



Intercontinental Trust Ltd

# E-news

August 2024



## Mauritius News

### Finance and Economy

#### The signature of a Comprehensive Economic Partnership Agreement between Mauritius and the United Arab Emirates

Mauritius and the United Arab Emirates (UAE) have officially signed a Comprehensive Economic Partnership Agreement (CEPA), marking a significant milestone in the economic relationship between the two nations. The agreement, which was signed on 22 July 2024, aims to enhance bilateral trade and investment ties, promoting mutual economic growth and development.

The signing of the CEPA opens up a wealth of opportunities for businesses in both Mauritius and the UAE. Companies can now explore new markets, benefit from reduced tariffs, and take advantage of the favorable investment conditions created by the agreement.

This partnership underscores the commitment of both nations to deepening their economic ties and working together towards shared prosperity. As the agreement comes into effect, it is expected to drive significant economic benefits and foster stronger bilateral relations in the years to come.

The CEPA is considered as a “Landmark Agreement”, the first in Africa, which will position Mauritius and the UAE to capitalize on the evolving global economic landscape.



#### Memorandum of Understanding between Mauritius and Egypt: Establishment of a Mauritius-Egypt Trade Committee

In a significant step towards enhancing bilateral trade relations, the Government of Mauritius and the Arab Republic of Egypt have agreed to sign a Memorandum of Understanding (MoU) to establish the Mauritius-Egypt Trade Committee. This agreement will aim to strengthen economic cooperation and create new opportunities for both nations.

The establishment of the Mauritius-Egypt Trade Committee is expected to create a more conducive environment for businesses in both countries. Companies will have access to a structured framework for exploring new market opportunities, reducing non-tariff barriers for the clearance of goods, and collaborating on joint projects.

The MoU signifies a commitment by both nations to deepen their economic engagement and build a stronger partnership. By addressing trade challenges and promoting cooperation, the Mauritius-Egypt Trade Committee is poised to play a pivotal role in enhancing bilateral trade and fostering long-term economic growth.

As the agreement takes shape, businesses and stakeholders from both Mauritius and Egypt can look forward to a more dynamic and collaborative trade relationship.



## Notice to Exporters in Mauritius: Extension of Export Incentives and Schemes in the Budget Measures 2024/25

The Government of Mauritius has announced an important update for exporters with the extension of key export incentives and schemes as part of the Budget Measures for 2024/25. This strategic move aims to bolster the country's export sector, support local businesses, and enhance their competitiveness in global markets.

By reinforcing support for exporters, the government is not only promoting economic growth but also reinforcing its commitment to enhancing the global competitiveness of Mauritian businesses.

Exporters are encouraged to take advantage of these incentives and schemes to drive their growth and capitalize on new opportunities. As Mauritius continues to navigate the global trade landscape, these measures will play a crucial role in supporting the country's economic development and strengthening its position in international markets.



## Updates to the India-Mauritius Double Taxation Avoidance Agreement

Earlier this year, India and Mauritius signed a Protocol amending the double-taxation avoidance agreement signed between the two countries. This updated agreement aims to further streamline tax regulations and improve fiscal transparency, aligning with global tax standards.

The proposed updates to the India-Mauritius tax treaty include two significant changes:

- i. **Revised Preamble:** The Preamble will be modified to clearly specify that the treaty aims to prevent double taxation without allowing for non-taxation or reduced taxation opportunities, especially through practices like tax evasion or avoidance, including treaty shopping.
- ii. **Introduction of principal purpose test:** A principal purpose test will be added, aligning with the Multilateral Instrument (MLI) provisions set forth by the Organisation for Economic Co-operation and Development (OECD).

The Protocol to the India-Mauritius tax treaty introduces significant changes, especially given Mauritius's role in facilitating foreign investment into India. Key concerns include ambiguity about whether the Protocol will apply retrospectively or only prospectively. The Indian tax authority has indicated that these concerns will be addressed once the Protocol is in force.



## Enactment of the Mauritius Finance Act 2024

Further to the Budget announcement in June 2024, the Mauritian Parliament has now completed all debates on the proposed amendments to the different piece of legislations in Mauritius.

ITL released a newsletter highlighting the key amendments brought about by the Finance Act 2024 to the Global Business Sector and other areas of interest to our valued clients. If you have not received a copy of our newsletter, you may still access it [Here](#).

Alternatively, should you like to subscribe to our mailing list, please send us an e-mail on [subscribe@intercontinentaltrust.com](mailto:subscribe@intercontinentaltrust.com)



## Mauritius joins the Greening Government Initiative: A commitment to sustainability

The Cabinet of the Republic of Mauritius has recently approved the country's participation in the Greening Government Initiative, a prestigious international community of practice aimed at enhancing environmental sustainability. Launched jointly by the Governments of the United States and Canada, this initiative supports governments globally in their efforts to promote green practices and foster collaborative relationships towards sustainability goals.





The decision to join the Greening Government Initiative reflects Mauritius's dedication to environmental stewardship and its recognition of the importance of global cooperation in addressing climate change and sustainability issues. This move will enhance the country's ability to implement effective green policies, contribute to global environmental goals, and build stronger relationships with other governments focused on sustainability. As Mauritius embarks on this new partnership, it stands to benefit from shared knowledge and collective actions, paving the way for a greener and sustainable future.

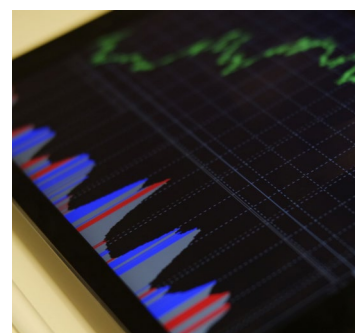
## International Benchmarks

### Moody's Ratings: Mauritius maintains rating to Baa3 with a stable outlook

In its latest assessment, Moody's has affirmed the Government of Mauritius' long-term foreign and local currency issuer ratings at **Baa3** with a **stable outlook** for 2024. This decision reflects the country's ongoing economic resilience and stable financial management despite global economic uncertainties.

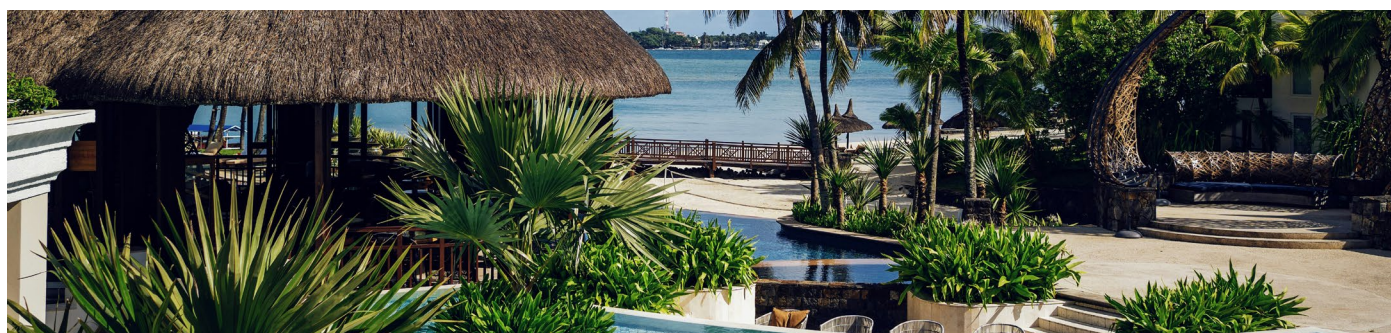
Maintaining the Baa3 rating with a stable outlook is a positive sign for Mauritius's economic and political stability, and attractiveness to investors. It underscores the country's ongoing efforts to foster a conducive business environment and manage its fiscal responsibilities.

For investors and stakeholders, this rating provides assurance of Mauritius's commitment to maintaining a stable economic trajectory, which reinforces confidence in the country's ability to navigate economic challenges and continue on a path of growth.



## Others

### Mauritius Public Holidays 2025



Following the Mauritian Cabinet's meeting on Friday 2<sup>nd</sup> August 2024, the list of Public Holidays for the Year 2025 was approved as follows:

	Date
New Year	Wednesday 01 January
New Year	Thursday 02 January
Chinese Spring Festival	Wednesday 29 January
Abolition of Slavery	Saturday 01 February
Thaiposam Cavadee	Tuesday 11 February
Maha Shivaratree	Wednesday 26 February
Independence and Republic Day	Wednesday 12 March
Ugaadi	Sunday 30 March
Eid-UI-Fitr**	Monday 31 March
Labour Day	Thursday 01 May

Ganesh Chaturthi	Thursday 28 August
Divali	Monday 20 October
All Saints Day	Saturday 01 November
Arrival of Indentured Labourers	Sunday 02 November
Christmas	Thursday 25 December

\*\*The exact date of this festival is subject to confirmation as its celebration depends on the visibility of the moon.

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