



FREEPORT COMMUNIQUE



To transform the Freeport into an internationally trusted platform, the Freeport regime has been aligned with the OECD, EU and WTO requirements.

1. Freeport Developers and Freeport Operators are hereby informed that with the coming into operation of the Finance (Miscellaneous Provisions) Act 2018, the following amendments have been brought to the Freeport Act:

- a) The corporate tax exemption has been removed, henceforth any new freeport operator and private freeport developer will be subject to 3% corporate tax on export of goods;
- b) Freeport operators and private freeport developers will continue to be exempted from the Corporate Social Responsibility (CSR) contribution;
- c) Repairs and maintenance of heavy duty equipment has been introduced as an authorized freeport activity;
- d) Exhibition area may be used within the Freeport zone related to Vault activity.
- e) Henceforth, the 50% quota for sales of goods on the local market will no longer apply to Freeport Operator and Private Freeport Developer;
- f) The maximum period for warehousing of goods in the Freeport will be limited for a period of 24 months. A moratorium period of 42 months will be granted on goods warehoused in the Freeport before 14th June 2018;
- g) The Manufacturing activity has been removed in the Freeport, henceforth Freeport Certificate will not be issued to new freeport operator and private freeport developer under manufacturing.
- h) Provision of services will not be allowed within the Freeport for new Freeport Operator or Private Freeport Developer related to the following:
 - Freight Forwarding Services;
 - Global Trading; and
 - Providing Freeport related services outside Mauritius for advisory, marketing, engineering, project management, technical support and related services through a company incorporated in Mauritius.

2. Freeport Developers and Freeport Operators are also informed that:

- a) The current tax regime will continue to apply until 30th June 2021 to Freeport operator and private freeport developer which have been issued with a freeport certificate before 14th June 2018;
- b) Existing manufacturing companies issued with a Freeport Certificate before 14th June 2018 will continue their business operations under the Freeport regime provided the Freeport operator continues to carry out the same manufacturing activity, and the current tax regime will continue to apply until 30th June 2021.
- c) A Freeport operator and private freeport developer issued with a freeport certificate before 16th October 2017 to provide services, may continue to operate within the Freeport until 30th June 2021;
- d) Any Freeport goods referred to point 1(f) shall be stored in the Freeport for a maximum period of:
 - 42 Months where the goods are entered on or before 30 September 2018.
 - 24 months where goods are entered on or after 1 October 2018.