



Financial Services Commission
Mauritius



JOINT STATEMENT BY THE FSC & THE FSPA

The Mauritius IFC: Driving Growth in Africa

As a jurisdiction of substance, the Mauritius International Financial Centre (Mauritius IFC) has been instrumental in driving quality investments in Africa, leading to sustained growth and prosperity across the continent.

It is therefore with deep regret that we take note of the misperceptions and misconceptions about the Mauritius IFC reported in the Oxfam policy paper on “Tax Battles” published on the 12th of December 2016.

It is unfounded to claim that Mauritius is a tax haven when the country has:

1. adopted all of the internationally acclaimed standards in tax matters;
2. enabled quality foreign investments in Africa leading to inclusive economic development;
3. always practiced a policy of transparency and exchange of information;
4. always prone a model for its jurisdiction based on substance;
5. adopted a friendly, homogenised and flat system of taxation; and
6. a real multi sectoral economic model.

Mauritius, as a fully collaborative and responsible international financial centre, has taken significant steps to adhere to international best practices as set by leading globally recognised institutions.

To enhance its transparency and collaboration framework, in June 2015, Mauritius signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, developed by the Organization for Economic Cooperation and Development (OECD). Mauritius is equally a member of the Early Adopters Group committed to the early implementation of the Common Reporting Standard (CRS) on the automatic exchange of financial account information, developed by the OECD.



Financial Services Commission
Mauritius



Mauritius is also the first African country to have signed up to the Intergovernmental Agreement with the United States for the implementation of the Foreign Accounts Tax Compliance Act (FATCA).

Mauritius has actively participated in the Ad-Hoc Group set up by the OECD to work on the drafting of the Multilateral Instrument under Action 15 of the Base Erosion and Profit Shifting (BEPS). More recently, Mauritius has equally joined the Inclusive Framework to implement the BEPS Recommendations and the new initiative on exchange of Beneficial Ownership information. Mauritius is committed to implement minimum standards in the BEPS package, as well as, other BEPS recommendations.

Mauritius also remains an active member of the Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG), the purpose of which is to combat money laundering in Eastern and Southern Africa by implementing the FATF recommendations. As such, Mauritius has always been at the forefront in the fight against international tax evasion and other malpractices.

The OECD Global Forum on Transparency and Exchange of Information for Tax Purposes has rated Mauritius as a “Largely Compliant” jurisdiction – a rating which equals that obtained by developed economies such as the USA, the UK and Germany. This bears testimony to the good standing of our jurisdiction in so far as transparency and exchange of information is concerned. The Mauritius IFC also has the required exchange of information mechanisms in place through its bilateral treaties and Tax Information and Exchange Agreements (TIEAs) that it has signed.

The fiscal regime of Mauritius is underpinned by a transparent system which provides for a level playing field and a competitive tax bracket for businesses and individuals at a single rate of 15%. This regime has successfully generated substantive economic activities across all sectors of the Mauritian economy.



Financial Services Commission
Mauritius



Furthermore, the Mauritius IFC continues to address the growing needs of development of the African continent by significantly contributing to the increase in prosperity in Africa, along with job creation and poverty alleviation.

It is noteworthy that some of the most active social impact investors, investment funds as well as philanthropic foundations have chosen Mauritius as their financial centre as the country boasts a friendly and conducive environment to do business. Mauritius tops a number of rankings in Africa by international institutions including the African Index on Economic Transformation; the Mo Ibrahim Index of African Governance; the World Economic Forum Global Competitiveness Report and the Fraser Institute on Economic Freedom of the World Ranking, amongst others. Mauritius does not only enable impactful projects across the continent, but is equally a recipient of significant amount of these investments in its economic sectors.

Investors are equally attracted by the political and economic stability of the country, the risk mitigating avenues that it offers, its sound legal and regulatory framework, its pool of professionals as well as state-of-the-art infrastructure.

The Financial Services Commission (FSC), the integrated regulator for the Non-Bank Financial Services sector, and the Financial Services Promotion Agency (FSPA), the national agency responsible for developing and promoting Mauritius as an International Financial centre, therefore firmly maintain, in light of the above-mentioned facts, that Mauritius is **not** a tax haven.

As an African country, Mauritius has and continues to be a strategic development partner, in and for, the continent.

16 December 2016