

INTERCONTINENTAL TRUST e-NEWS

Jan 2021



Intercontinental Trust Ltd

News snippets from the Global Business Industry and others

Travel and Tourism

Covid-19 updates : Entry to Mauritius prohibited for UK and South African passengers

As communicated in our recent e-news, the government approved the extension of the quarantine period from 15 January 2021 to 15 February 2021¹. As an additional measure of precaution, following growing concerns in light of the new Covid-19 variants detected in the UK and South Africa, the government has taken the decision to ban entry to Mauritius for the following categories of travellers:

1. Passengers from UK and South Africa and
2. Passengers who have transited through these countries during the last 15 days

This prohibition stands until 31 January 2021.

Foreign nationals coming from the UK and South Africa are nevertheless still eligible to apply for the Premium Visa², which entitles them to a one-year stay on the island and is renewable thereafter. Successful applicants from UK and South Africa may then only travel to Mauritius when the restriction is lifted.

We will endeavour to keep our valued clients informed of the developments in that regards.

¹ITL E-news DEC 2020: [HERE](#)

²ITL Newsflash – Introduction of the Premium Visa: [HERE](#)

Global Mobility Report 2021 (1st Quarter): Mauritius passport allows visa-free access to 146 destinations

As the Covid-19 pandemic rages on, governments around the World are being forced to reinstate lockdowns and quarantine restrictions. In a year where mobility was highly impeded, The Global Mobility Report 2021 sets out the strengths of passports during these unprecedented times.

Placed at the 31st position worldwide, the Mauritian passport provides visa-free/visa-on-arrival access to 146 destinations.

You can read the full report here:

Henley's Global Mobility Report 2021: [HERE](#)

Global Business

FSC: Submissions under the Insurance (Risk Management) Rules 2016

The Financial Services Commission (FSC) has released a circular letter on 29 December 2020 to inform Insurers licensed under Section 11 of the Insurance Act 2005 of the submission of their documentation and reports in relation to their Risk Management Framework (together referred as “RMF Returns” hereafter).

Concerned parties are requested to submit the following documents on the Online Data Capture System (ODCS):

- a scanned copy of the documentation relating to the risk management framework;
- a scanned copy of the reports from auditor and actuary; and
- a submission form duly signed and dated by the Risk Officer/Responsible Officer which can be downloaded from the FSC’s website and annexed as the first page of the scanned documents in the above paragraph

As per the Financial Services (Administrative Penalties) Rules 2013, any late submissions filed through the ODCS will be subject to administrative penalties.

Additional information on the submission procedures for the RMF Returns can be accessed at the following link:

FSC Circular letter – Submission under the Insurance (Risk Management) Rules 2016: [HERE](#)

Financial Reporting Council: Rotation of Audit Firms for Listed entities

The Financial Reporting Council (FRC) released a correspondence on the rotation of audit firms. As per section 41A (1) of Financial Reporting Act (FRA), an audit firm cannot undertake the statutory audit of the same listed entity continuously for more than seven years (the seven-year duration).

The FRC hereby informs listed entities that after the expiry of the seven-year duration, an audit firm will be prevented from undertaking the statutory audit of the same listed entity before a cooling off period of at least three years.

Finance and Economy

Introduction of a Sandbox Framework

In a view to promote the use of novel technologies by Ministries and Departments, the cabinet has approved the introduction of a Sandbox Framework (the “Framework”). The framework would enable public organisations to bypass the lengthy procurement processes and engage directly consult with innovative companies and start-ups to develop applications geared at resolving specific issues. The objectives of the Framework are mainly to:

- encourage and stimulate Ministries and Departments to implement innovative technology solutions through proof of concept models on a non-committal and without prejudice basis to Government
- foster collaboration between the public sector and private sector in the development and testing of innovative solutions;

- attract local or international service providers as well as incubators to share their expertise on innovative technologies or systems such as Artificial Intelligence, Internet of Things, Blockchain, ePayment, Electronic Document Management System, Collaborative Software and eSignature;
- provide deeper insights into the technology solution before deployment on a larger scale; and
- provide opportunities for public organisations to try innovative technology solutions to a particular problem with minimal potential risks.

Brexit: Entry into force of the UK-Eastern and Southern Africa Economic Partnership Agreement

In order to transition the trade agreements that the European Union (EU) has concluded with third countries, the UK agreed to continue the effect of its current arrangements through the EU by signing separate continuity agreements with many third countries. To that effect, the United Kingdom -Eastern and Southern Africa Economic Partnership Agreement (the “UK-ESA EPA”) - based on the EU –ESA interim Economic Partnership Agreement (the “EU-ESA EPA”) was concluded in 2019. The UK-ESA EPA is effective as from 1 January 2021.

Similar to terms applied in the EU- ESA EPA, Mauritius will benefit from duty free, quota free access on all products, including that of high export interest such as sugar, tuna, garments, agro processed products. The Rules of Origin applicable are similar as well.

As per the Agreement, Mauritius, Seychelles and Madagascar will share the following quota:

- An automatic derogation of 6,200 tons of non-originating tuna that can be used in the production of canned tuna and 341 tonnes of tuna loins

In a view to further foster negotiations between the ESA and the UK on areas not currently covered by the UK-ESA EPA such as trade in services, investment, trade facilitation, competition policy, trade facilitation, a Rendez-Vous clause is included in the Agreement.

To obtain more information on the UK-ESA EPA, click [HERE](#)

Mauritius-China Free Trade Agreement

On 1 January 2021, following the completion of ratification procedures by both countries, the Free Trade Agreement (FTA) signed in October 2019 between the Republic of Mauritius and the People’s Republic of China came into force.

The FTA provides Mauritius with an opportunity to further reinforce trade ties with China by easing off on trade barriers between the two countries. Among the key components addressed in this agreement are trade in goods, trade in services, investment and economic cooperation.

Under the FTA, Mauritius will benefit from the following:

- Pertaining to trade in goods, Mauritius benefits from immediate duty free access on the Chinese market on some 7,504 tariff lines. Tariffs on an additional 723 tariff lines will be phased out over a 5 to 7-year period starting on 01 January 2021;
- An additional Tariff Rate Quota for 50,000 tonnes of sugar will be implemented on a progressive basis over a period of 8 years with an initial quantity of 15,000 tonnes;
- Both Mauritius and China have agreed to remove restrictions in more than 100 service sectors. These include financial services, telecommunications, Information and Communications Technology, professional services, construction and health services.

The China-Mauritius Free Trade Agreement marks China’s first FTA with an African country. It sustains Mauritius’ goal to diversify its trade markets as well as China’s venture into the African continent. Further information can be accessed on the link below:

Mauritius-China Free Trade Agreement : [HERE](#)

Stay tuned for our upcoming newsletter on the Mauritius-China FTA.

African Continental Free Trade Area effective as from 1st January 2021

Put in place with a view to create a single continent-wide market for goods and services and to promote the movement of capital and individuals, the African Continental Free Trade Area (AfCTA) takes effect as from January 1st 2021. Having signed the agreement in March 2018, Mauritius will now be able to trade under the AfCTA along with –as at December 2020- 33* other countries.

This agreement enables Mauritian operators to have preferential market access opportunities in the Western, Northern and Central African regions. Preferential access to products under the AfCTA will only prevail for those which abide by the relevant Rules of Origin (Click [Here](#)). COMESA/SADC member states will continue to trade on the basis of the existing COMESA Treaty and the SADC Trade Protocol. As such, the AfCTA opens up trade opportunities on non COMESA/SADC markets.

More information on the AfCTA can be obtained on the link below:

African Continental Free Trade Area: [HERE](#)

For any additional information please contact us.

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