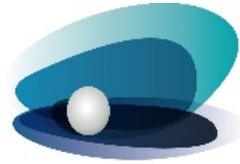


BOARD OF INVESTMENT



Board of Investment
Mauritius

The Property Development Scheme (PDS)

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PREFACE

This publication contains guidance for promoters who want to develop a project under the Property Development Scheme (PDS). These guidelines are based on provisions of the Investment Promotion Act 2000 and the Investment Promotion (Property Development Scheme) Regulations 2015 and are designed to provide information and assist in decision-making. They are neither intended to replace the provisions of the laws and should not be construed as one nor should they be interpreted as prescribing an exclusive course of management.

Whilst care has been taken to ensure that the information provided herein is accurate and correct, at the time of publication, users of this publication are advised to seek guidance from the Board of Investment in case of uncertainty or ambiguity encountered in reading. The Board of Investment shall, in no circumstances whatsoever, be held liable to any person arising from use of information contained herein.

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A. BACKGROUND

General Objective

This set of guidelines aims to:

- 1) define procedures required to be followed by promoters in line with requirements under the Property Development Scheme (PDS);
- 2) provide a comprehensive and user-friendly guide and reference document to assist investors to submit projects under the scheme;
- 3) avoid any misunderstanding in the interpretation, application or implementation of agreed procedures, rulings and regulations and ensure that the implementation of all PDS projects is always in pursuance of and are consistent with the PDS Regulations.

More specifically, this set of guidelines shall:

- 4) facilitate the submission and processing of applications for new projects through a clear, streamlined and more transparent project development, evaluation, approval and implementation process; and
- 5) ensure the application of the provisions of the Investment Promotion Act and the Investment Promotion (Property Development Scheme) Regulations 2015.

Definition of terms

For purposes of these guidelines, the terms and phrases used herein shall be understood to mean as follows:

- 2.1 Architect – a person registered under the Professional Architects' Council Act.
- 2.2 Bank guarantee - An indemnity letter in which a bank in Mauritius commits itself to pay a certain sum if the PDS Company fails to perform as per the terms and conditions.
- 2.3 Board of Investment – Statutory body established under the Investment Promotion Act that issues the PDS Certificate.
- 2.4 Builder – a person who uses his own human and material resources or those of third parties to execute building works.
- 2.5 Building and Land Use Permit – has the same meaning as in the Local Government Act.

- 2.6 Clearance Certificate – a clearance certificate as in the Investment Promotion (Property Development Scheme) Regulations 2015.
- 2.7 Common law partner – means a non-citizen as defined in the Investment Promotion (Property Development Scheme) Regulations 2015.
- 2.8 EIA – EIA is a study that predicts the environmental consequences of a proposed development. It evaluates the expected effects on the natural environment, human health and on property.
- 2.9 Engineer – a professional engineer registered under the Registered Professional Engineers Council Act.
- 2.10 Independent Agent - means an architect or an engineer or a quantity surveyor or a certification body hired by the PDS Company to act as an independent third party for the purpose of the Investment Promotion (Property Development Scheme) Regulations 2015.
- 2.11 Letter of Approval – document issued by the Board of Investment on approval of a project which lays down the terms and conditions that should be satisfied for the issuance of a PDS Certificate. The Letter of Approval entitles the PDS Company to benefit from exemption from Morcellement Act. The PDS Company can sign a “contrat préliminaire en état future d’achèvement”.
- 2.12 Mauritian Diaspora Scheme - means the Mauritian Diaspora Scheme prescribed under the Investment Promotion Act.
- 2.13 PDS Company – a Company, incorporated under the Companies Act 2001,
(a) holding a registration certificate and whose PDS project has been approved by the Board; and
(b) includes a company holding a PDS certificate;
- 2.14 PDS Social Fund means the contribution referred to in regulation 11 of the Investment Promotion (Property Development Scheme) Regulations 2015.
- 2.15 PER - PER is generally meant for assessing projects with lesser environmental impacts to identify the impacts associated with the proposed development and the means of mitigation
- 2.16 Purchaser – any person investing in the acquisition of a residential property under the PDS.

- 2.17 Quantity Surveyor – a person registered under the Professional Quantity Surveyors’ Council Act.
- 2.18 Residence permit – a written permit issued by the Prime Minister’s Office authorizing a non-citizen other than a prohibited non-citizen to enter Mauritius or, to be in Mauritius or to remain in Mauritius. The permit is expressed to be in force for a specified period.
- 2.19 Social needs – refers to assessment of social needs of the region and social contribution in terms of social amenities, community development and other facilities.

Legal Basis

The legal basis for these guidelines is the:

- 1) Investment Promotion Act 2000, as amended
- 2) Investment Promotion (Property Development Scheme) Regulations 2015.

B. THE PROPERTY DEVELOPMENT SCHEME (PDS)

About the scheme

The Property Development Scheme (PDS) allows the development of a mix of residences and the programme is designed to facilitate the acquisition of residential property by non-citizens in Mauritius. The PDS is basically an integrated project with social dimensions for the benefit of the neighbouring community and allows for the development and sale of high standing residential units mainly to foreigners.

At least 25% of the residential properties developed under PDS must be sold to Mauritians and member of the Mauritian Diaspora.

The Property Development Scheme provides for the following:

1. **development** of luxurious residential units **on freehold land of an extent of at least 0.4220 hectare (1 arpent) but not exceeding 21.105 hectares (50 arpents)**.
2. **high quality public spaces** that helps promote social interaction and a sense of community
3. **high-class leisure, commercial amenities and facilities** intended to enhance the residential units.
4. **day-to-day management services** to residents including security, maintenance, gardening, solid waste disposal and household services.
5. **social contribution** in terms of social amenities, community development and other facilities for the benefit of the community.

Eligibility for acquisition of residential property

The following persons may acquire a residential property from a PDS Company:

- (a) a natural person, whether a citizen of Mauritius, a non-citizen or a member of the Mauritian Diaspora;
- (b) a company incorporated or registered under the Companies Act;
- (c) a société, where its deed of formation is deposited with the Registrar of Companies;
- (d) a limited partnership under the Limited Partnerships Act;
- (e) a trust, where the trusteeship services are provided by a qualified trustee; or
- (f) Foundation under the Foundations Act.

Note: A qualified global business as defined under the Financial Services Act 2007 holding a Global Business Licence **may** acquire property under the PDS scheme.

Residential property

A project under the PDS must have at least 6 residential units. The residential properties may be a mix of:

- Luxury villa with attending services and amenities
- Luxury apartment with attending services and amenities
- Penthouse with attending services and amenities
- Other similar properties used, or available for use, as residence with attending services or amenities

Extent of residential property

The extent of land in respect of each residential property, other than for an apartment or a penthouse, is developed on land not exceeding 2,100 square metres excluding common areas.

Cost per residential property

There is no restriction on the minimum price for the acquisition of a residential property under PDS.

Commercial & leisure amenities

Under the Scheme, the promoters must make provisions for setting up of high-class leisure and commercial amenities and facilities intended to enhance the residential units and shall be accessible to the community. Promoters should ensure to promote inclusiveness through high quality public spaces within the development. The commercial/leisure component must be commensurate to the scale of the proposed development.

C.THE PDS CERTIFICATE

A PDS Certificate

- A PDS certificate issued under section 18 of the Investment Promotion Act is conclusive evidence that all the requirements of the Act and the Investment Promotion (Property Development Scheme) Regulations 2015 as to an investment project submitted to the Board of Investment have been complied with. From the date of issue of the certificate, the company is responsible for the development, implementation and management of the PDS project in accordance with the approval granted by the Board of Investment.
- The Company issued with a PDS Certificate has to implement the project as approved by the Board of Investment and cannot change the use to which each major part of the integrated area has been approved, without the prior approval of the Board of Investment.
- In case of substantial change in the ownership or transfer of shares in the Company, issued with a PDS Certificate, which could impact on the control of the company, the PDS Certificate will automatically be considered as null and void.

Stages to be followed prior to the issue of an PDS Certificate



Stage 1: Submission of application for PDS Certificate

1. An application for a PDS Certificate must be made to the Managing Director of the Board of Investment. The document should be signed by the director of the company making the application. Where an application is submitted by a third party (e.g. consultant), a Power of Attorney or a mandate letter given by the applicant to the third party must be submitted.
2. The duly completed and signed application form must be submitted with the following mandatory documents (submitted in both soft and hard copies):
 - a. **Certificate of Incorporation together with the register of shareholders** – Conclusive evidence issued by the Registrar of Companies that a company is incorporated under the Companies Act 2001 and is a body corporate with the name by which it is registered.
 - b. **A Board resolution nominating ‘the director’ who will act on behalf of the PDS Company (i.e, the person who is authorised to sign the application form and other documents)**
 - c. **Detailed business plan** containing:-
 - i. Background of promoters and investors
 - ii. Project components and description
 - iii. Proposed date of start of construction
 - iv. Marketing plans
 - v. Detailed financial structure of project (projected cash flow, annual income statement, selling price)
 - d. **Site/location plan by sworn land surveyor and context plan as per Outline Scheme** – Plan showing the exact location of the immovable property
 - e. **Detailed master plan** for the whole project – A document that describes, with a map, the overall development concept.
 - f. **House architecture and drawings** - Drawings showing the artistic impressions of the residential components
 - g. **Title Deed** of the present land owner in case the promoter is bringing his land as “*apport en capital*” in the project **or**;

Presale agreement (promesse de vente) between the present landowner and company making an application for a PDS certificate where there shall be a sale.

- h. **Valuation report** of the subject property where the project shall be implemented – the valuation report has to be prepared by a chartered land valuer.
- i. **Documents showing proof of funds** - A bank confirmation or a letter of arrangement that demonstrates that the investor has the ability and funds available for the project.
- j. **Social Impact Assessment** - Social Impact Assessment to identify the impact of the proposed development on the neighbourhood;
- k. **Social Needs Assessment** – An assessment of the social needs of the region on terms of social amenities, community development and other facilities.

Note 1: BOI will not consider PDS projects to be implemented over leasehold land including Stateland.

Note 2: An application shall be considered as ready for processing by the BOI at the date by which all the information, particulars and documents have been duly submitted and considered as complete by BOI.

Note 3: A project under the Scheme will be allowed for development only where it is planned for development:

1. **within settlement boundaries**
2. **within edge of settlement boundaries**
3. **within projects approved under the Smart City Concept.**

Projects should follow a sequential approach to planning and preference will be given to infill sites and growth zones.

Stage 2: Site visit and presentation of project to technical committee

Once the above documents are submitted to BOI, a site visit shall be carried out, following which, promoters will be called upon to make a presentation of their project to relevant Government bodies. The promoters are required to highlight in particular:

- a. Project details
- b. The issues that may hinder the realization of the project
- c. Areas requiring BOI and other authorities involvement
- d. Particulars of how the benefits of the project shall accrue to the neighbouring community

The technical committee comprises of representative of all relevant public sector agencies.

Stage 3: Issue of Letter of Approval

A Letter of Approval is issued to the company making the application for the PDS certificate where:

- a. the project meets the criteria of the scheme as stipulated in the Investment Promotion (Property Development Scheme) Regulations 2015 and;
- b. the technical committee members have no objection to the project

The Letter of Approval (LOA) is valid for a period of 12 months from the date of the letter. The LOA stipulates all the conditions that should be met for the issue of the PDS Certificate to the company and may include the following, inter-alia:

- c. a written declaration that the landowner(s) shall retain shareholding in the PDS company at least 1 year after completion of the project;
- d. where applicable, obtention of the EIA Licence or PER from the Ministry responsible for Environment, Sustainable Development, Disaster and Beach Management;
- e. obtention of the Building and Land Use Permit from the District or Municipal Council
- f. a written undertaking to the Board of Investment that the benefits of the development of the project under the Scheme will accrue to the neighbouring community and to small entrepreneurs generally, in terms of employment and business opportunities.
- g. Furnishing a bank guarantee of 50, 000 rupees per residential property in favour of the Board of Investment. This guarantee is to ensure that the PDS Company completes construction works within the timeframe specified in the certificate.
- h. Letter from a registered financial institution confirming that it will provide a 'Garantie Financière d'Achèvement' (GFA) for the project for sales made under the provisions of the vente en l'état futur d'achèvement.

- i. Social needs analysis report - The social needs analysis forms the basis for determining the social amenities, community development and other facilities that shall be provided to people of the region and neighbouring community. Social needs analysis covers various facets including identification of the client population and preparing a socio-economic profile for each population identified and assessing the needs of the community.
- j. Social Impact Assessment report - Social Impact Assessment (SIA) provides an appraisal of the impacts on the day-to-day quality of life of the immediate communities whose environment is affected by the proposed project.

In case of substantial change in the ownership or transfer of shares in the company subsequent to the issue of the letter of approval which could impact on the control of the company, the Letter of Approval would automatically be considered as null and void.

Stage 4: Obtention of permits and licences & provision of Bank Guarantee

1. The company will have to apply for and secure the different statutory permits and licenses (viz. Land Conversion Permit, EIA License, Building & Land Use Permit) required for the implementation of the PDS project.
2. The company will have to furnish a bank guarantee of 50, 000 rupees per residential unit (including serviced land) in favour of the Board of Investment. This guarantee is to ensure that the PDS Company completes construction works within the period specified in the Certificate.

Stage 5: Issue of PDS Certificate

A PDS Certificate is issued after:

- a. Submission to the Board of Investment of the title deed duly registered and transcribed that witnesses the transfer of land to the company holding the letter of approval for the purposes of the PDS project;
- b. Obtention of the EIA Licence (if applicable) and the Building and Land Use Permit from the District or Municipal council
- c. Submission of an implementation plan relating to the project(s) with full details including and timeframe for completion;
- d. Letter from a registered financial institution confirming that it will provide a 'Garantie Financière d'Achèvement' (GFA) for the project

for sales made under the provisions of the vente en l'état futur d'achèvement;

- e. A bank guarantee of 50,000 rupees per residential property is furnished in favour of the Board of Investment;
- f. A written undertaking is entered by the promoter with the Board of Investment that the benefits of the development of the project under the Scheme shall accrue to the neighbouring community and to small entrepreneurs generally, in terms of employment and business opportunities; and
- g. Submission of a social implementation plan relating to the details of the projects and undertakings, nature of the social contribution, timeframe for the implementation and completion of the projects and estimated costs.

A PDS Certificate is issued subject to the following terms and conditions:

- h. The PDS Company shall at all times be responsible for the execution, promotion, development and the proper implementation of the scheme in accordance with the approval granted by the Board of Investment.
- i. (a) The PDS Company shall only conduct such business or activity, being business or activity permissible under the laws of Mauritius. Where such business requires any licence, authorization, permission, or consent (however described), the business must not be undertaken until such has been obtained.
(b) The PDS Company shall keep at its registered address a copy of such business licence/authorization, permission or consent (however described) obtained from any other Authority in relation to the conduct of its activities.
- j. The PDS Company shall forthwith notify the Board of Investment of any material change from the scheme as approved by the Board.
- k. The PDS Company shall –
 - i. implement the scheme as approved by the Board;
 - ii. not change the use to which each major part of the integrated development area shall be put without the approval of the Board.
- l. The PDS Company shall provide the Managing Director, **every month, a progress report** on:
 - (i) the building works certified by a principal agent; and
 - (ii) the implementation of the scheme.

- m. The PDS Company must appoint an independent quality assurance contractor who shall ensure that
 - i. Construction works conform with standards set out in the contract with the builder and in accordance with the *notice descriptive* required under articles 1601-7 and 1601-29 of the Code Civil Mauricien;
 - ii. At the time of delivery of a residential property to a purchaser, issue a clearance certificate stating that the construction works conform with the standards set out in the contract between the PDS Company and the builder.
- n. The PDS Company shall not sell any residential property under the Scheme unless the person acquiring the residential property has obtained the authorization under the Investment Promotion (Property Development Scheme) Regulations 2015.
- o. The Board of Investment shall be informed of any change in shareholding structure and the general financial condition of the PDS Company during the entire phase of the implementation of the scheme. Where the PDS Company has delegated, subcontracted or assigned any part of the works required in pursuance to the scheme, the Board of Investment shall be notified forthwith of such appointments.
- p. The income tax payable by the PDS Company as well as the exemption from income tax on dividends paid to shareholders shall be in accordance with the provisions of the Income Tax Act as amended.
- q. The PDS Company is warned that pursuant to section 27 (1) of the Investment Promotion Act any person who contravenes the Investment Promotion Act and the Investment Promotion (Property Development Scheme) Regulations 2015 shall commit an offence and shall, on conviction, be liable to a fine not exceeding 100,000 rupees and to imprisonment for a term not exceeding 3 years.

D. PDS SOCIAL FUND

PDS Social Fund

1. A PDS Company shall be required to set up a PDS Social Fund to implement the social programme identified in the social needs analysis and provide for social amenities, community development and other facilities for the neighbouring community.
2. The PDS Company shall every quarter report the progress on the implementation of the social needs.

Level of PDS Social Fund

The amount of the PDS Social Fund shall be calculated at the rate of MUR 200, 000 per residential property.

Social Impact Assessment

1. The company intending to carry out a PDS project shall be required to submit a social impact assessment. *Note the social impact assessment has to be submitted to enable the issue of the PDS Certificate.*
2. The purpose of the social impact assessment is to identify the impact of the proposed development on the neighbourhood. It analyses, monitors and manages the intended and unintended social consequences, both positive and negative, of the planned development.
3. All issues that affect people, directly or indirectly are pertinent to the social impact assessment.
4. The following key elements must be considered while preparing the social impact assessment:
 - a. Identification of the positive and negative social aspects of the development
 - b. Consultation process with stakeholders
 - c. Mitigating measures
 - d. Social development programme
5. The PDS Company will have to provide a written undertaking to BOI that the benefits of the project as identified in the project will accrue to the people of the community and to small entrepreneurs.
6. The PDS Company shall, every quarter or such other later period, submit a progress report on the implementation of the social needs programme.

E. SALE OF RESIDENTIAL PROPERTY

Eligibility for acquisition of residential property

The following persons may acquire a residential property from a PDS Company:

- (a) a natural person, whether a citizen of Mauritius, a non-citizen or a member of the Mauritian Diaspora;
- (b) a company incorporated or registered under the Companies Act;
- (c) a société, where its deed of formation is deposited with the Registrar of Companies;
- (d) a limited partnership under the Limited Partnerships Act;
- (e) a trust, where the trusteeship services are provided by a qualified trustee; or
- (f) Foundation under the Foundations Act.

Note: A qualified global business as defined under the Financial Services Act 2007 holding a Global Business Licence **may** acquire property under the PDS.

Basis of sale of residential property

1. A residential property under the PDS may be sold either on the basis of a plan, during the construction phase or when the construction is completed.
2. Where the acquisition of an immovable property is made on the basis of a plan or during the construction phase, the contract shall be governed by the provisions of a “*vente à terme*” or “*vente en l’état futur d’achèvement (VEFA)*”, as the case may be, in accordance with the provisions of articles 1601-1 to 1601-45 of the Code Civil Mauricien.
3. A sale for future delivery is the contract by which the seller undertakes to deliver the building on its completion, and the buyer undertakes to take delivery of it and to pay the price of it at the date of delivery. The transfer of ownership is achieved by operation of law by the acknowledgement of the completion of the building through an authentic instrument; it is effective retroactively on the day of the sale.
4. A sale in a future state of completion is the contract by which a seller transfers at once to the buyer his rights in the ground as well as the ownership of the existing structures. The works to come become the property of the buyer as they proceed; the buyer is bound to pay the price of them as the work proceeds.

5. In accordance with the provisions of Article 1601-30 of the Code Civil, the price of a residential unit when sold under “vente en l’état futur d’achèvement” is payable in instalments as the work progresses, as follows:
 - a. Upon signing of the deed: 25%
 - b. Upon completion of the foundation works: 10%
 - c. Upon completion of roofed-in phase: 35%
 - d. Upon completion: 25%
 - e. Upon availability of premises: 5%
6. The PDS Company shall sell at least 25% of its residential properties to a citizen of Mauritius or a person registered under the Mauritian Diaspora Scheme.

Acquisition of residential property

1. Where a residential property is acquired by a non-citizen or a company whose shareholders are non-citizens or a trust whose beneficiaries are non-citizens or the associates of a societe are non-citizens, the payment can be made in US dollars or its equivalent in any other freely convertible foreign currency.
2. A citizen of Mauritius can acquire a residential property and effect payment in Mauritian rupees, or its equivalent in any other freely convertible foreign currency.
3. Where payment shall be effected in currencies other than USD, the Board of Investment will use the exchange rate at selling price in force on the date of the application to calculate the USD equivalent.
4. Where a residential property is acquired by a non-citizen, the investment in the acquisition of that residential property must be financed by the purchaser from funds outside Mauritius and transferred to Mauritius through any reputable bank listed in the Banking Almanach recognized by the Bank of Mauritius.
5. Where a loan is contracted in **Mauritius currency** with a bank in Mauritius, the first 500, 000 US dollars must be paid in USD or its equivalent in any other freely convertible foreign currency; and the repayment of the loan must be effected in any freely convertible foreign currency.

Obligations of the PDS Company

At the time of delivery of the residential property, the Notary Public should require

1. from the builder - a property damage insurance policy in favour of the PDS Company or an eventual purchaser or a subsequent purchaser of a residential property to guarantee for a period of one year from the delivery of the residential property to the PDS Company, the payment of compensation for any property damage due to execution faults or defects which affect the finish works or elements;
2. from the PDS Company, in relation to each residential property, to subscribe:
 - (i) **a property damage insurance policy in favour of eventual or subsequent buyers to guarantee, for a period of 2 years from the date of delivery of the residential property to the purchaser, the payment of compensation for any property damage resulting from faults or defects in non-structural elements or services resulting in the non-compliance with the requirements of a deed of sale in respect of a residential property; and**
 - (ii) **a property damage insurance policy in favour of eventual or subsequent buyers to guarantee, for a period of 10 years from the date of delivery of a residential unit to the purchaser, the payment of compensation for any property damage caused to a residential building by faults or defects originating in or affecting the structural elements including the foundation, supports, beams, framework, load-bearing walls, or other structural elements and which could directly jeopardise the building's structural soundness and stability.**

Sale of serviced land

1. A PDS Company may sell serviced land not exceeding 25 percent of its land area planned for the construction of residential properties on condition that –

- l. there is no material deviation in the land area allocated for the construction of residential properties as approved by the Board;
- m. the commercial facilities and leisure amenities have been completed;
- n. the infrastructural works including roads, walls, drains, landscaping and utility services have been completed in respect of the area of the serviced land;
- o. each plot of serviced land for sale does not exceed 2,100 square metres;

- p. the purchaser constructs a residential property on the land within 5 years from the date of its acquisition in accordance with the architectural guidelines issued by the PDS Company.

2 “serviced land” means land with all the infrastructural works including roads, walls, drains, landscaping and utility services.

3. No non-citizen who acquires a plot of serviced land shall be eligible to apply for a residence permit unless the construction of a residential property has been completed on that plot.
4. No plot of serviced land acquired shall be sold or transferred unless the construction of the residential property is completed on the plot.

Documents to be submitted prior to sale of property

The PDS Company must submit to BOI after the issue of the PDS Certificate and prior to the sale of any immovable property under the PDS, final specimen copies of the following documents:

- a) **“Contrat de réservation préliminaire a une vente en état future d’achèvement”** – A contract witnessing the reservation made by the applicant with the PDS Company for a specified plot in the PDS project. The contract is governed by the provisions of article 1601-38 of the Code Civil Mauricien.
- b) **“Contrat de vente en état future d’achèvement d’une maison individuelle”** – The contract of sale between the PDS Company and the buyer. This contract is governed by the provisions of the Code Civil Mauricien;
- c) **Guarantee of due completion by way of surety conformably to article 1601-34(b) of the Code Civil Mauricien** – A formal agreement that the PDS company has entered into with a banking institution in Mauritius to ensure the financing and implementation of the villa. The banking institution should be listed on the Banking Almanach recognized by the Bank of Mauritius;
- d) **“Reglement de co-propriete” et “Cahier de Charge”** – These are defined in the sales contract under vente en état future d’achèvement.

Please note that no application for acquisition of immovable property by non-citizens, or citizens, companies, trusts or société shall be considered by the Board of Investment if the above documents have not been duly submitted to the BOI.

Application to acquire property under PDS

1. A non-citizen, citizen, company, société or trust wishing to acquire property under the scheme shall make an application to the Board of Investment. The application must be submitted by a PDS Company online to BOI using the Property Acquisition and Management System (<http://pams.investmauritius.com/Login/>).
2. Every application for the acquisition of property under the PDS together with such information, particulars and documents as specified in this guideline and a non-refundable processing fee of 10,000 rupees must be made through the PDS Company and addressed to the Managing Director of the Board of Investment.
3. The non-refundable processing fee of 10,000 rupees must be paid through cheque by the PDS Company and drawn to the order of the Board of Investment. (The PDS company may pay in advance a sum for a batch of applications)
4. An application shall be considered as ready for processing by the Board of Investment at the date by which all the information, particulars and documents have been duly submitted and considered as complete by BOI.

Screening of application

1. The PDS Company shall carry out due diligence exercise through a reputable bank for all applications received prior to submission of same to the Board of Investment. The PDS Company's bank shall carry a Know Your Client (KYC) exercise and open a bank account for the client called the "Escrow Account".
2. The PDS company may sign the "Contrat de réservation préliminaire a une vente en etat future d'achevement" for the plot. The potential buyer shall deposit at most 25% of the amount of investment in the acquisition of the property in the bank.
3. The PDS Company shall forward the completed application form duly filled and signed to the Managing Director of BOI for approval.
4. **In the case of a non-citizen, the following documents must be submitted to the BOI:**
 - a) Completed application to enter Mauritius form for a residence permit
 - b) Duly authenticated copy of first 5 pages of passport

- c) Duly authenticated birth certificate
- d) Certificate of morality dated not more than 6 months
- e) Letter from the bank certifying the KYC exercise for the client.

If the non-citizen intends to apply for the status of residence in Mauritius, the following additional documents must also be submitted to the BOI:

- f) Medical certificate to the effect that the applicant is free from any contagious diseases valid not more than 6 months.
- g) If applicant is accompanied by dependents (his spouse or common law partner, his child, stepchild, lawfully adopted child, under the age of 24 years, or above the age of 24 years and who is pursuing full-time education, or a wholly dependant next-of-kin, documentary evidence of relationship, i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.
- h) 2 passport size photographs per applicant.

5. In the case of a Corporate Applicant (Company):

- a) Certificate of registration evidencing the company is registered as a foreign company under the Companies Act 2001 or Certificate of incorporation under the Companies Act 2001, as may be the case;
- b) The Business Registration Card;
- c) Register of shareholders.

If the company intends to apply for the status of residence in Mauritius for any shareholder in the company, executive director or chief executive officer of the company, the following additional documents must also be submitted to the BOI:

- d) A board resolution from the company's secretary or director nominating a non-citizen (shareholder, executive director or chief executive officer of the company) to reside in the residential property and be entitled to residence permit.
- e) The documents requested in paragraph 4 (a), (b), (c), (d), (e), (f) and (h) for the nominee must accompany the application for residence permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of

the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

- f) 2 passport size photographs per applicant.

6. In case of trust where the trusteeship services are provided by a qualified trustee

- a) Evidence from the Financial Services Commission that the trustee is a qualified trustee under the Trust Act 2001

If the qualified trustee intends to apply for the status of residence in Mauritius for a beneficiary of the trusts, the following additional documents must also be submitted to the BOI:

- b) Trust deed;
- c) A letter from the qualified trustee nominating a non-citizen (beneficiary of the trust) to reside in the residential property and be entitled to residence permit.
- d) The documents requested in paragraph 4 (a), (b), (c), (d), (e), (f) and (h) for the nominee must accompany the application for residence permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

7. In case of a société where its deed of formation is deposited with the Registrar of Companies

- a) Evidence of the société having a file number with the Registrar of Companies and deed of formation deposited with the Registrar of Companies
- b) Status of the Société;

If the gérant of the société intends to apply for the status of residence in Mauritius for an active associate of the société, the following additional documents must also be submitted to the BOI:

- c) A letter from the gérant nominating a non-citizen (active associate of the société) to reside in the residential property and be entitled to residence permit.
- d) The documents requested in paragraph 4 (a), (b), (c), (d), (e), (f) and (h) for the nominee must accompany the application for residence

permit. If nominee is accompanied by dependents, documentary evidence of relationships i.e. birth and marriage certificate, copy of the first 5 pages of each dependent's passport, medical certificate of each dependent and morality certificate of spouse.

8. In the case of Limited Partnership, the following documents should be submitted:

- (a) Partnership agreement
- (b) Registration certificate of the Limited Partnership by the Registrar of Companies
- (c) Duly authenticated copy of first 5 pages of passport of each limited partner
- (d) Letter from the bank certifying the KYC exercise for the client

9. In the case of Foundation, the following documents need to be submitted:

- (a) The charter of Foundation
- (b) Registration certificate of the Foundation by the Registrar of Companies
- (c) Details of the beneficiary, founder, secretary and council
- (d) Duly authenticated copy of first 5 pages of passport of each beneficiary
- (e) Letter from the bank certifying the KYC exercise for the client

In the case of a Citizen of Mauritius:

The applicant is required to submit along with the application form to acquire property in Mauritius, his/her National Identity card and letter from the bank certifying opening of an escrow account.

Note: The company's secretary, director, gerant or qualified trustee, of the entity, as the case may be, may make a nomination not more than once a year.

Residency in Mauritius

1. Pursuant to Regulation 15 of the Investment Promotion (PDS) Regulations 2015, a residence permit under the Immigration Act is granted to the non-citizen upon acquisition of a residential property not less than USD 500,000 or its equivalent in any other freely convertible foreign or Mauritian currencies. The residential property is deemed to be acquired on its registration and payment of the fixed duty of 5% the value of property to the registrar general.

2. Notwithstanding the above, a non-citizen who acquires a plot of serviced land shall **not** be eligible to apply for a residence permit unless the construction of a residential property has been completed on that plot.
3. The PDS Company must inform BOI by way of a letter addressed to the Managing Director on registration of the immovable property and submit a certificate from the Notary to the effect that the deed drawn has been duly registered and transcribed.
4. The residence permit granted to the non-citizen remains in force until such time the non-citizen shall hold the residential property under the scheme or where the person nominated by the company's secretary, director, gerant or qualified trustee, of the entity, as the case may be, informs the Board of Investment to terminate the residency.

Rental of residential property by a purchaser

1. The owner of a residential property may rent his/her property through the PDS Company holding the PDS Certificate or a service provider appointed by the PDS Company to provide property management services.
2. The PDS Company must inform the Board of Investment of the service provider that has been appointed.

Resale or transfer of residential property by a purchaser

1. The owner of a residential property is allowed to resell his/her property at no minimum price.
2. Where the owner of a residential property intends to sell or transfer the property, he/she is required within 30 days prior to the sale, give notice in writing thereof to the Managing Director of BOI. A copy of the notice shall be given to the PDS Company.
3. The sale or transfer of the residential property can only be made to:
 - a. a natural person, whether a citizen of Mauritius, a non-citizen or a member of the Mauritian Diaspora;
 - b. a company incorporated or registered under the Companies Act;

- c. a société, where its deed of formation is deposited with the Registrar of Companies;
- d. a limited partnership under the Limited Partnerships Act;
- e. a trust, where the trusteeship services are provided by a qualified trustee; or
- f. a Foundation under the Foundations Act.

The person acquiring the residential property is required to submit an application as per these guidelines. The application must be accompanied by an attestation of opening a bank account through which money for payment shall be transferred and a non-refundable fee of 10, 000 rupees paid by mode of a cheque drawn to the order of the Board of Investment.

F. DUTY AND TAXES

Duty and taxes on acquisition of land for PDS project	
Duty	Rates
Land Transfer tax for property (payable by the seller of land on the value of the property)	5% of the value of the property
Registration duty (payable by the company intending to do the PDS project on the value of the property)	5% of the value of the property

Duty and taxes on acquisition of residential property by purchaser from a PDS Company	
Duty	Rates
Land Transfer tax (payable by the PDS Company at the time of registration)	5% of the value of the property
Registration duty (payable by the purchaser at the time of registration)	5% of the value of the property
No duty and taxes shall be payable on a deed witnessing the transfer of residential property to a person holder of a registration certificate under the Mauritian Diaspora Scheme.	

***A developer of an PDS project can pay the land transfer tax on the transfer of a residential property under Vente en l'Etat Futur d'Achèvement (VEFA) in 4 equal 6-monthly instalments provided that they submit, at the time of registration of the deed of transfer, a bank guarantee equivalent to the remaining balance of the land transfer tax leviable.**

Duty and taxes on acquisition of residential property by purchaser from a person holder of a residential property , i.e resale of residential property	
Duty	Rates
Land Transfer tax (payable by the seller of residential property)	5% of the value of the property
Registration duty (payable by the purchaser)	5% of the value of the property

G. Bank Guarantee Template

To: The Managing Director
Board of Investment
10th Floor, One Cathedral Square Building
16, Jules Koenig Street
Port Louis

In accordance with the provision of regulation 8 (d) of the Investment Promotion (Property Development Scheme) Regulations 2015 and a condition of the letter of approval which interalia provides for production of a Bank Guarantee of 50,000 rupees per residential property, [name of PDS Company] (hereinafter called "PDS Company") having its registered address at [address of PDS Company] shall deposit with the Board of Investment, a statutory body established under the Investment Promotion Act 2000, a bank guarantee to guarantee that the PDS Company shall complete the construction works within the period specified in the certificate. in an amount of [amount of Guarantee] _____ [in words].

We, the [*bank and indicate the address and other particulars of the Bank*] (hereinafter called "the bank"), as instructed by the PDS Company, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to the Board of investment on first demand by the Managing Director of the Board of Investment without whatsoever right of objection on our part stating that the amount claimed is due by way of failure to abide by regulation 9 (3) (a) of the Investment Promotion (Property Development Scheme) Regulations 2007, in the amount not exceeding [*amount of Guarantee*]__ [in words].

WE, THE BANK , DO HEREBY DECLARE AND AGREE that the decision of the Board of Investment as to whether the PDS Company has failed to abide by any terms and condition under the said regulations shall be final and binding on us.

WE, THE BANK, DO HEREBY DECLARE AND AGREE that the notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to [amount of Guarantee] __ [in words] and our Guarantee shall remain in force until [year] from the date hereof. Unless a demand or claim under this Guarantee is made on us in writing within this date, all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities thereunder.

SIGNATURE AND SEAL OF THE BANK:

Name of bank:

Address:

Dated this day of20.....