

Newsletter

no. 120 january 2021

What's Inside

1. New web site	▪ CKLB launches its new web site
2. Jurisdiction Update	▪ Crowdfunding – FSC Consultation Paper on the Regulatory Framework
3. Regional Update	▪ Mauritius-China Free Trade Agreement, first with an African country, enters into force on 01 January 2021 ▪ Entry into force of UK-Eastern and Southern Africa Economic Partnership Agreement ▪ African Continental Free Trade Area enters into effect on 01 January 2021 ▪ Mauritius FSC signs the GIFCS Multilateral Memorandum of Understanding
4. International Update	▪ India foreign direct investment rises 140% in Q2, Mauritius top source
5. Product Update	▪ Premium Travel Visa

Dear Readers

We are pleased to circulate our January 2021 newsletter edition and the beginning of this year marks the launch of CKLB's new web site.

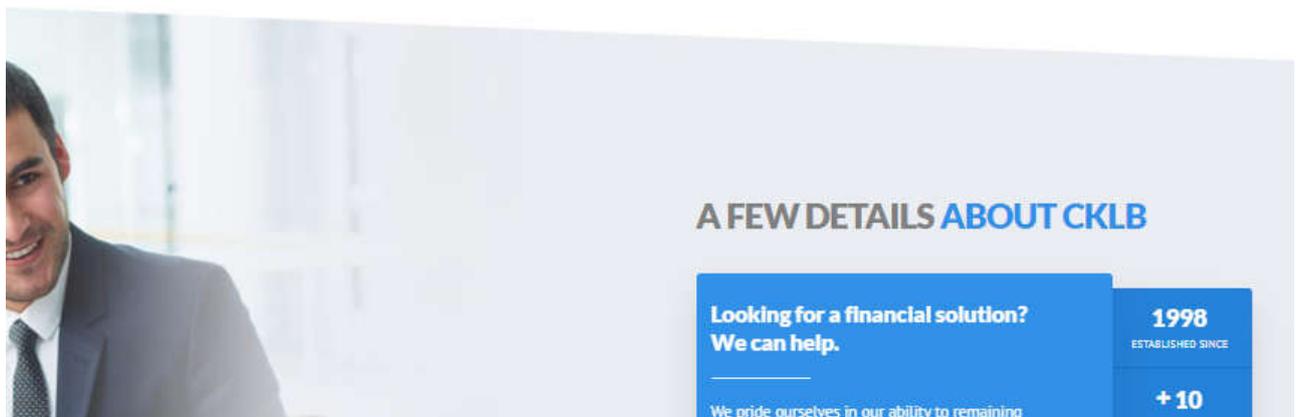
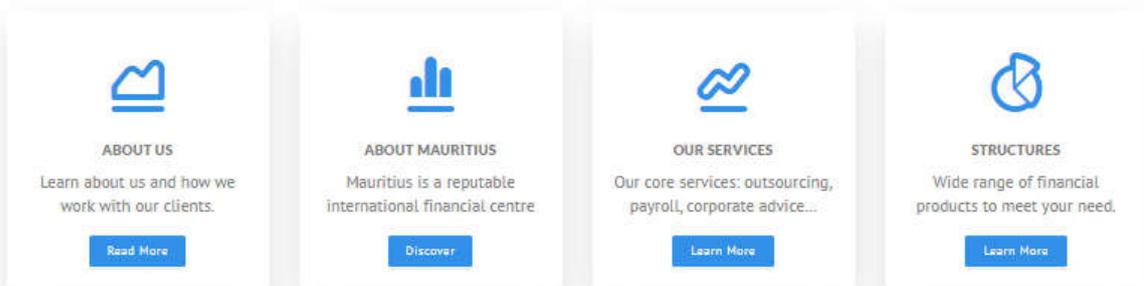
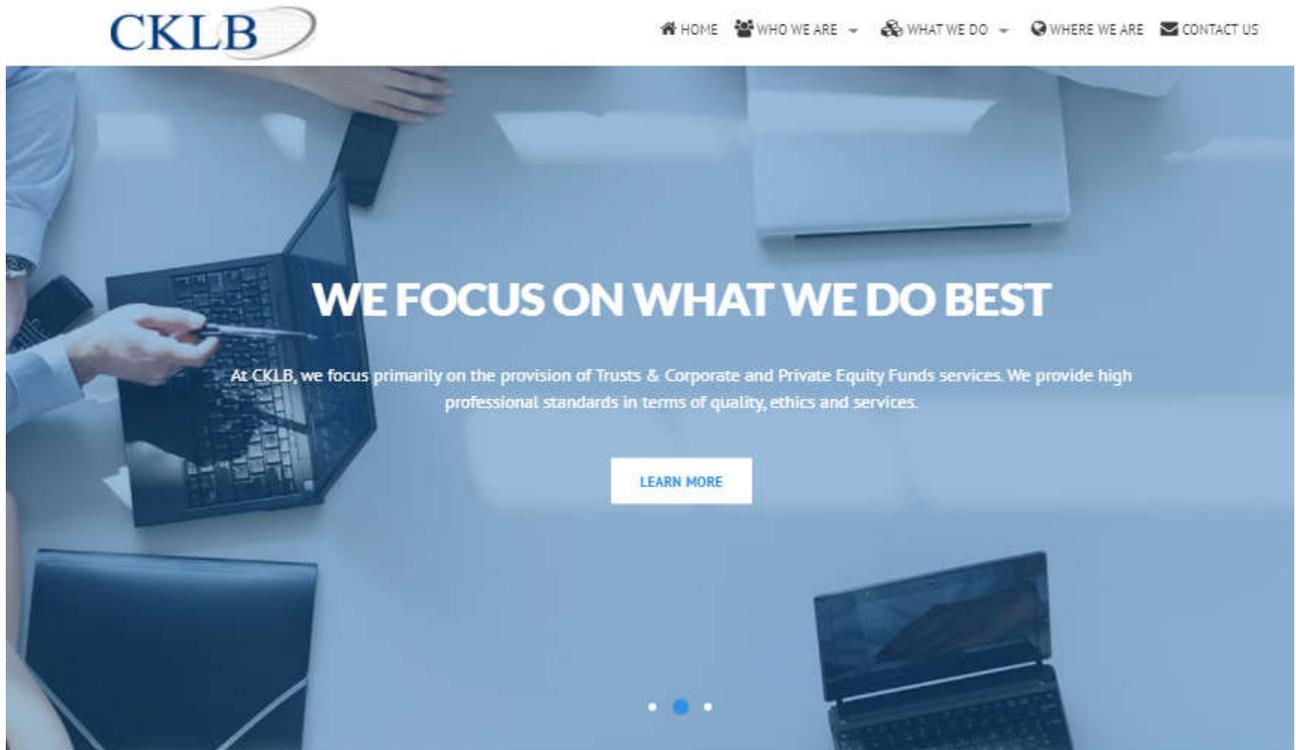
Current news in the industry is dominated by regional and international agreements, bilateral and multilateral agreements, entered into by Mauritius, which entered into effect on 1st January 2021, in particular the Mauritius-China Free Trade Agreement (FTA). The FTA between the Government of the Republic of Mauritius and the Government of the People's Republic of China is China's first FTA with an African country. The Agreement as its main objective, seeks to achieve mutually beneficial outcomes for both states.

Hoping that you will find the information contained therein interesting and useful, we will be pleased to hear any feedback from our readers and thank them for their continued support.

Best wishes for 2021

The Editorial Team

New web site – CKLB launches its new web site



www.cklb.com

Jurisdiction Update – Crowdfunding – Consultation Paper on the Regulatory Framework

In line with its strategy to sustain the growth of the fintech ecosystem in Mauritius, the Financial Services Commission (FSC) has issued a Consultation Paper

establishing a comprehensive regulatory framework for investment-based crowdfunding, as announced in the National Budget 2019-20.

Regional Update – African Continental Free Trade Area enters into effect on 01 January 2021

The African Continental Free Trade Area (AfCFTA) was signed in March 2018.

The AfCFTA consists of three Protocols, namely:

- i. Protocol on Trade in Goods;
- ii. Protocol on Trade in Services; and
- iii. Protocol on Rules and Procedures on the Settlement of Disputes.



Creating One African Market

Trade

under the AfCFTA starts on 01 January 2021 among countries having submitted their market access offers and ratified the Agreement.

As at December 2020, 34 countries have ratified the Agreement, namely Angola, Burkina Faso, Cameroon, Cabo Verde, Chad, Côte d'Ivoire, Congo, Djibouti, Egypt, Eswatini, Ethiopia, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Mali, Mauritania, Mauritius, Namibia, Niger, Nigeria, Rwanda, Saharawi Arab Democratic Republic, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, Togo, Tunisia, Uganda and Zimbabwe.

With regard to trade in goods, upon entry into force of the Agreement, Mauritius would benefit from

preferential access on those products whereby the rules of origin exists.

In principle, countries and members of Customs Unions with which Mauritius can trade on preferential terms under the AfCFTA as from 1st January 2021 are as follows:

Member States

1. Egypt
2. Sao Tome and Principe

Customs Union

1. Central African Economic and Monetary Community (CEMAC)

Cameroon, Chad, Congo Republic, Equatorial Guinea and Gabon

2. East African Community (EAC)

Kenya, Rwanda and Uganda

3. Economic Community of West African States (ECOWAS)

Nigeria, Niger, Ghana, Ivory Coast, Mauritania, Sierra Leone, The Gambia, Togo, Cabo Verde and Mali

4. Southern African Customs Union (SACU)

Eswatini, Namibia and South Africa

It is to be noted that trade with COMESA/SADC Member States will continue on the basis of the COMESA Treaty and the SADC Trade Protocol as is the case currently. Consequently, the AfCFTA opens up trade opportunities on non-COMESA/SADC markets.

Details of the African Continental Free Trade Agreement, the market access offers of the above countries and applicable rules of origin are available on the Mauritius Trade Portal (www.mauritiustrade.mu).

Source: EDB

Regional Update – Mauritius FSC signs the GIFCS Multilateral Memorandum of Understanding

The Mauritius Financial Services Commission ("FSC") becomes signatory to the Group of International Finance Centre Supervisors ("GIFCS") Multilateral Memorandum of Understanding ("MMoU"). This MMoU provides a framework to facilitate exchange of information among authorities and promote integrity, efficiency and financial soundness by improving regulation and enhancing supervision of cross-border transactions. The MMoU was signed on 20 October 2020.

The GIFCS is a long-established group of financial services supervisors with a core interest of promoting the adoption of international regulatory standards especially in the fiduciary, banking, and Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) arena. Established in 1980, the GIFCS is recognised as a leading authority on the regulation of Trust and Company Service Providers ("TCSP"), and the interface of these intermediaries with AML/CFT standards. The GIFCS has become a positive contributor to promote, amongst its members,



compliance with the International Organization of Securities Commissions (“IOSCO”) Principles of Securities Regulation, the Recommendations of the Financial Action Task Force on AML/CFT and the Basel Core Principles.

Commenting on this endeavour, the Chief Executive of the FSC stated that “The signature of this MMoU with the GIFCS comes at an opportune time where compliance with international AML standards is a determining factor in building and maintaining trust and confidence in the financial services sector. The FSC, through its adherence to this exchange of information

framework, will pursue its unwavering commitment and efforts to consolidate the reputability of the Mauritius jurisdiction as a financial services centre of excellence in the region”.

The Chairman of the GIFCS, stated that “We welcome this development. The GIFCS MMoU forms the basis of co-operation among TCSP supervisors worldwide. By signing the MMoU, the FSC provides further evidence of its commitment to high standards of supervision, including in the important area of AML/CFT where co-ordinated action is so important.”

Source: FSC

International Update – Foreign direct investment rises 140% in Q2, Mauritius top source

Foreign direct investment (FDI) into India in the July-September 2020 quarter rose a massive 140% on year at \$23.4 billion from \$9.7 billion a year ago. Total FDI inflows including equity inflows, re-invested earnings and other capital was \$28.1 billion in the second quarter compared to \$14.06 billion in the September quarter of FY20.

FDI into India in the first quarter of 2020-21 had plunged by 60% from the year-ago period to \$6.5 billion.

Mauritius was the top source of FDI in the quarter ended September 2020 and the US jumped to the third position from fifth in the trailing quarter. Almost \$17.5 billion of FDI came in August alone, the highest monthly inflows seen this fiscal, data released by the

Department for Promotion of Industry and Internal Trade (DPIIT) showed.

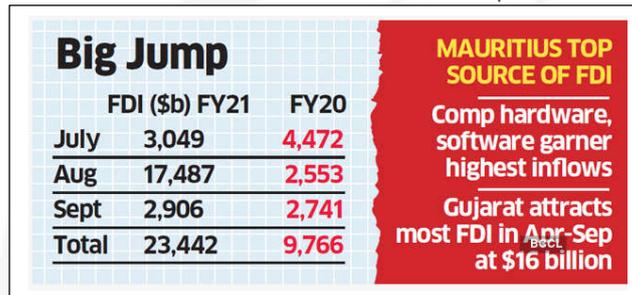
The commerce and industry ministry last month said that India, in April-August 2020, received the highest ever total FDI for the first five months of a financial year stating that these trends are an endorsement of India’s status as a preferred investment destination amongst

global investors. The total FDI inflow into India in the first five months was \$35.73 billion, 13% higher than that in the same period last fiscal.

Total FDI in the first six months of FY21 was \$30 billion as against \$26.09

billion in the year ago period.

Source: ET 11.01.21



CKLB Product Update – Premium Travel Visa

Mauritius Offers Premium Long-Term Stay Visa for People Working Remotely

The island of Mauritius, one of those dreamy destinations, has introduced a Premium Travel Visa since the year 2020, valid for a period of one year, renewable, to welcome esteemed travellers seeking to prolong their feeling of wellness from the palm-fringed golden sandy beaches, beautiful lagoons and lush green scenery, all in a COVID-safe destination.

When you are working remotely from home, it does not matter which location you are working from. The experience of natural beauty and balanced lifestyle that could only be encountered on a rare holiday has now been made available under the Premium Travel Visa to non-citizens who intend to stay in Mauritius for a maximum period of one year as a tourist, retiree or a

professional willing to come with his/her family and carry out his business or work remotely from Mauritius as well as digital nomads.

To qualify for the Premium Visa, interested visitors should produce proof of their long stay plans and sufficient travel and health insurance for the initial period of stay and meeting some other criteria.

Should you wish to have more information, please request our Premium Travel Visa brief.

How can CKLB help?

CKLB has an experienced and dedicated team looking after our relocation desk and would be happy to assist our clients and their dependents in their quest to relocate to Mauritius under the Premium Travel Visa or any other work and residence scheme.

our services

CKLB is independently owned and being of medium size, we pride ourselves in our ability to remaining committed to provide a personal and tailor-made service to clients. We understand well the particular requirements and needs of clients and the key to our successful development has been our commitment to satisfy these needs at high standard. We provide a one-stop quality service with emphasis on local presence and substance. Our varied client base includes HNWI / Ultra HNWI Individuals, private companies as well as companies listed on major stock exchanges. Our range of services includes:

- our core service, advice to HNWI's and family offices in developing efficient estate planning solutions
- management and family office support structures
- focus on a complete set of fund structuring and administration services
- corporate structuring and advice
- company formation and corporate management
- administration and accounting
- establishment of trusts and provision of trustee services
- back office administration and accounting services
- outsourcing and payroll services
- business administration services, including international trading, licensing and financing
- expatriates' occupation and residence permits
- group investment holding and management services

Connecting our clients to international networks to facilitate cross-border business

CKLB interacts with several professional firms and services group and is member of the International Grouping of Accountants and Lawyers (IGAL), a well-established association boasting 107 member firms located in 41 countries throughout the world, with 170 offices worldwide. IGAL has developed into a leading business network of legal and accounting firms whose members offer superior services related to legal, financial, tax and insolvency matters to companies and individuals with international activities; as well as expert and personal assistance to reduce the obstacles of doing business in a foreign environment and at a distance. IGAL provides CKLBs valued clients with a wide network for assistance in their cross-border businesses through privileged access to experienced professionals and technical expertise in relevant countries. CKLB will be pleased to co-ordinate any assistance you may require in these countries as an extension of our one-stop shop service.

Disclaimer

This document is designed to provide information of a general nature and is not intended as a substitute for professional consultation and advice in a particular matter. The opinions and interpretations expressed within are those of the author only and may not reflect those of other identified parties. CKLB does not warrant the accuracy and completeness of this news brief, nor endorse or make any representations about its content. In no event will CKLB be liable for any damages whatsoever arising out of the use of or reliance on the contents of this document.

offices

MAURITIUS

CKLB International Management Ltd
PO Box 80, Felix House
24 Dr Joseph Rivière Street
Port Louis, Mauritius
T + 230 405 8800
F + 230 405 8818
E christianli@cklb.com
kathleenlai@cklb.com
adrienli@cklb.com

LONDON REPRESENTATIVE

Henry Lan T + 44 2088 197 315
E henrylan@cklb.co.uk

GUERNSEY REPRESENTATIVE

Chris Blin T +44 1481 723 221
E chris.blin@pa.gg

SEYCHELLES

CKLB Fiduciary (Seychelles) Limited
P.O. Box 355, Suite 6, House of Ansuya
Revolution Avenue, Victoria
Mahé, Seychelles
T + 248 443 0050
F + 248 443 0060
E kimyuekye@cklb.com

HONG KONG

CKLB Corporate Services (Hong Kong) Ltd
Rm. C7, Blk.C, 1/F, East Sun Industrial Centre
16 Shing Yip Street, Kwun Tong
Kowloon, Hong Kong
T + 852 2805 6636
F + 852 2391 8679
M + 852 9800 6394
E patrickli@cklb.com

