



# COMPANY PROFILE

## LONDON GLOBAL BUSINESS SOLUTIONS

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**MAURITIUS**  
**AN INTERNATIONAL FINANCIAL CENTRE**

## LGBS

London Global Business Solutions Limited Ltd (LGBS) is a management company specialising in the provision of services in Mauritius and clients based overseas.

LGBS is duly licensed since 2005 by the Financial Services Commission. Over the years, we have established a reputation of being serious and a trusted Global Business partner. We have a diverse client base, involved in several industry sectors and across a number of emerging markets.

We successfully implemented business solutions, taking into consideration the legal implications if any, in respect to the local laws for the setting up of corporate structures ranging from Global Business Company, Trusts, Foundations and Special Purpose vehicles for specific projects.



## GLOBAL BUSINESS COMPANY

Mauritius GB Companies are resident in Mauritius and consequently subject to tax. However, they benefit from both tax credits and a longstop tax rate of 3%.

Correctly structured and managed Mauritius GB companies may access Mauritius' network of 33 tax treaties.

Neither capital gains nor withholding taxes are levied. Consequently, Mauritius GB companies are used by tax practitioners and businesses to structure investments into Mauritius' treaty partners.

## FOUNDATIONS

Foundation is broadly defined as a legal entity without members and with its own organisation, the ownership of which is to achieve a certain specific purpose by means of endowment made. It comes into existence when ownership of assets is transferred to the foundation by the Founder. A Foundation enjoys legal personality which fulfills similar functions as those of a trust, but with the administrative flexibility of a company.

A Foundation could also be defined as a legally and economically independent special-purpose fund which is formed as a legal entity through the unilateral declaration of the founder. The founder allocates the specifically designated foundation assets, stipulates the purpose of the foundation, entirely non-self-serving and specifically designated, and also stipulates the beneficiaries.

## MANAGEMENT COMPANY

Management Companies are specially licensed by the Financial Services Commission to set up, manage and provide nominee and other services to a corporation (which carries on or intends to carry on any qualified global business and such class of corporation as may be prescribed) or act as corporate trustee or qualified trustee under the Trusts Act 2001.

As the Financial Services Commission requires that all applications for a Global Business licence be channeled through a Management Company, the latter has the responsibility of initial vetting of the client and needs to exercise due diligence.

Management Companies therefore act as intermediaries between clients and the Commission and they operate under the Guidance Notes for Management Companies issued by the Commission. While performing their Customer Due Diligence (CDD) duties, they are under the obligation of collecting and verifying all necessary information about their clients and keeping this information for any request by the Commission.

Most of the Licensed Management Companies form part of reputable international consultancy firm's network thereby providing high standard professional services to clients.

## SERVICES PROVIDED BY LGBS

- TRUSTEESHIP SERVICES
- COMPANY AND TRUST FORMATION AND ADMINISTRATION
- PROVISION OF DIRECTORS, SECRETARY AND NOMINEE SHAREHOLDERS
- PROFESSIONAL ADVICE BY EXPERTS ON COMPANY LAW, TRUSTS AND TAX RELATED ISSUES
- REGISTERED OFFICE FOR GLOBAL BUSINESS LICENSEES
- PREPARATION OF INCORPORATION AND APPLICATION DOCUMENTS FOR GLOBAL BUSINESS LICENCE.
- POST-STATUTORY COMPLIANCE WITH COMPANY & TAX LAWS (FILING CHANGES ON DIRECTORS, SHAREHOLDERS, ETC.)
- PREPARATION OF DOCUMENTS FOR APPLICATIONS FOR RESIDENCE & WORK PERMITS, VISA, DUTY EXEMPTION, ETC.
- FUND ADMINISTRATION SERVICES SUCH AS NAV CALCULATION, PREPARATION OF QUARTERLY REPORTS, ETC.
- MAINTENANCE OF BOOKS AND ACCOUNTING RECORDS

## FUNDS

Mauritius is being used extensively as an International Financial Centre by investors worldwide for the establishment of Funds investing in emerging markets.

This is a direct result of the availability of fully-fledged Fund administration services and the recognition of Mauritius as a credible & reliable international financial services centre.

Funds are incorporated under the Companies Act 2001 of Mauritius and are licensed and regulated by the Financial Services Commission under the provisions of the Financial Services Act 2007 and Securities Act 2005.

## PROTECTED CELL COMPANIES

The PCC is a special legal structure made up of cellular and non-cellular assets.

It provides legal segregation of assets attributable to each cell of the company whether owned by individuals or body corporate.

The law allows PCCs to be created for asset holding, structured finance business, collective investment schemes & close ended funds specialized collective investment schemes and close ended funds and insurance & captive insurance business.

## TRUSTS

The substantive law of Mauritius is derived from English & French sources and the principles of equity were introduced to and applied in Mauritius during the British rule (1810-1968).

The first Trust Act which was an updated and improved version of the English Trustee Act 1925 was enacted in 1989. In 1992, Parliament passed the Offshore Trusts Act to specifically provide a framework for the setting-up of offshore trusts.

In 2001, a new Trust Act was enacted which replaced the Trust Act 1989 and the Offshore Trust Act 1992. The Act brings consistency to the types of Trust vehicles that are available to residents and non-residents.

## MAURITIUS AN INTERNATIONAL FINANCIAL CENTRE

### MAURITIUS AMONG THE TOP 3 'COMPLIANT' COUNTRY ON OECD LIST

The Global Forum (GF) reviewed exchange of information practices through combined peer review reports in ten jurisdictions. Three jurisdictions - Mauritius, Ireland & Norway received an overall rating of "Compliant" while 6 others - Australia, Bermuda, Canada, Cayman Islands, Germany & Qatar were rated "Largely Compliant." Jamaica was rated "Partially Compliant," leading the GF to launch a supplementary report on follow-up measures to ensure a higher level of compliance. Seychelles was Largely Compliant (below Mauritius) & UAE, Provisionally Largely Compliant (below Seychelles).

Rated as a Largely Compliant jurisdiction in 2014, Mauritius has implemented a number of measures leading to its upgrade to "Compliant" status. It further highlighted that Mauritius appears amongst the only 3 jurisdiction being upgraded after a second round of reviews by the GF in August 2017.



## INVESTMENT OPPORTUNITIES

Mauritius is continually reinventing itself. By leveraging its strategic position at the crossroads of Africa, Asia and Australia, Mauritius is gradually transforming itself into a hub and an international jurisdiction for investors in search of security, transparent regulation and high value-addition. Over the years, the economy has been successfully metamorphosed following a smart shift from a mono-agricultural model to a diversified, innovation-driven and knowledge-based economy, underpinned by a broad spectrum of business activities.

Mauritius offers excellent business opportunities in the following industry sectors:

**Agro Industry - Aquaculture - Education - Financial Services - Healthcare - Hospitality & Property Development - Smart Cities - ICT-BPO - Life Sciences - Logistics - Manufacturing - Media & Creative Industry - Ocean Economy - Renewable Energy - Seafood**

## TAX HAVEN VS INTERNATIONAL FINANCIAL CENTER (IFC)

A Tax Haven is a jurisdiction that multinational corporations find attractive for establishing subsidiaries or incorporation of regional or main company headquarters, mostly due to favorable tax regimes and/or favorable secrecy laws, and/or favorable regulatory regimes.

International Financial Centre ("IFC") are described by the IMF as being large international full-service centers with advanced settlement and payments systems, supporting large domestic economies, with deep and liquid markets where both the sources and uses of funds are diverse, and where legal and regulatory frameworks are adequate to safeguard the integrity of principal-agent relationships and supervisory functions.

## DOUBLE TAXATION AGREEMENTS

a) 44 tax treaties has so far been concluded: Australia, Barbados, Belgium, Botswana, Cabo Verde, Congo, Croatia, Cyprus, Egypt, France, Germany, Guernsey, India, Italy, Kuwait, Lesotho, Luxembourg, Madagascar, Malaysia, Malta, Monaco, Mozambique, Namibia, Nepal, Oman, Pakistan, Bangladesh, China, Rwanda, Senegal, Seychelles, Singapore, Sri Lanka, South Africa, Qatar, Swaziland, Sweden, Thailand, Tunisia, Uganda, United Arab Emirates, United Kingdom, Zambia and Zimbabwe.

## WHY MAURITIUS

Situated in the 'golden triangle' connecting Asia, Africa and Australia, Mauritius is the converging point of global civilizations – a place where one can feel the cosmopolitan pulse of the world.

1. Political stability and sustained economic growth
2. Secure investment location with established rule of law
3. The most business-friendly country in Africa
4. Multiethnic with a unique lifestyle in a blend of cultures
5. Multilingual (English/French/Hindi) & skilled workforce
6. Investment-friendly regulatory regime
7. Ocean State with one of the largest Exclusive Economic Zones in the world.
8. Preferential market access to Africa, Europe & the USA
9. Convenient time zone (GMT +4)
10. GDP per capita: approx. USD 9,600 (2016)
11. Population: approx. 1.3 million
12. Democracy with free and fair elections every 5 years
13. Legal System: dual system (Common & Civil Law)
14. GDP Growth: 3.6% (2016)
15. Unemployment: 7.9% (2015)

## KEY INTERNATIONAL BENCHMARKS

Mauritius is recognized by international organizations for continuous improvement in its doing business regime and is today acclaimed as a leading investment destination.

	Global Rank	Africa Rank
1. World Bank Doing Business 2018	25 out of 190 countries	1st
2. Global Competitiveness Index 2017-2018	45 out of 137 countries	1st
3. International Property Rights Index 2016	34 out of 128 countries	3rd
4. 2018 Index of Economic Freedom - (Heritage Foundation)	21 out of 180 countries	1st
5. Economic Freedom of the World 2017 - (Fraser Institute)	7 out of 159 countries	1st
6. Democracy Index 2017-The Economist Intelligence Unit	16 out of 167 countries	1st
7. Global Enabling Trade Report 2016 - World Economic Forum	39 out of 136 countries	1st
8. Environmental Performance Index 2016	77 out of 180 countries	1st
9. Mercer's 2016 Quality of Living Survey	83 out of 230 countries	1st
10. Forbes Survey of Best Countries for Business 2017	39 out of 139 countries	1st
11. Social Progress Index 2016	40 out of 133 countries	1st

## INVESTMENT CENTRE FOR AFRICA & ASIA

Mauritius is a strategic Global Business jurisdiction situated at the crossroads of the Asia and Africa. The global business sector was introduced in 1992 and has, since then, been established as one of the leading international financial center of the region. Financial Business Activities that can be incorporated include:

1. Global Business Companies
2. Investment Holding Companies
3. Protected Cell Companies
4. Trusts
5. Global Funds (Especially investment focused on Indian, Asian, Middle Eastern and African Countries)
6. Limited Partnerships
7. Foundations

## DOUBLE TAXATION AGREEMENTS

b) 7 treaties await ratification: Gabon, Ghana, Jersey, Kenya, Morocco, Nigeria and Russia  
 c) 4 treaties await signature: Cote D'Ivoire, Gibraltar, Malawi and The Gambia  
 d) 21 treaties being negotiated: Algeria, Burkina Faso, Canada, Comoros Islands, Czech Republic, Greece, Hong Kong, Lesotho, Montenegro, North Sudan, Portugal, Republic of Iran, Saudi Arabia, Senegal, Spain, St. Kitts & Nevis, Tanzania, Vietnam, Yemen, Zambia and Mali.

## PROPERTY DEVELOPMENT SCHEME

A non-citizen is eligible for a residence permit upon the purchase of a villa under the PDS scheme when he has invested more than USD 500,000 or its equivalent in any freely convertible foreign currency.

## OCCUPATION PERMIT

The Occupation Permit (OP) is a combined work & residence permit which allows foreign nationals to work & reside in Mauritius under the following 3 specific categories.

### A. INVESTOR

A non-citizen is eligible to apply for an Occupation Permit as Investor provided they satisfy any of the following key conditions:

1. An Initial transfer of USD 100,000 and the business activity should generate an annual turnover of at least MUR 2 million for the first year and cumulative turnover of at least MUR 10 million for the subsequent two years.
2. An Investor who intends to bring in high-tech machinery and equipment as part of the investment of USD 100,000, must transfer a minimum of USD 25,000 and the remaining balance in terms of high-tech machinery and equipment.

### B. PROFESSIONAL

A professional should earn a monthly basic salary exceeding MUR 60,000. As for professionals in the ICT Sector, the monthly basic salary should exceed MUR 30,000.

### C. SELF-EMPLOYED

A Self-Employed should make an initial transfer of USD 35,000 or its equivalent in freely convertible foreign currency to his/her local bank account in Mauritius. The business activity should generate an annual income exceeding MUR 600,000 in the first 2 years and MUR 1,200,000 as from the third year.



## MAURITIAN PASSPORT HOLDERS

As of May 2018, Mauritian citizens had visa-free or visa on arrival access to 145 countries and territories, ranking the Mauritian passport 28th overall and second in Africa in terms of travel freedom according to the Henley Passport Index.

As of January 2018, Bosnia, Brunei, Grenada, Serbia, Seychelles and Mauritius are the only countries whose citizens may travel without a visa to China, Russia and the Schengen Area.



## RESIDENCE PERMIT

### A. RETIRED NON-CITIZEN

Foreign nationals, above the age of 50 years, may also choose to retire in Mauritius under a Residence Permit (RP).

### B. DEPENDENTS OF AN OP OR RP HOLDER

Spouse and children, including step children or lawfully adopted children, under 24 years may also apply for residence permits for a duration not exceeding that of the OP or RP holder.

## MAURITIAN CITIZENSHIP

### REGISTRATION OF COMMONWEALTH CITIZENS

Under section 5 of the Mauritius Citizenship Act a Commonwealth citizen may be registered as a citizen of Mauritius, if he has resided in Mauritius for a continuous period of 5 years.

### NATURALIZATION OF AN ALIEN OR BRITISH PROTECTED PERSON

Under section 9 of the Mauritius Citizenship Act, a non-commonwealth citizen may be naturalized as a citizen of Mauritius if he has resided in Mauritius for:

- i. a continuous period of 12 months immediately preceding the date of his application; and
- ii. during the 7 years immediately preceding the period of 12 months referred at (i), for aggregate periods amounting to not less than 5 years.

Under section 9(3) of the Mauritius Citizenship Act an investor may be naturalized as a citizen of Mauritius if:

- i. he has invested a sum of not less than 500,000 US dollars in Mauritius; and
- ii. he has resided in Mauritius for a continuous period of not less than 2 years preceding the date of his application.



A mythical bird that never dies, the phoenix flies far ahead to the front, always scanning the landscape and distant space. It represents our capacity for vision, for collecting sensory information about our environment and the events unfolding within it.

## **MASTER LAM KAM CHUEN**