



The Business Facilitation (Miscellaneous Provisions) Act 2017 (the “Act”)

Introduction

The Government of Mauritius is always striving to enhance the local business climate through a perpetual review and bettering of its regulatory and administrative framework. It is along this same line of vision that the Act came into force on 20 May 2017 with the objective of slashing red tape and other administrative hurdles that stymie the delivery of business permits, licenses, authorizations and clearances.

Such avant-gardist initiatives are expected to improve the island nation’s ranking in the Ease of Doing Business worldwide, attract foreign direct investment as well as inject new impetus into the economy thereby leading to more job creation.

The salient changes brought about by the Act have been listed below:

Starting your business in Mauritius

- Electronic Certificate of Incorporation will henceforth be issued and will be recognized as a valid KYC document by all local institutions. Signed copy of the Certificate of Incorporation can still be requested upon payment of an additional fee
- Company/Foundation/Limited Liability Partnership/Limited Partnership names* that previously required Minister’s written consent can now be approved by the Registrar
- Power to dispense a company name with “Limited” or “Ltd” or “Limitée” or “Ltée” has been relegated from the Minister to the Registrar
- For companies, use of a seal is no longer required for issue of debentures to more than 25 persons and to validate contracts entered with 3rd parties

* Words/Names that require Registrar written consent are:

“Authority”, “Corporation”, “Government”, “Mauritius”, “National”, “President”, “Presidential”, “Regional”, “Republic”, “State”, “Municipal”, “Chartered”, “co-operative”, “Chamber of Commerce” or any other word which, suggests, or is likely to suggest, that it enjoys the patronage of the Government, a statutory corporation, or the Government of any other State, or is likely to suggest a connection with a local authority in Mauritius or elsewhere.

Removal of a company from the Register

- Statutory timeframe for objections to be filed against the removal of a company from the Register has been reduced from 6 weeks to 2 weeks

New procedures for Insolvent companies & Winding-up

- Where an order of annulment of adjudication is made by a person other than the Official Receiver, the latter should notify the Official Receiver and file a copy of the order with the Director of Insolvency Service
- Person* filing a Petition for Winding up should submit a copy of the application to the Director of Insolvency Service
- For shareholders' voluntary winding-up, directors may confirm that the company will remain solvent within a period not exceeding 12 months after the commencement of the winding up by way of a written resolution rather than at a meeting of directors
- The remuneration of Receivers has been defined and will be regulated henceforth
- The Director of Insolvency may apply a sanction against any Insolvency Practitioners who are deemed to be non-compliant
- Receivers are no longer required to use the seal of company which is in receivership

* Petition to wind up a company may be presented by:

- (a) the company;
- (b) a contributory or any person who is the heir of a deceased contributory or the trustee in bankruptcy of the estate of a contributory;
- (c) a shareholder;
- (d) a creditor, including a contingent or prospective creditor, of the company;
- (e) a liquidator;
- (f) the Director; or
- (g) the Financial Services Commission, where the company is a licensee thereof.

Creation of a National e-Licensing Platform

A National E-licensing platform will be established and is expected to be operational as from May 2018. The E-licensing Platform will be a one-stop portal for managing business licenses lifecycle and will also enable licence process automation, online payment of fees and issuance of electronic permits. In addition, the platform will provide a 24-hour service to applicants and will be integrated with existing systems for data sharing.

Employing people

Employers can now remit all social charges (including contributions payable to the National Pensions Fund, the National Savings Fund and training levy payable to the Human Resource Development Council) to the Mauritius Revenue Authority.

Applying for Building and Land Use Permit (BLP) through a local authority

- Applicants are no longer required to submit proof of identity (National Identity Card/ Certificate of Incorporation) to apply for a BLP provided that the local authority has access to the Central Business Registration Database (CBRD)
- If required to seek clearance from any utilities and fire services authorities, applicants can pay any additional fee due to these authorities through the local authority
- Delay for local authority to issue occupation certificate to holder of BLP has been halved: from 10 days to 5 days
- Businesses exempted from applying for a BLP can start their activities immediately after having completed their registration under the Business Registration Act

Registration of property

- To facilitate the property registration process with the Registrar-General, notaries are now required to file a summary of the notarial deeds in the prescribed format (Sixth Schedule of Transcription and Mortgage Act)
- Notaries are required to deliver a certified copy or an authenticated copy of the deed “expédition” to the Registrar General within 8 days of the date of registration
- The delay for notaries to file a certified copy of a deed of erasure with the Conservator of Mortgages has been substantially reduced from 20 days to 8 days
- Transfer of land used in or to be used in the construction of a warehouse, certified by the Board of Investment, is exempted from Registration Duty, Land Transfer Duty and Tax on transfer of leasehold rights in state land

For any additional information please contact us.

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