



## WELCOME 2022 !

### ► SPECIAL NEW YEAR MESSAGE FROM THE MANAGING DIRECTOR OF PREMIER GROUP

Dear valued clients, business associates, friends and partners,

The year 2022 is shaping up to be another enthralling year for all of us. Despite the ongoing impact of the COVID-19 pandemic, Premier has successfully fulfilled its commitment to provide our best services and meet up to your expectations.

I want to thank you all for your continued commitment and support. Every one of us has an essential role to play in the work and challenges that lie ahead, and I am convinced that we will accomplish great things together to become more sustainable and beyond.

I look forward to working together on various initiatives that will allow us to serve you with the best personalized service possible.

This year marks a very special year for our company as we shall celebrate our **15<sup>th</sup> anniversary** in the financial services industry proudly contributing to the success of our valued clients.

On this note, I wish all of you and your loved ones a healthy and successful year!

**Vimal Damry**  
Managing Director  
Premier Group

## LATEST FLASHNEWS

### ► European Commission has withdrawn Mauritius from the List of High-Risk Third Countries

Mauritius was removed from the European Commission's list of high-risk third countries on 7 January 2022 after the European Commission determined that it no longer exhibited strategic inadequacies as defined in Directive (EU) 2015/849.

The decision of the European Commission came after Mauritius was removed from the FATF list of countries subject to increased monitoring on 21st October 2021.

The EU Commission Delegated Regulation of 7th January 2022 stated:

*"The FATF welcomed significant progress made by Botswana, Ghana and Mauritius in improving its AML/CFT regime and noted that Botswana, Ghana and Mauritius have established the legal and regulatory framework to meet the commitments in their action plans regarding the strategic deficiencies that the FATF had identified. The Commission's analysis concludes that the Bahamas, Botswana, Ghana, Iraq and Mauritius no longer have strategic deficiencies in their AML/CFT regime considering the available information. The Bahamas, Botswana, Ghana, Iraq and Mauritius have strengthened the effectiveness of their AML/CFT regime. These measures are sufficiently comprehensive and meet the necessary requirements to consider that strategic deficiencies identified under article 9 of the Directive (EU) 2015/849 have been removed".*

## FLASHBACKS 2021

### ► Mauritius Licensed Investment Dealer companies are now taxed at 3% on net profits

Last year, it was announced that licensed Investment Dealer companies will now benefit of an 80% partial income exemption. That is, instead of 15%, the company will be taxed at 3% on net profits, subject to meeting the standard substance requirements.

The Investment Dealer licence issued by the Financial Services Commission in Mauritius has garnered a lot of interests amongst brokerage firms around the world. Leading brokers are looking forward to acquire this licence.

[READ MORE](#)

### ► Launching of Regulatory Framework on Crowdfunding

On November 25th, 2021, the Financial Services Commission of Mauritius ("FSC") hosted an event at the FSC house to officially announce the country's regulatory framework for crowdfunding. It is expected that the regulatory framework will allow businesses to use crowdfunding as a regulated method of raising capital.

The Minister of Financial Services and Good Governance, lauded the potential of crowdfunding in kickstarting SMEs, commented on how this form of peer-to-peer lending will further cement the position of Mauritius as an IFC of choice and said inter alia that "Crowdfunding represents a valuable addition to the plethora of products which we have been introducing and will soon prove to be one of the strongest and one of the most popular components of our financial ecosystem."

## ► Mauritius: Draft release of Variable Capital Companies Bill

With the objective of enhancing the competitiveness of the financial services sector and diversifying the product base of the Mauritian IFC, the Budget Speech 2020-2021 introduced the Variable Capital Companies ("VCC").

There is a wide range of uses for the Variable Capital Companies (VCC), which can be employed in a variety of creative and unique ways in traditional fund structures. Mutual funds, hedge funds, private equity, real estate funds, and other types of investment vehicles can all benefit from this hybrid structure

### 2022 KEY PROSPECTS

## ► MAURITIUS ISSUES AI-ENABLED ADVISORY SERVICES RULES

The Mauritius Financial Services Commission issued the Financial Services (Robotic and Artificial Intelligence Enabled Advisory Services) Rules 2021 on 18 June to provide a regulatory framework and promote the adoption of new and emerging technologies by licensed service providers in Mauritius.

The holder of a Robotic and Artificial Intelligence Enabled Advisory Services licence will, under these Rules, be entitled to provide advisory services through expert systems and/or computer programmes using AI-enabled algorithms, with limited human intervention.

[READ MORE](#)

## ► MAURITIUS PASSES VIRTUAL ASSET & INITIAL TOKEN OFFERING SERVICES ACT

On December 10<sup>th</sup>, the National Assembly enacted the Virtual Asset & Initial Token Offering Services Act 2021 into law. Its aim is to create a comprehensive legislative framework for the regulation of the new and rapidly expanding business activities involving virtual assets and initial token offerings (ITOs).

Virtual asset service providers and initial token offerings are to be regulated and monitored by the Financial Services Commission (FSC) under the Act. As a result, among other things, the FSC is mandated by the Act to:

- License virtual asset service providers.
- Register issuers of initial token offerings.
- Determine whether virtual asset service providers & issuers of initial token offerings are, for AML/CFT purposes, complying with the Financial Intelligence and Anti-Money Laundering Act, the Financial Services Act and the United Nations (Financial Prohibition, Arms Embargo and Travel Ban) Act 2019.

## ► Guidelines for issue of Corporate and Green Bonds in Mauritius

The "Guidelines" for the issuance of Corporate and Green Bonds in Mauritius were released by the Financial Services Commission ("FSC") of Mauritius on December 23, 2021. For the purpose of assisting potential issuers in better understanding the legal and regulatory requirements of issuing sustainable bonds and listing these bonds on exchanges licensed in Mauritius, the Bank of Mauritius published the "Guide for the Issue of Sustainable Bonds in Mauritius" (the "Guide") in June 2021. Green Bond Issuers are expected to adhere to international best practices for the issuance of Green Bonds in accordance with the Guidelines.

### BRIEF HIGHLIGHTS ON MAURITUS COMPANIES

In Mauritius, we have two types of international companies:

1. Global Business Corporation (GBC); and
2. Mauritius Authorised Company (MAC)

#### GLOBAL BUSINESS CORPORATION (GBC)

GBC companies are incorporated under the Mauritius Companies Act 2001, as amended and licensed by the Mauritius Financial Services Commission ("FSC"). A GBC is a resident entity held and controlled by a non-citizen of Mauritius and conducting business or proposes to conduct business principally outside of Mauritius. They are also resident in Mauritius for taxation purposes and have access to the extensive double taxation avoidance treaty network, provided they hold a Tax Residence Certificate issued by the Mauritius Revenue Authority.

#### TAX BENEFITS

A company holding a Global Business Corporation licence is subject to 15% corporate tax on its chargeable income. However, the company is entitled benefit up to of 80% Partial Exemption Regime on the follo- wing incomes for GBC:

- Foreign dividend derived by a company;
- Interest derived by a company (excluding bank);
- Income derived by CIS closed ended fund, CIS manager, CIS administrator, Investment advisor, Investment Dealer or asset manager;

- Income derived by companies engaged in the leasing of ships or aircrafts, locomotives and trains including rail leasing;
- Profits attributable to a permanent establishment of a resident company in a foreign country;
- leasing and provision of international fibre capacity; reinsurance and reinsurance brokering activities;
- sale, financing arrangements and asset management of aircraft & its spare part including aviation related advisory services; and
- Interest derived by a person from money lending through a Peer to Peerlending platform.

[READ MORE](#)

#### MAURITIUS AUTHORISED COMPANY (MAC)

A Mauritius Authorised Company is an entity held and controlled by a non-citizen of Mauritius conducting business or proposes to conduct business principally outside of Mauritius or with such category of persons as may be specified in the FSC Rules and which has its place of effective management outside of Mauritius. A MAC shall, at all times, have a Registered Agent in Mauritius.

#### TAXATION

MAC is treated as a non-resident for tax purposes in Mauritius and is exempted from income tax and any other taxes in Mauritius. However, a MAC is required to file a return of income to the Mauritius Revenue Authority within 6 months of its year-end.

[READ MORE](#)