

Mauritius Country Note



Situated in the 'golden triangle' connecting Asia, Africa and Australia, Mauritius is the converging point of global civilizations. Over the past few years, Mauritius, thanks to its best practices, has built itself a solid reputation as a secure and reliable investment hub in terms of good governance, transparency, ethics, economic and political freedom. Financial Services sector is one of the major contributors to the Mauritian economy and the country has been continuously enhancing its range of financial products thus providing higher and more value-added financial services.

Why Invest in Mauritius:

- Impressive track record, political stability and more than 3 decades of sustained economic growth
- Secure investment location with established rule of law
- Freest and most 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 talents
- 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

Over the years, the economy has been successfully metamorphosed following a smart shift from a mono-agricultural model to a diversified, innovation-driven and knowledge-based economy, underpinned by a broad spectrum of business activities.

Mauritius offers excellent business opportunities in the following industry sectors:

Agro-Industry	Aquaculture	Education	Financial Services	Healthcare
Hospitality	Smart Cities	ICT-BPO	Life Sciences	Logistics
Manufacturing	Ocean Economy	Media & Creative Industry	Renewable Energy	Seafood

Mauritius also offers a low tax jurisdiction with an investor-friendly environment to encourage both local and foreign companies to set up a business.

The Fiscal regime includes:

- Harmonised corporate and income taxes at 15%
- No capital gains tax
- No withholding tax on interest and dividends
- Exemption from customs duty on equipment
- Free repatriation of profits, dividends and capital

Bilateral Trade and Relations

India is Mauritius' largest trading partner and has been the largest exporter of goods and services to Mauritius since 2007.

Import Export: In FY 2014-2015 India exported goods worth US\$ 1.9 billion to Mauritius and imported goods worth US\$ 21.19 million from Mauritius. India's exports to Mauritius comprise largely of petroleum products.

MoU's: India and Mauritius have signed a wide range of bilateral agreements and MoUs. Some of them are the Double Taxation Avoidance Convention (DTAC-1982), Bilateral Investment Promotion and Protection Agreement (BIPA-1998) etc

FDI: Cumulative FDI equity inflows from Mauritius to India during the period April 2000-September 2015 amounted to USD 91.22 billion (34% of total FDI inflows over this period), largely due to the Double Taxation Avoidance Convention. Mauritius was the single largest source of FDI into India during the financial year 2014-15, with FDI equity inflows amounting to USD 9.03 billion - 29% of total inflows in 2014-15.

Over the past forty years, India has extended several Lines of Credit to Mauritius to assist in the development of its infrastructure, human resource, skills development, capacity building, project appraisal, etc. In March 2015, a new Line of Credit of USD 500 million for civilian infrastructure projects was announced by Prime Minister Shri Narendra Modi during his visit to Mauritius.

Sources:

Ministry of External Affairs: http://www.mea.gov.in/Portal/ForeignRelation/Mauritius_08_01_2016.pdf

Board of Investment, Mauritius: <http://www.investmauritius.com/>

Quick Facts

GDP per capita: approx. USD 9,600 (2016)

Moody's Investors Service: BAA1 (2017)

Population: approx. 1.3 million

Political System: Democracy with free and fair elections held every 5 years

Official Language: English

Legal System: dual system (Common & Civil Law)

GDP Growth: 3.6% (2016)

Unemployment: 7.9% (2015)

Inflation: 1.2%

Repo Rate: 4%