

With its enviable strategic location between Africa and Asia, out in the Indian Ocean in peaceful seclusion, Mauritius is 'the place to be'. Having long been the tried and trusted investment route, the island has gained rising popularity in positioning itself as a well-regulated International Financial Centre (IFC) of choice, geared towards providing high-end financial services and investment structures regionally and globally.

# AFRICA RISING: MAURITIUS, A FAST-GROWING FINANCIAL HUB

**The Driver of Wealth Growth in Africa**  
Mauritius has worked hard to position itself as a world-class financial services hub. The island has all the right ingredients to make it an IFC of substance - efficient regulatory framework, political and economic stability, low tax regime, hybrid legal system, guaranteed confidentiality, ideal time zone, investment protection and fiscal incentives.

Between 2006 and 2016, Mauritius was the top performing African country for HNWI's with a growth of 230% as indicated in the AfrAsia Bank Africa Wealth Report 2017. Furthermore, the report estimates that 280 millionaires have moved to the island from South Africa alone since 2006. This reinforces the fact that Mauritius has strong fundamentals for wealth growth, representing one of Africa's highest per capita incomes.

**Key Reasons for using Mauritius as an Investment Platform**

- A talented and multilingual workforce, including legal, accounting, finance professionals
- Political stability guaranteed by a parliamentary democracy
- Membership with Financial Action Task Force (FATF), Organisation for Economic Cooperation and Development (OECD) and the UN
- A fiscal regime with corporate and

income taxes at 15%

- No capital gains tax, no withholding tax on interest and dividends
- No foreign exchange control and free repatriation of profits and capital
- Secure ownership rights encouraging investment in property and businesses
- Preferential market access to EU, African Growth Opportunity Act (AGO), Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC)
- A comprehensive network of Double Taxation Avoidance Agreements (DTAAs) & Investment Promotion and Protection Agreements (IPAs)
- Highly regarded for ease of doing business: Ranked 32nd worldwide and 1st in Africa by the World Bank Doing Business Survey 2016
- Occupation permits, that regroup residence and work permits for foreign investors and professionals, and which is processed within three working days
- Strategic time zone (GMT+4) to serve businesses across the world
- Frequent air connectivity to major European, African and Asian cities

**The AfrAsia Bank Africa Wealth Report 2017 confirms our findings that the African Continent will demonstrate encouraging growth in Wealth Creation**

**Smart Cities and Real Estate: The Investment Hotspots**

The thriving luxury tourism market together with a strong focus on contemporary and top-notch infrastructure contributes to rendering Mauritius a real estate investment hotspot. The facilitation of property acquisition in Mauritius has also undergone innovative changes, all in line with the overarching idea to transform Mauritius and ignite the economy's growth.

The real estate sector is mainly attractive due to the absence of any capital gains tax, estate or inheritance tax. The Property Development Scheme (PDS) replacing the IRS and RES schemes is one such pioneering measure that takes luxury residences to another level and allow for a residence permit if foreign buyers invest more than US\$500,000. At the same time, the concept of 'Smart Cities' initiated by the Government of Mauritius is encouraging global investment opportunities, to create innovative and sustainable dynamic cities of tomorrow. This will ultimately position



Mauritius as a homeland for a global economic hub and a preferred destination for investors and HNWI's.

**A Highly Sought-After Lifestyle Destination**

The island's reputation for luxury facilities reinforces Mauritius as an attractive country. The concept of 'Sun, Sea and Golf' fused with the recognition of 'Golf Destination of the Year' for Africa, the Indian Ocean and the Gulf States in 2016 by IAGTO promotes the island as a golf destination par excellence. This represents an attraction for the luxury segment looking for investment opportunities together with a lifestyle benefit, and simultaneously fuelling the growth of our tourism sector. Our yearly tri-sanctioned tournament, AfrAsia Bank Mauritius Open, is aimed at fulfilling our island's ambitions as a financial, logistics and lifestyle hub.

Some of the world's most desirable brands in the country accessible via shopping centres and restaurants also ensure a compelling lifestyle experience, while the increasing alternatives when it comes to choosing academic institutions such as Northfields, Charles Telfair Institute, International Preparatory Schools are additional factors that showcase Mauritius as an avant-garde economy.

**“The number of HNWI's in Africa are expected to rise by 36% over the next 10 years, reaching approximately 200,000 by 2026, and Mauritius's investor-friendly environment and its highly sought-after lifestyle make the island an attractive hotspot for the affluent segment.”**

**Thierry Vallet,  
General Manager,  
Consumer Banking,  
AfrAsia Bank**

**A Sophisticated Banking System on the Continent**

Being a gateway to Africa, Mauritius is gaining even more traction due to its skilled talent pool in various sectors: banking, legal, accounting, administration among others. The Mauritius financial sector is highly diversified and competitive, with more than 20 banks, comprising both local and prominent international ones, some of them being niche players catering for the HNW segment.

The sophistication of the island's banking sector provides a spectrum of services with evolving customer requirements and the need for diversified products across different asset classes as well as extended financial advice and a tailored wealth management suite compared to the traditional global banks' offering. The ingenious combination of both fiscal and non-fiscal advantages, our varied product base buttressed by world-class regulatory framework show the sophistication of our financial system on the continent, where Mauritius has taken the lead to be Africa's international financial hub.

**AfrAsia Bank, a regional player with international standing**

As the numbers of HNWI's in Africa are expected to rise by 36% over the next 10 years, it is hence imperative that our home-grown banks such as AfrAsia Bank carve a unique space for ourselves. Through our headquarters in Mauritius and our representative offices in Johannesburg and Cape Town, we are adopting an approach to be seen as finding solutions for our clients with a strong commitment to customer experience as well as leveraging digitally-enabled client interactions. Those solutions can range from expert financial advice, project finance, asset management to estate planning, asset protection, succession planning, and lifestyle privileges together with a concierge-style approach to wealth management.

**Looking Ahead**

According to 'The Lions on The Move II Report 2016' by McKinsey, Africa as a whole is projected by the International Monetary Fund to be the world's second-fastest growing economy to 2020. Therefore, Africa's growth is a promise, and Mauritius is undoubtedly poised to be the financial gateway encompassing a thriving business environment and an unmatched quality of life. AfrAsia Bank is well positioned to tap into the growing trade, investment and capital flows while remaining fully committed to promoting Mauritius as an attractive jurisdiction for investors and HNWI's.