT PLATFORM

Why Mauritius?

Mauritius is situated in the south-west of the Indian Ocean about 800 km east of Madagascar, and gained independence in 1968. Mauritius has a reputation for stability and racial harmony among its mixed population of Asians, Europeans and Africans.

The general legal framework in Mauritius has been strongly influenced by the course of its history. Being a French colony and subsequently under the British rule, Mauritius has benefited from a hybrid legal system of French and English laws. English is the official language and the current business language. French is spoken by the majority of Mauritians and may be even used in the National Assembly.

Mauritius is considered a stable and efficient offshore financial services centre alongside other jurisdictions as Jersey and Guernsey, the Channel Islands and Luxembourg.

Reasons why Mauritius?

- Impressive track record, political stability and more than 3 decades of sustained economic growth
- Secure investment location with established rule of law
- The most democratic and business-friendly country in Africa
- Peaceful, multiethnic with a unique lifestyle in a blend of cultures
- Flexible, bilingual (English/French) and skilled workforce
- Investment-friendly regulatory regime
- Open to foreign investors and professional individuals.
- Ocean State with one of the largest Exclusive Economic Zones in the world
- Preferential market access to Africa, Europe and the USA
- State-of-the-art infrastructure
- Convenient time zone (GMT +4)

Economic Advantages

- Strategic location in the Indian Ocean, termed as “The Golden Triangle” linking Middle East, Asia and Africa
- Recognized, well-regulated financial services centre of choice for Fortune 500 companies
- Availability of highly-qualified professionals, bilingual in English and French
- High-tech ICT connections – high communication speed and capacity
- High bandwidth connectivity with Europe, South-East Asia and Africa

- Preferred jurisdiction for investments in fast growing and emerging economies in Africa and Asia (India and China)
 - 1st in Africa according to the World Bank “Ease of doing business” report for several consecutive years
- Strategic time zone (GMT +4)

Political and Legal Advantages

- Stable democratic political system and sustained economic growth
- Sovereign and independent state
- Market-driven economy which encourages free enterprise and foreign investment
- Efficient banking system
- Stock exchange open to foreign investors
- Sound legal system based on English and French laws
- Modern legislation in line with other financial centres (compliance services and terrorist funding legislation)
- A high degree of confidentiality enshrined in Mauritian laws

Fiscal Advantages

- Low taxation – minimum tax liability of 3%
- No foreign exchange control
- No withholding tax on dividends
- No capital gains tax
- No estate duty, inheritance or wealth tax
- Exemption from income tax for GBL2 companies
- Extensive network of DTAAAs and IPPAs

Other Advantages

- Significant cultural links with Africa, India, China, France and the United Kingdom
- Preferential trade links with USA, Europe, India and Africa
- Member of the economic free trade organizations: Southern African Development Community (SADC), the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) and the Common Market for Eastern and Southern Africa (COMESA)
- White listed jurisdiction recognized by OECD
- Innovative set of investment vehicles

Where is the investment platform regulated?

The Investment Platform is domiciled and authorised by the Mauritian Financial Services commission.

The Financial Services Commission (FSC) was established as the regulator for the non-bank financial services sector under the Financial Services Development Act 2001. The FSC is the integrated regulator for the industry and its remit encompasses those of the former regulatory bodies for securities (Stock Exchange Commission), insurance (Insurance Division of the Ministry of Economic Development, Financial Services and Corporate Affairs) and global business (Mauritius Offshore Business Activities Authority).

The Commission thus licenses, regulates and supervises non-bank financial institutions in Mauritius.

The non-bank financial sector includes institutions involved in Insurance & Pensions, Capital Market operations, Leasing & Credit Finance as well as Global Business activities.

The FSC is also committed to the sustained development of Mauritius as a sound, stable and competitive international financial services centre. Consequently, the Commission promotes the development, fairness, efficiency and transparency of non-bank financial institutions and capital markets in Mauritius whilst ensuring the protection of investors.

In the latest report (Doing Business 2011) published by the World Bank Group International Financing Corporation, Mauritius ranks highest in doing business in Africa and outclasses European nations such as France ranked 26th and Italy ranked 80th and Asian countries such as India ranked 135th.

Globally, Mauritius ranks 20th among 183 countries. Also Mauritius ranks 12th in starting a business and protecting investors and paying taxes. Mauritius came 3rd among countries that improved most in enforcing contracts.

Mauritius also ranks 1st out of 53 states for its quality of governance (2010 Ibrahim Index of Governance in Africa) The non-bank financial sector includes institutions involved in Insurance & Pensions, Capital Market operations, Leasing & Credit Finance as well as Global Business activities.

OECD

Following the G20 meeting and communiqué, the OECD Secretariat has issued a progress report on the jurisdictions that have implemented the internationally agreed tax standard. Mauritius is classified among the 40 jurisdictions that have substantially implemented these and is not treated as a tax haven.

Why Mauritius is Different and is the Offshore Jurisdiction of the Future?

Compare Mauritius with any other significant offshore jurisdiction, and you will find at least one of the following fundamental differences, in that Mauritius:

- Is not a dependent or "overseas" territory of another country. It is an independent, sovereign country able to form its own internal and international policies in accordance with the wishes of its own parliament.
- Is not a member (or applicant member) of the EU, and is not subject to EU regulation or pressures.
- Is not on the OECD "blacklist" of tax havens (nor the FATF blacklist).

Already, there is a significant shift of interest towards Mauritius from the traditional low tax jurisdictions and this is an inevitable and continuous trend in the search for suitable quality locations offering low tax features outside the EU. Therefore, anyone using Mauritius is in good company, as the "big five" accountancy firms are already here, and investors include the likes of Merrill Lynch, JP Morgan, Morgan Stanley, Dresdner Bank, Chase Manhattan Bank, Schrodgers, Guinness Flight, Jardines, etc.

Stock Exchange of Mauritius (SEM)

SEM's designation as 'recognised Stock Exchange' by the United Kingdom's HMRC confers the following key potential benefits:

- i) UK pension schemes will be permitted to hold securities listed on the Official Market of the SEM, giving companies and funds listed on SEM access to a larger market of sophisticated, well-capitalised investors.

- ii) The designation reinforces SEM's attractiveness as a listing venue for global funds and specialized products.

- iii) Securities listed on the Official Market of the SEM may be held in tax- advantaged Individual Savings Accounts (ISA's) and Personal Equity Plans (PEP's) by UK investors.

- iv) Holders of debt securities satisfying the Eurobond exemption and listed on the Official Market of the SEM are exempted from withholding tax on distributions underlying these debt securities.

- v) Inheritance tax advantages may accrue to UK holders of securities listed on the Official Market of the SEM.

- vi) The designation reinforces the SEM's position as a leading Exchange in Africa. The Stock Exchange of Mauritius (SEM) and the Johannesburg Stock Exchange (JSE) are currently the only two Exchanges in Africa designated as a 'recognised Stock Exchange' by HMRC

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