

INTERCONTINENTAL TRUST e-NEWS

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Intercontinental Trust Ltd

News from Mauritius

Global Business & Financial Services

FSC: Policy stand on the application of CIGA requirements for GBCs

In a correspondence dated 17 January 2022, the Financial Services Commission (FSC) confirmed that, effective 1 January 2022, only holders of / applicants for a Global Business Licence (GBL) wishing to avail of a preferential tax advantage should demonstrate that their Core Income Generating Activities (CIGA) are / will be carried out, in or from Mauritius at all times.

In case you have missed our news release on the above Policy Stand from the FSC, you can access it [here](#)

The FSC joins the ANNA and becomes the sole NNA for Mauritius

In a communique released on 28 December 2021, the Financial Services Commission (FSC) informed concerned stakeholders that it is now officially recognised as the sole National Numbering Agency (“NNA”) for Mauritius, further to having officially integrated the Association of National Numbering Agencies (“ANNA”).

The FSC is now able to have proper oversight on the issue of International Securities Identification Numbers (ISINs) in Mauritius and as part of its supervisory plan, the institution will be allowing local licensed and regulated clearing and settlement facilities to charge the fee for each ISIN issued on its behalf. More information on the issue of ISINs will be communicated by the FSC in a separate Circular Letter.

The current fees for ISIN issuance has been set at USD 600 per ISIN, and this may be subject to revision.

You can access the full communique from the FSC [here](#)

Promulgation of Stock Exchange (Brokerage) (Amendment) Regulations 2022

With a view to providing a proper regulatory framework for licensed Securities Exchanges and Clearing and Settlement Facilities, the Minister of Financial Services and Good Governance has communicated on 21 January 2022 its decision to promulgate the Stock Exchange (Brokerage) (Amendment) Regulations 2022 (the “Regulations”), under the Securities (Amendment) Act 2021.

Presently, there is more than one Securities Exchange with each one having its own licensed Clearing and Settlement Facility to clear and settle transactions. The amendments brought forward by the Financial Services Commission (FSC) to the Stock Exchange (Brokerage) Regulations will implement a fairer distribution process of the brokerage fees for securities transactions.

The Regulations further provide for each investment dealer to determine its own brokerage fee and the FSC Rules relating to Brokerage Fees shall be amended to reflect the above.

The EDB signs MoUs with UAE

The ICT Business Forum held by the Economic Development Board (EDB) – in collaboration with the Ministry of Information Technology, Communication and Innovation - at Dubai Expo 2020 saw an increased visibility for Mauritius vis-à-vis United Arab Emirates (UAE) stakeholders. Among the main partnerships that emanated from the sidelines of this event are the signing of three Memoranda of Understanding (MoUs) between the EDB and the following:

- the Dubai Chamber of Commerce and Industry;
- the Abu Dhabi Chamber of Commerce and Industry; and
- the Abu Dhabi Fund for Development (ADFD).

The EDB aims to achieve the following with the signing of the two MoUs with the Chambers of Commerce:

- establish a framework for developing stronger business relations between the EDB and the United Arab Emirates Chambers of Commerce and Industry;
- strengthen trade ties between the two countries and create new channels of business exchanges; and
- strengthen institutional relations and capacity building through mutual cooperation.

With regard to the MoU with the ADFD, the EDB will aim to lay the groundwork to encourage the ADFD to invest in companies in Mauritius either through full ownership or through equity sharing in partnership with public or private Mauritian companies as a means to promote economic development and create job opportunities across various sectors.

Mauritius - EU Blacklist Update

The European Commission (the “Commission”) has approved Mauritius’ removal from its List of High Risk Third Countries (commonly referred to as the “EU Blacklist”) in an official publication released on 7 January 2022.

The delisting is set to be officialised on the twentieth day following the publication of the amended Delegated Regulation (EU) 2016/1675 in the Official Journal of the European Union, falling on 27 February 2022.

If you have missed our Newsflash on the above, you can access it [here](#)

Banking & Finance

The BOM signs MoU with CSSF

Anchored in its aim of enhancing its relationships with leading regulatory authorities, the Bank of Mauritius (BOM) has signed a Memorandum of Understanding (MoU) with the *Commission de Surveillance du Secteur Financier (CSSF)*. This MoU, as stated in the media release from the BOM on 14 January 2022, outlines a formal framework for cooperation, assistance and exchange of information relating to regulatory and supervisory mandates, development of banking and financial systems and compliance with international standards and regulations between the two authorities.

Through this MoU, the BOM and the CSSF also aim to promote mutual collaboration in the fields of financial inclusion, digital innovation in financial services, Fintech regulation, private banking, green finance, risk-based supervision and macroprudential supervision, virtual assets and cybersecurity, anti-money laundering and combating the financing of terrorism.

Access the full communique from the BOM [here](#)

Travel & Tourism

Mauritius reopens borders to South Africa and neighbouring countries

Since Friday 7 January 2022, Mauritius has lifted its travel ban for visitors coming from the Republic of South Africa, Botswana, Namibia, Zimbabwe, Eswatini, Lesotho, Malawi, Mozambique and Zambia. The initial closure, instated on 29 November 2021, was further to the detection of the Omicron variant in the above-mentioned countries.

As of now, all commercial passenger flights from South Africa and the neighbouring countries to Mauritius have resumed.

We had released a newsflash on the above travel update – click [here](#) to access it.

International benchmark

Work from Wherever Index: Mauritius ranks 4th globally and 1st in Africa

KAYAK, the world's leading travel search engine, has come out with its very first Work from Wherever Index (the "Index"), in an effort to provide an overview of the rising trend of remote working from foreign destinations among travelers where it lists out the best destinations for travel and remote working.

The Index ranks 111 countries according to their attractiveness when it comes to remote working conditions and travel experiences and uses 22 different factors divided into the following different categories:

- Travel,
- Local prices,
- Health & safety,
- Remote work,
- Social life and
- Weather.

Mauritius has taken the fourth spot on the global ranking behind Portugal, Spain & Romania with a score of 90/100, and subsequently takes the title of the best destination for digital nomads in Africa. The country attributed this high ranking on the continent due its very high internet speed and for offering a free remote working visa.

Indeed, with the introduction of the Premium Visa in October 2020, which aims at granting certain categories of foreigners including repeat tourists, retirees and digital nomads with the opportunity to reside in Mauritius for a one-year period which can be renewed thereafter, the country has garnered attention as an attractive work and live destination for foreign nationals.

Should you wish to receive more information about the Premium Visa and the various types of Occupation and Residence Permits that are available to foreign nationals, please write to our Relocation Team at relocation@intercontinentaltrust.com

Alternatively, you can access our publications on Work and Live in Mauritius:

Introduction of the Premium Visa: [HERE](#)

Re-opening up to the world: [HERE](#)

Access the full ranking from KAYAK [here](#)

News from Seychelles

News tidbits from Seychelles

Corruption Perceptions Index 2021: Seychelles remains least corrupt country in Africa and Mauritius moves up a few spots

Transparency International's 2021 Corruption Perceptions Index (CPI) came out on 25 January 2022, and provided us with a snapshot of the perceived level of corruption in public sectors across 180 countries and territories. Through a scale of 0 to 100 - 0 being highly corrupt and 100 being clean -, the non-profit organization concluded on a stagnation for this year's ranking, with the majority of the jurisdictions having made no significant progress in addressing their corruption concerns.

Despite this less than thrilling update, for the fourth consecutive year, Seychelles has demarcated itself as the least corrupt country in Sub-Saharan Africa, with a score of 70 (2020 score: 66), and takes the 23rd spot globally. The steady rise in performance on the CPI over the years is attributed to substantial open government and anti-corruption reforms; however, the country needs to undertake more stringent measures with regard to its financial secrecy issues.

Rank-wise, Mauritius has recorded its best performance in the CPI 2021, taking the fourth spot in the Sub-Saharan region and the 49th position on the global ranking (2020: 52nd worldwide). Mauritius totalled a score of 54 for 2021 – one point above its 2020 score - attesting progress made in its fight against corruption.

Cabo Verde (58), Botswana (55) and Rwanda (53) are the other top five scorers in the Sub-Saharan region.

Access the full report from Transparency International [here](#)

Global Mobility Report (Q1 2022): Seychelles and Mauritius take top spots in Africa

As travel picks up steam in 2022, Henley and Partners presents the case for global mobility limitations across 227 travel destinations, citing 'tests, vaccine certification, and at times mandatory quarantines' as the main reasons which explain slow travel recovery, in its Global Mobility Index for the year, the first in a series of its quarterly reports.

Seychelles retains its position as the leading country in Africa at the 28th place globally (Q4 2021: 29th), followed closely by Mauritius which has shot to the 31st spot from its 33rd position in the 2021 Q4 Index. These rankings certify the countries' statuses as the most travel friendly passports on the continent, with Seychelles and Mauritius providing visa-free/visa-on arrival access to 152 and 146 destinations respectively.

The Index was put together from data from the International Air Transport Association (IATA) and the Henley & Partners' research team.

You can access the full report [here](#)

We communicated on the Global Mobility Q4 2021 report in our December news release. Have a look at it [here](#)

The SRC introduces the Pay As You Earn scheme

Effective since 1 January 2022, the new 'Pay As You Earn' scheme, introduced by the Seychelles Revenue Commission (SRC), is deemed to provide small businesses falling under the Presumptive Tax Regime – i.e. businesses having less than R1 million annual turnover - more leeway in meeting their tax requirements.

Currently a pilot project, the 'Pay As You Earn' scheme will benefit some 10,100 businesses which mainly form part of the informal sector and will aim to encourage them to make payments in regular installments using their preferred mode so as to reduce the financial burden of having a bulk sum to pay at the end of the tax year.

With regard to advanced payment, taxpayers will be required to fill in the 'Advance Payment Business Activity Statement (BAS)' when effecting payment to facilitate reconciliation. It is to be noted that no penalty will apply for business availing advance payment.

During a meeting held on 17 January 2022, Nadia Jeremie – Revenue Section manager at the SRC – clarified that the scheme does not cater for 'specified businesses' which are using the Deduction at Source (DAS) booklet as well as businesses that are currently paying the monthly 'Pay as You Go (PAYG) under the normal tax regime.

For any additional information please contact us.

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