

THE GUIDE

# EXPATRIATION IN MAURITIUS

With MCB Select International

THE BEST TIPS TO A SERENE START  
FOR YOUR NEW LIFE

# EXPATRIATE IN MAURITIUS

## *The real deal!*

*Beyond the white sandy beaches and other postcard landscapes, Mauritius has been able to combine, in recent years, stable economy and good governance; making it a top choice destination for those who dream of living abroad and investing there.*



### **Economic growth**

Mauritius owes its strong economic growth to a series of factors. Its stable growth varying between 3 and 5.9% since 2006 makes it a safe place. Unlike other destinations, Mauritius has been able to maintain this rate, while many other countries have been severely affected by the 2008 financial crisis. Tax policy and good governance have ensured continued growth, and GDP has risen to USD 13 billion in 2017.

### **The banking system**

The country has also managed to build up a solid reputation at the regional level, thanks to its banking system. The first commercial bank was founded in Mauritius in 1838 by MCB, and as such, the country enjoys one of the oldest banking systems in the African region, and even the Commonwealth. Today, this system is composed of more than 20 national and international banking institutions. Several of them have received international awards in various sectors, including the investment banking system or private banking (which is an asset for the growing pool of wealthy individuals in Mauritius). As such, Mauritius is one of the destinations with the highest regional growth for the number of millionaires in US dollars. This growth rate was of 340% from 2000 to 2015, and this rate is estimated to increase by 130% by 2025.



### **The investment-friendly financial system**

**Mauritius** also enjoys an advanced stock exchange system that encourages foreign investment. In addition, the financial system is booming, especially with offshore banking activities for which various laws have been introduced. Mauritius is therefore an ideal business destination. The World Bank has even ranked Mauritius in the 25th position in the World in its 2018 “Doing Business” Report.

### **The free port**

The creation of the free port in 1992 was an opportunity for the country to position itself logistically as an anchor point for storage, distribution and trade for the region. The country is a member of various regional or sub-regional economic communities (SADC for Southern Africa, COMESA for Eastern Africa, and IOC for the Indian Ocean). Thus, the various countries active in our free port are exempt from corporate income tax.

### **The tax system**

The Mauritian tax system was built in such a way as to encourage investment, both local and foreign. The advantages of the Mauritian tax system are numerous :

- No inheritance taxes
- Up to 80% tax credits for offshore companies
- 15% tax on corporate and individual income
- 15% VAT (refundable)
- Double taxation agreements with 36 countries
- No capital gains tax, and no tax on purchased properties succession
- Exemption from customs duties and VAT on equipment
- Free repatriation of profits, dividends and capital

### **Retiring in Mauritius**

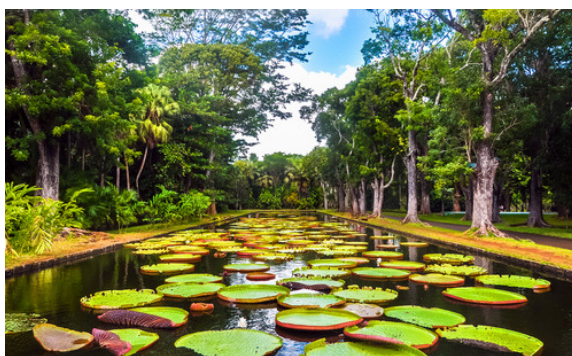
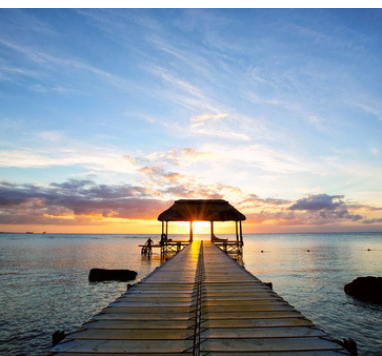
What could be more enjoyable than living in the tropics for your retirement? This option is more and more coveted and to do so, opportunities are available. The requirements are simple: you have to be 50 years old or more, have a bank account in Mauritius, and be able to justify an annual transfer of 40 000 USD or more on this account. A residency permit for retirees is thus available, valid for 3 years, following which an application for a permanent residence permit may be filed.



## Foreign Investment

A series of government and private measures and initiatives have been developed to attract foreign investment. The most advantageous one is probably the possibility for a foreign investor to have an immediate residence permit for him and his family if he acquires a property of a minimum value of 500 000 USD under specific conditions. This measure has led to various developments in real estate projects aimed at a high-end foreign clientele.

These projects are increasingly part of a Smart Cities concept, where, within a secure location, all necessary services for social and professional development are available: commercial, residential, educational, sports, cultural and artistic, among others.



## The environment and the geographical position

Another significant asset is the fact that this prosperous economic, social and financial environment comes with a historical legacy (with a population being both French-speaking and English-speaking). Also, the geographical position of the island, halfway between Africa and Asia while being a few time zones away from Europe, makes it a popular destination. And to combine business with pleasure, the tropical climate offers ideal temperatures, neither too hot in summer, nor too cold in winter.

The lagoon surrounding the island has paved the way for a series of safe water sports, and the development of various seaside resorts offers a pleasant setting for entertainment. In addition, for those preferring walks in forests or mountains, different opportunities exist for sporting or relaxing activities aiming at discovering the fauna and flora of the heart of the country.

# LIVING IN MAURITIUS

## *Practical tips*

- **RESIDENCE PERMITS**



### **Occupation Permit**

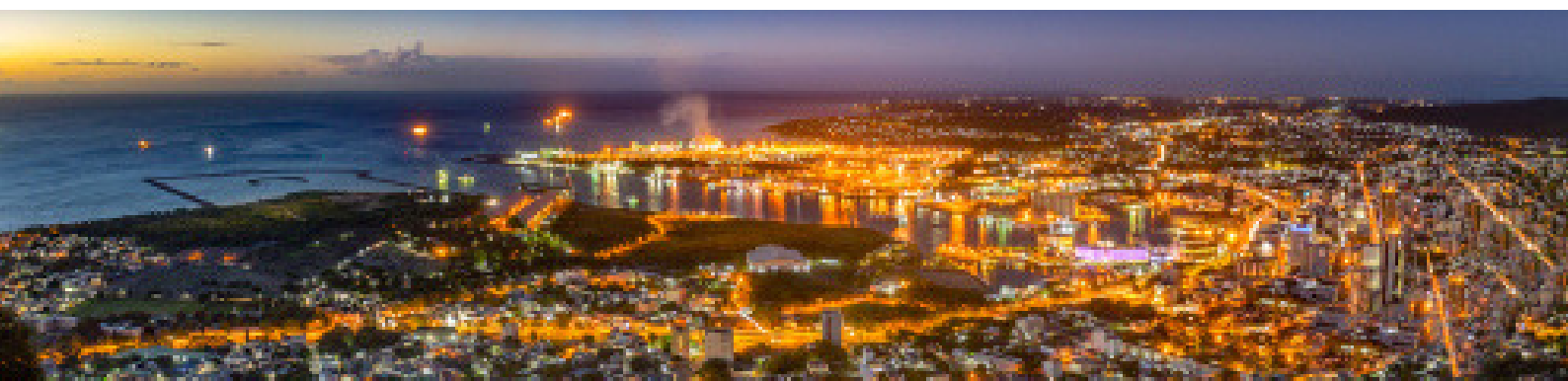
This permit allows a foreigner to work and reside in Mauritius. If you have one of the following profiles, you are eligible to it: investors (whose commercial activity generates an annual turnover of more than Rs 4 million, and an initial investment of 100 000 USD); professionals (having a basic monthly salary of at least Rs 60,000), and entrepreneurs (whose business generates an annual turnover of more than Rs 600,000, and an initial investment of 35,000 USD)

### **The Residence Permit for Retirees**

Permit issued for 3 years. If you are aged 50 and above, and you can justify an annual transfer of 40 000 USD to Mauritius, you are eligible.

### **The Permanent Residence Permit**

This permit is eligible to holders of an Occupation Permit and is valid for 10 years. It makes it possible for the holder to reside, travel, work and buy property in Mauritius. If you have one of the following profiles, you are eligible to it: investors (whose company generates an annual turnover of more than Rs 15 million), entrepreneurs (whose activities generate more than Rs 3 million annually), professionals (whose basic monthly salary is greater than Rs 150,000), and pensioners (transferring more than 40,000 USD annually to Mauritius). People buying real estate under the IRS regime however, automatically become permanent residents, as well as their family members.



## • WHERE TO DWELL ?

Various options are available to the applicant looking for a rental property. However, for those wishing to invest in real estate purchase, other opportunities are available, including:

### **IRS : Integrated Resort Scheme**

Luxury villas of international class with facilities such as golf courses, spa, gym, catering, housekeeping services, maintenance services, etc. The purchase of an IRS gives access to the residence permit.

### **PDS : Property Development Scheme**

Integrated project focusing on the social dimension in the interest of the surrounding community, it allows the purchase of high-end residential units, mainly by foreigners.

### **RES : Real Estate Scheme**

It aims at smaller development areas. It allows expatriates to acquire villas and high-end apartments with facilities such as babysitting, gardening, maintenance, housekeeping, restaurants...



### **Social life**

Mauritius has all the ingredients to satisfy expatriates' needs: supermarkets/hypermarkets and shopping centers of international standing, health services, education system, gourmet restaurants, and leisure, among others. Moreover, the Smart Cities, which are gradually popping up in different areas of the island, are an ideal concept for expatriates. Combining commercial, residential, educational (including high-level universities), sports, cultural and other entertainment in a secure environment, the Smart City concept is ideal for work, life and leisure.

# MCB SELECT INTERNATIONAL

## *in Mauritius*



*For an expatriate or a non-resident in Mauritius, banking procedures can seem compelling and complicated. This is why the MCB has developed its banking management service adapted to this audience: Overview!*



An adapted, personalised and tailor-made service ... This is what the MCB offers with its **MCB Select International** service. Expatriates and non-residents thus have the opportunity to benefit from these exclusive services.

### **Innovation and privileges**

Access MCB lounges, benefit from the state-of-the-art conciergerie service, take advantage of credit card privileges adapted to your daily life, and receive advices in wealth management or financing projects in major currencies. These foreign currencies are some of the services offered by this select MCB service. Beyond the privileged service, other ways of developing banking transactions are also available, including the online banking service, and the Juice application allowing you, at your fingertips, to carry all necessary transactions.

Access the best services in a privileged environment, benefit from exclusive offers, manage investments more efficiently, have fun outside the work environment, and let MCB take the responsibility of organising all the little details of your daily life. In a nutshell, this is what **MCB Select International** has in store for you.



### **All-in-one**

This service gives access to premium cards, including the Green American Express, or a Platinum card, not to mention the classic Mastercard and Visa Gold, and enables free direct debit. And if you have to go to the bank, you will be welcomed in one of the 6 MCB Lounges, far from the long queues of people at bank counters. These are some of the privileges offered by this service.

### **My Conciergerie**

MCB takes care of everything! This personal assistance service will help you plan your appointments, negotiate the best rates or call a taxi. A home assist service will relieve you of all the stress related to a variety of logistical services. In addition, even if you have to organise a birthday party at home, this service takes care of everything! As for the travel assistance service, a dedicated advisor takes care of all the logistics around the trip: booking of your plane tickets, hotel, and taxi, as well as the travel insurance. The events and entertainment services are also provided, and include tickets for concerts or a massage session at the spa of your choice. You will be especially pleased by the exclusive offers: access the most prestigious events such as Roland Garros, enjoy a luxury boat trip, or a stay in a hotel abroad ... all at preferential rates!



### **Investment**

Planning your future, or investing are actions that will be facilitated - whether in shares or funds investment, in your child/children's education, in planning your retirement, or savings options. Investing in funds, including capital secured funds, or accessing the MCB stockbroking service are all possibilities that can also be managed by **MCB Select International**.

Becoming a member is very simple. If you meet the eligibility criteria, after collecting the necessary documents, you can do it in one click, and send the documents to the MCB.

# INTERVIEW: GUY AH HANG

## *Director of MCB Select International*

### **How does MCB Select deliver value to its clients beyond financial services?**

The success of MCB Select is based on the solid grounds and sound business model of the MCB Group, coupled with a distinctly personal touch. MCB Ltd today is the longest standing and leading financial institution in Mauritius. Nonetheless, the basis of trust and banking practices has remained unchanged throughout the 180 years of existence. Being an increasingly prominent player in Africa and in the region, Number One Bank in East Africa and Best Regional Bank in Southern Africa, MCB does inspire trust. We are committed to our clients and our innovative culture underpins our solid franchise and track record of sustained profitability. Customers' needs and profiles have prominently altered the fine points of the business model of MCB Select.



We constantly reflect on the meaning of being customer-centric and we strive to continually deliver on our promise of making of MCB Select a truly personalized service for high profile clients. Keeping up with the needs of our customers is key! With changing customer expectations driving new approaches to services, we pledge to continue enhancing the lifestyle experience of our premium customers. Albeit our offers being customized to adapt to the different needs and expectations according to the different life stages of our clients, we remain attentive to the disruptions of technology.

### **Who qualifies as an expat?**

The word expat in itself can carry many connotations, preconceptions and assumptions about class, education and privilege – just as the terms foreign worker, immigrant and migrant call to mind a different set of assumptions. But the basis of an expat is someone who is outside his home country. That said, how do we cater for their needs is all about our expat banking, which is a growing industry per se. Gearing our services towards expatriates is in the DNA of the MCB.

It is worth reminding that at the outset, MCB emanates from the initiative of a group of English traders, Mr. James Blyth and Mr. William Griffiths – expats as we would have classified them today – having as stated objectives to respond to the needs of traders and planters of the island at that time, to obtain the required money to bring Indian workers, and to invest in the sugar industry.

### What are the banking priorities and needs of expats?

We understand the stress and complexity of relocation. Expats require first-class services delivered in the most effective manner from a financial institution which has a solid reputation that goes beyond offering traditional banking services and can provide simplified payment solutions and access to sophisticated investment options. We also understand that finding the right bank with the right extras that would make all the difference is not an easy task for them. As the leading commercial bank with extensive local presence, we have designed, at **MCB Select International**, a tailored and hassle-free banking experience for expats to help them and their families feel at home with a round-the clock priority service, all without forgetting that the benchmark is raised to higher level; these international customers having been exposed to the international standards in terms of services and products.

**“Expats require first-class services delivered in the most effective manner.”**

Guy Ah Hang,  
MCB Select International



### How does MCB Select International differentiate itself? What makes it unique?

As a major economic player in Mauritius, we need to support the development of the country in all possible ways. Mauritius is opening more and more to foreigners be it to strengthen the competency base or attract investment. Interest in Mauritius is growing, so the next step is to provide more tailored offerings to the booming interest of foreigners. We would miss the point if we were to only offer solutions. We need to take another step and aim at being the trusted partner of our clients. An example to this commitment lies in the concierge service “My Conciergerie” which comes with the **MCB Select International** bundle. Of course, we remain dedicated to provide an integrated set of wealth management solutions which include investment and wealth management solutions which foreigners require. Our strong reputation on the international market has been well earned, today serving as a considerable asset for us in our aim to attract foreigners to bank with us. We are very confident as exciting times lie ahead of us.



**GET READY TO SETTLE DOWN...  
AND ASK YOUR QUESTIONS!**

**MCB SELECT INTERNATIONAL**

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