

INVEST *in* MAURITANIA 2024





Following a significant overhaul carried out by the tax administration, a new General Tax Code was adopted by Law No. 2019-018 of April 29, 2019, published in Official Journal No. 1436 of April 30, 2019. The provisions of the new Code have been applicable since January 1, 2020, as provided for by Circular No. 2019-04 of May 7, 2019, issued by the Director General of Taxes.

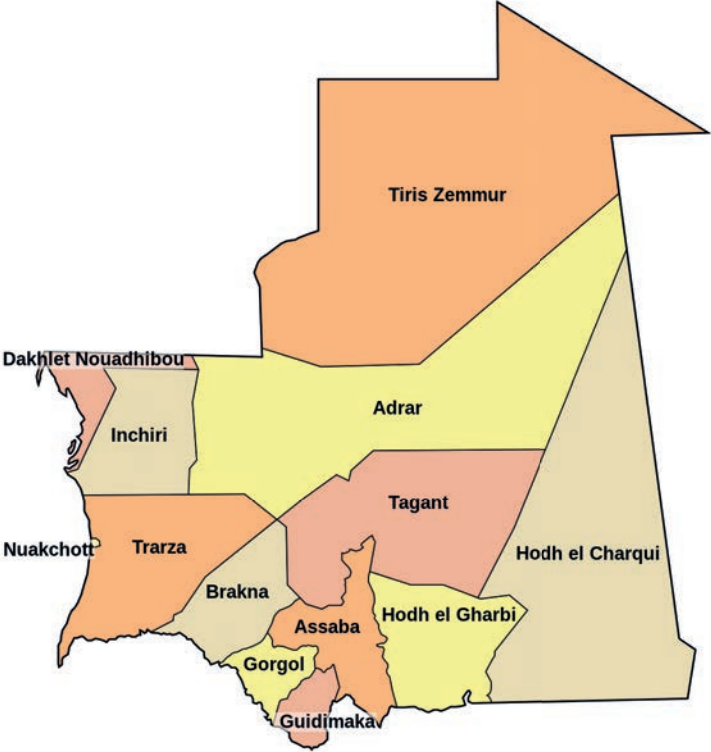
The conditions for application have been the subject of extensive administrative doctrine (Circular Note No. 000005/M.F./DGI/DG of October 10, 2019, relating to tax administrative doctrine), which is not included in this edition due to its volume.

The Code is supplemented by the main tax texts applicable in Mauritania but not codified: tax treaties, the Investment Code, and mining and petroleum taxation, notably the Additional Act of December 21, 2018, to the inter-State cooperation agreement concerning the development and exploitation of the reservoirs of the Grand-Tortue/Ahmeyim field and relating to the tax and customs regime applicable to subcontractors.

This edition is up to date with the provisions of Law No. 2023-018 of August 4, 2023, amending the finance law for the year 2023, and Law No. 2024-001 of January 10, 2024, enacting the finance law for the year 2024.

This publication was made possible with the assistance of GHA-EXCO Mauritania. It is available for sale at our premises, and you can order it in English by emailing us contact@ghamauritanie.com

GENERAL PROFILE : MAURITANIA



General profile: Mauritania

GENERAL INFORMATION FOR 2022

Population
4.736 Millions

Exchange rate
36.970 MRQ/US\$

GDP
10 997 Millions current US\$

Land area¹
(q) 1 030 700 km²

CPI growth
9.52 %

GDP growth
7.08 %

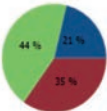
INTERNATIONAL MERCHANDISE TRADE

Total merchandise trade
(millions of US\$)

	2005	2010	2015	2022
Merchandise exports	625	2 074	1 832	3 778
Merchandise imports	1 428	1 935	3 703	5 120
Merchandise trade balance	-803	138	-1 872	-1 342

Export structure by product group in 2022
(as % of total exports)

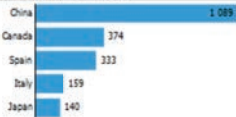
- All food items
- Ores and metals
- Other



+15.6 %

Merchandise exports
growth rate in 2022

Top 5 partners in 2022
(exports, millions of US\$)



INTERNATIONAL TRADE IN SERVICES

Total trade in services²

(millions of US\$)	2005	2010	2015	2022
Services exports	80	119	246	(e) 219
Services imports	379	670	641	(e) 1 357
Services trade balance	-299	-551	-395	(e) -1 138

Services exports by main category²

(as % of total services)	2005	2010	2015	2022
Transport	6.0	6.0	12.7	-
Travel	-	-	11.8	-
Other services	-	-	75.5	-

TRADE INDICES

— Terms of trade index
— Purchasing power index of exports



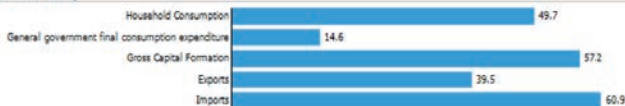
ECONOMIC TRENDS

Economic indicators

(millions of US\$ unless otherwise)	2005	2010	2015	2022
GDP, current	2 937	5 629	6 167	10 997
GDP per capita, current US\$	975	1 646	1 563	2 322
Real GDP growth, y-on-y, %	8.57	2.62	5.38	7.08
Current account balance, % of GDP	-29.86	-6.34	-15.50	(e) -19.63
Exchange rate (/US\$)	26.553	27.589	32.467	36.970

GDP by expenditure in 2021

(as % of total GDP)



+7.1 %

Gross domestic product growth rate

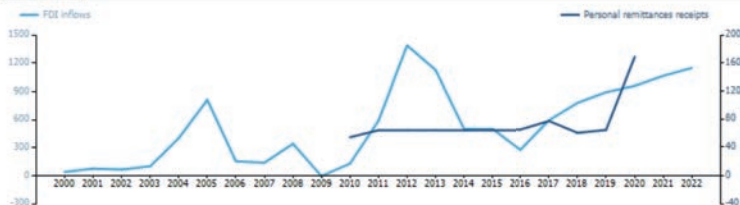
FDI AND EXTERNAL FINANCIAL RESOURCES

Financial flows

(millions of US\$ unless otherwise)	2005	2010	2015	2022
FDI inflows	811.87	130.53	502.07	1 147.56
FDI outflows	2.02	16.75	0.21	3.00
Personal remittances, % of GDP	..	0.98	1.05	..

Financial flows trends

(millions of US\$)



0 %

FDI outflows as % of GDP in 2022

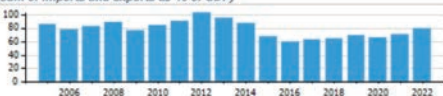
TRADE IN GOODS AND SERVICES

Trade balance indicators²

(as % and index)	2005	2010	2015	2022
Balance, % of GDP	-37.54	-5.61	-15.47	(e) -33.70
Balance, % of imports	-61.00	-12.54	-36.85	(e) -59.94
Normalized balance	-0.439	-0.067	-0.226	(e) -0.428

Trade openness²

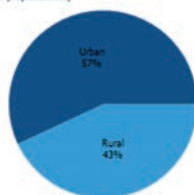
(sum of imports and exports as % of GDP)



LIVING AREA

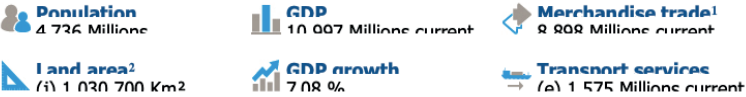
Population by living area in 2022

(% of population)

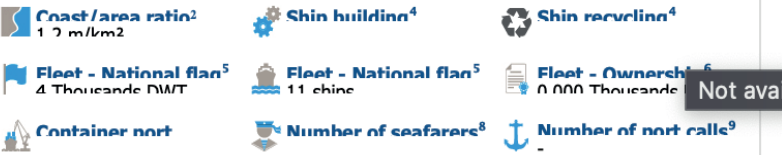


Maritime profile: Mauritania

GENERAL INFORMATION FOR 2022



MARITIME KEY FIGURES FOR 2022



INTERNATIONAL MERCHANDISE TRADE

Total merchandise trade

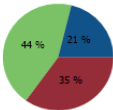
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+15.6 %
Merchandise exports

Export structure by product group in 2022

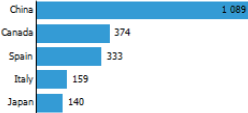
(as % of total exports)

- All food items
- Ores and metals
- Other



Top 5

(exports, millions of US\$)



INTERNATIONAL TRADE IN TRANSPORT

Services exports by main category¹⁰

(as % of total)	2005	2010	2015	2022
Transport	6.0	6.0	12.7	-
Travel	-	-	11.8	-
Other services	-	-	75.5	-

-
Transport services

Total trade in transport services¹⁰

(millions of US\$)	2005	2010	2015	2022
Transport services	5	7	31	-
Transport services	130	230	233	-
Transport services trade	-125	-223	-202	-

NATIONAL FLEET

Carrying capacity by type of ship⁵

(Thousands DWT)	2005	2010	2015	2022
Total fleet	24.0	24.7	15.0	3.8
Oil tankers	-	-	0.0	0.0
Bulk carriers	-	-	13.5	0.0
General cargo	1.0	0.9	1.0	1.0
Container ships	-	-	0.0	0.0
Other types of ships	23.0	23.8	0.4	2.8

+170.3 %
Fleet growth rate in 2022

Fleet by type of ship⁵

(Number of ships)

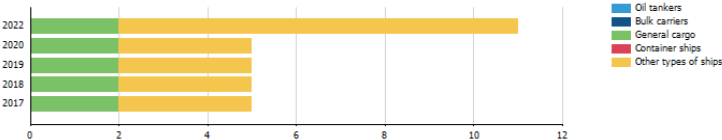


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Our African footprint

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Club des Entrepreneurs (CEM).....

Port of Tanit.....



Invest Mauritania 2024

In this guide developed by our legal and fiscal firm, we aim to explore the numerous opportunities and advantages offered by investing in Mauritania. As you navigate through these pages, you will discover a thorough analysis of the Mauritanian economic landscape, along with practical advice to maximize your potential for success in this dynamic and rapidly expanding market.

Mauritania, situated at the crossroads of North and West Africa, is rich in diverse natural resources, ranging from vast mineral deposits to abundant fishing grounds and fertile agricultural lands. These resources serve as a springboard for investors seeking new growth opportunities in key sectors such as energy, mining, fishing, agriculture, and tourism.

However, investing in a new market comes with its set of challenges and complexities. This is where our firm comes in. With our deep legal and fiscal expertise in the Mauritanian context, we are well-positioned to guide you through the nuances of local regulations, assist in structuring your investments tax-efficiently, and support you at every step of your investment journey.

We firmly believe that Mauritania offers a stable and business-friendly economic environment, supported by a government committed to implementing reforms aimed at stimulating investment and fostering economic development. Our goal is to provide you with the information and tools necessary to make informed decisions and seize the unique opportunities offered by this rapidly growing country.

We are confident that this guide will serve as a valuable resource for investors, entrepreneurs, and decision-makers looking to explore investment opportunities in Mauritania. We are also available to address any specific questions you may have and to assist you in realizing your investment projects in this dynamic and promising market.

Thank you for your interest in investing in Mauritania, and we look forward to collaborating with you to achieve your business objectives in this thriving country.



***Welcome to Mauritania,
land of opportunities.***



Investing in Mauritania: Facilitation, general guarantees and incentive schemes



The development of private investment and entrepreneurship is one of the strategic axes of the vision and objectives formulated in the SCAPP 2016-2030 "The Mauritania we want in 2030", as in the President's Expanded Priority Programme (PREP) drawn up in September 2020. The stated ambition is to promote the emergence in the medium term of a critical mass of Mauritanian and foreign companies established in Mauritania, in order to enhance the country's growth potential and make the private sector the main engine of wealth creation.

Several tools are being used to this effect, notably a dynamic of continuous improvement of the business climate, better access to sources of financing for SMEs/SMIs, the promotion and facilitation of public-private partnership initiatives, and the strengthening of the capacities of the judicial system dedicated to trade.

Facilitating business practices

A national strategy for the development of the private sector was initiated in June 2014 with the main objective of meeting the important challenge of competitiveness of the Mauritanian economy. The priority was to make the country more competitive, in terms of attractiveness and effective attraction of investors. The projects opened have focused in particular on the operationalisation of a one-stop shop for business creation formalities, the revision of the 2012 Investment Code, and the creation and implementation of a free zone in Nouadhibou.

Substantial progress has been made, including the reduction from 9 to 2 days of the time required to set up a business, the opening of a one-stop shop for connection to the medium-voltage electricity network, a reduction in the frequency of payment of social security contributions, the creation of a National Arbitration Committee chaired by a professional magistrate, the simplification of customs procedures, and the launch of a pilot project for the dematerialisation of tax declarations and payments by large companies.

General guarantees, rights and company privileges

The legal framework defined by the reformed investment code provides important guarantees to all investors, including full economic and competitive privileges, the right to acquire any property, right or concession necessary for its activity, to dispose of its rights and assets, to choose its management methods, its human resources policy, its suppliers or service providers, to participate in public procurement tenders, and to access raw materials produced in Mauritania under the conditions provided for by the relevant laws. The investor acquires a guarantee against any risk of nationalisation, requisition or expropriation, as the new code - contrary to its predecessors - no longer mentions public utility as a possible cause for expropriation.

Furthermore, the contribution of foreign capital as an investment confers on its owners the right to transfer freely and without delay, after payment of the duties and taxes due in Mauritania, their share of the income or proceeds resulting from the operation, disposal of assets or liquidation of the business. The freedom of transfer thus granted also applies to the professional income of expatriate employees working for the needs of the investment made in foreign currency, and who can justify the legality of their stay in Mauritania. Investors are also guaranteed

- no restriction on obtaining the foreign currency necessary for the company's activities,
- identical treatment to that of Mauritians, subject to immigration laws, agreements to which Mauritania is a party, and the principle of reciprocity between States,
- identical treatment for all rights and obligations relating to investments, subject to the provisions relating to privileged regimes.

The investment promotion programmes

The existing legislative environment provides opportunities for privileged regimes to be granted for the purpose of

- encouraging the creation of new businesses
- creation of decent jobs,
- encouraging the establishment of companies in the interior regions,
- promoting technology transfer,
- development of innovation and competitiveness.

The SME regime

It is intended for companies making investments of between MRU 5 and 20 million and generating at least ten direct jobs, in all fields of activity other than the simple marketing of products in their original state and sectors governed by specific legislation (mining, hydrocarbons, banking and insurance). The objective is to promote a fabric of small and medium-sized enterprises in fields other than the import-export of everyday consumer products. The advantages linked to this regime mainly concern the substitution of a flat-rate tax of 3.5% for the entry tax applicable to imported capital goods, during the establishment and operation phases.

Special Economic Zones (SEZ)

They are established with the threefold objective of:

- (i) a more balanced territorial distribution of economic activity
- (ii) a more substantial development of processing activities - manufacturing in particular
- (iii) for the promotion of exports to regional markets;

The Development Poles Regulation outside Nouakchott

This set of measures is designed to encourage the establishment of businesses outside Nouakchott. Other eligibility criteria include the industrial or agricultural nature of the activity, an investment of at least MRU 5 million and the creation of ten permanent jobs. Approval for this regime confers the application of a single rate of 0% tax duty on the import of capital goods and their spare parts listed by order of the Minister of Finance.

In addition, an important facility of access to land is correlated to this regime. The concessions necessary for the installation of eligible companies are granted under the diligence of the State

- by mutual consent between the investor and the owner, in the form of a lease or provisional concession for a fixed and renewable period; or

- by consent of the owner in the activities and products of the company.

The Establishment Agreement regime. Establishment agreements may be considered for investments in industrial units, agricultural activities, processing of livestock products, production of renewable energy, development of small-scale and coastal fishing, tourism and hotels outside Nouakchott, and onshore industries for fishery products, excluding fish meal.

Minimum eligibility thresholds are set by the code, relating to the amount of the investment (50 to 500 million MRU), and the number of direct (20 to 500) and indirect (50 to 2000) jobs created. Once these conditions are met, the establishment agreement is granted for a period of 20 years, after negotiation with the relevant ministerial departments, in collaboration with the Ministries of Finance and Economic Development.

The free export zone regime. The free export zone regime. It is granted to companies established in the free zone, which can justify an investment of at least 50 million MRU, the creation of at least 50 permanent jobs and an export potential of 80%, without prejudice to the realisation of infrastructures within the framework of a Public-Private Partnership. The fiscal advantages include exemption from a certain number of taxes, including the contribution of patents, the land tax and taxes on personnel costs, excluding the employer's contribution.

In terms of customs, companies qualifying for this regime are exempt from import duties and taxes on capital goods, equipment and commercial vehicles intended for production, and from export duties and taxes, the conditions for exercising customs control over the free zones being set by the Administration.

Mining companies' tax regime in Mauritania



The extractive industries play a major role in the Mauritanian economy.

Mining is currently the most important component of the extractive industries in Mauritania, with over 60 national and foreign companies, including :

- The National Industrial and Mining Company (SNIM) which exploits iron deposits in the northern region of Tiris Zemmour, with a production that reaches 13 million tonnes per year.
 - Mauritanian Copper Mines company (MCM) in the Inchiri region, which produces 29 million tonnes of copper per year.
 - Kinross Tasiast Mauritania, which operates the Tasiast gold mine in the northern region of Dakhlet-Nouadhibou, with an average annual production of 11.5 million tonnes.
- Given the importance of the mining potential and the renewed interest of foreign companies, the Mauritanian state has undertaken reforms to further regulate mining activities and promote investment in this sector.

The major reforms were introduced by Law No. 2008-011 on the Mining Code, amended by Law 2012-014 of 22 February 2012, and finally amended by Law No. 2014-008 of 29 April 2014.

The existing mining code has provided for a tax regime applicable to mining companies (I) and a privileged customs regime (II) from which they can benefit. In order to make the very heavy investments in this sector profitable, companies also have the possibility of negotiating special agreements with the Mauritanian state granting them a privileged tax regime (III).

I. The tax regime for mining companies

Mining companies are subject to a number of taxes (1), some of which are payable under ordinary law (2).

1. Taxes payable by mining companies

Mining companies are liable for

- Value Added Tax (VAT)

Contractors, subcontractors and suppliers in the mining sector are subject to VAT in accordance with ordinary law; however, mining exports are subject to VAT at zero rate. Purchases of local or imported goods and services are subject to the ordinary law, subject to the following special provisions concerning the scope of VAT and deductibility:

a) VAT is due on purchases of goods and services made on the local market or imported, with the exception of those necessary for the proper execution of mining operations and whose list is certified jointly by the Departments in charge of Finance and Mines.

b) The following goods and services are excluded from the common right of deduction :

- Passenger vehicles and their spare parts, except utility vehicles and their spare parts;
- Housing furniture;
- Housing maintenance products;
- Housing rental;
- Airline tickets;
- Accommodation and catering;
- Entertainment expenses;
- Telephone and fax charges;
- Advertising and gifts.

The Remuneration Tax

The remuneration tax is collected "from the holder of an artisanal quarry permit" for the following acts :

- issuance, extension, reduction, renewal, early termination or transfer of the research permit;
- issuance, extension, reduction, renewal, early termination, transfer or incorporation of the exploitation permit
- issuance, transfer or renewal of a small-scale mining permit;
- issuance, renewal or transfer of an industrial or artisanal quarrying permit.

• Annual area fee

This is payable by any holder of a mining or quarry permit, and any holder of an artisanal quarry permit. Its amount is set by decree and is not deductible from annual taxable profits.

• The operation charge

The operation fee is to be paid by the holder of an extraction permit, a small-scale mining permit or an industrial quarrying permit. It is calculated on the sale price of the mining product at its last stage of processing in Mauritania, or on its FOB value if it is exported before sale. The royalty is due on all sales or exports made, with the exception of bulk sampling. The royalty rates have been modulated according to the group of mineral substances, and in the particular case of iron, copper and gold, according to the selling price on the international market.

2. In addition, the following are payable under the conditions of ordinary law

The mining companies remain liable for :

- Corporate tax ;
- Tax on salaries and wages ;
- Tax on income from movable assets.

II. The customs regime for mining companies

The rights and taxes applicable to the customs cordon depend on the phase of activity.

During the research phase, mining companies benefit from the following advantages :

- temporary, exceptional admission (ATE) with total suspension of customs duties and taxes for so-called passenger cars and equipment ;

- total exemption from customs duties and taxes (EXO) for equipment parts, inputs (raw materials and consumables), fuels and lubricants, and light vehicle parts ;

For the 'set-up', 'tax holiday' and 'normal production' phases, entry taxation is as follows :

- temporary, exceptional admission with full suspension of import duties and taxes for equipment ;

- total exemption for spare parts for equipment and light vehicles, inputs, and fuels and lubricants,

- payment of a single customs duty of 5% on so-called passenger cars.

In order to benefit from these various advantages, Article 105 provides that the said goods must first appear on the mining list notified to the Ministry for this purpose, and correspond to the fixed assets identified and described in the feasibility study.

In addition, any VAT credit on local purchases and imports is refundable in accordance with the regulations in force, within ninety (90) days of the refund request, after verification by the tax authorities.

III. Possibility of signing a special agreement with the Government

Companies have the possibility of negotiating, in the agreement they will sign with the Government, tax advantages that their subcontractors may enjoy under certain conditions. For example, companies carrying out major investment or repair work on behalf of the Société Nationale Industrielle et Minière (SNIM) (a), Mauritania Limited SA (TMLSA) (b) and Mauritanian Copper Mines (MCM) (c), benefit from tax advantages granted by the State.

Tax benefits provided for in the mining agreement between SNIM and the Government

The SNIM and its subcontractors are exempt from all customs duties and similar taxes on imported materials intended for work carried out on behalf of the SNIM, in particular exemption from VAT.

Tax advantages provided for in the mining convention between TMLSA and the State

TMLSA and its subcontractors benefit from the following advantages throughout the duration of the agreement:

- Exemption from training tax;
- A reduced and unique rate of 5% on their imports;
- An exemption from all import duties on the personal effects of their expatriate staff;
- A rate of tax on salaries and wages reduced by half for expatriate staff.

Tax benefits provided for in the mining agreement between Mauritanian Copper Mines (MCM) and the Government

The Mauritanian Copper Mines Company (MCM SA) and its subcontractors benefit from a favourable regime, including:

- exemption from all customs duties and similar taxes on exports of all products, goods or materials required by the project ;
- exemption from all customs duties and similar taxes (including VAT) on imports of all products, real estate and equipment to be used in the project ;
- exemption from all taxes and duties other than income tax and fixed charges ;

Climate and energy transition: Mauritania invests in green hydrogen



Climate change is nowadays the global challenge of the 21st century which concerns all countries, the major economies - the main emitters of greenhouse gases - as well as the developing countries whose populations will be the most affected by the increase in extreme weather phenomena such as droughts, hurricanes, cyclones and floods. Adapting to this new paradigm requires a collective response, with the main levers of action for governments being energy efficiency, the gradual reduction of the share of fossil fuels, and the development of renewable or less polluting energies.

Mauritania is part of this global perspective. In 2020, the country adopted a national strategy for the transformation of its energy sector, with the ambition of increasing the share of renewables in its energy mix to 60% by 2030, in accordance with its nationally determined contributions (NDCs) under the Paris Agreement.

The field of alternative energies. The country has a number of assets for achieving these objectives. The first of these assets is gas, with the forthcoming entry into production of the offshore Grand Tortue Ahmeyim (GTA) field, exploited jointly with Senegal, and whose potential should (i) enable domestic gas consumption to be covered and, in the medium term, (ii) make the two countries major players in the global liquefied natural gas (LNG) market. The second asset for a successful energy transition and the implementation of climate commitments is the strong development potential of renewable energies such as solar, wind and hydro. According to Chemsidine Sow Deina, Exploration Director of the national oil company Société Mauritanienne des Hydrocarbures (SMH), "Mauritania holds the record for the highest per capita production of renewable energy of all the MSGBC countries", with an estimated potential of 457.9 GW of solar energy and 47 GW of wind energy.

For the record, Mauritania, like the other Sahelian countries, is in a geographical area with an estimated sunshine duration of between 7 and 9.5 hours per day, with a solar radiation intensity of 600 to 700 kcal/m²/hour. The Global Energy Statistical Yearbook estimated the solar energy potential of the Sahel in 2017 at around 13.9 billion GWh/year.

Pour mémoire, la Mauritanie, comme les autres pays du Sahel, est dans une zone géographique dont la durée d'ensoleillement est estimée entre 7h et 9h30 par jour, avec une intensité de rayonnement solaire de 600 à 700 kcal/m²/heure . Global Energy Statistical Yearbook estimait le potentiel d'énergie solaire du Sahel en 2017 à environ 13,9 milliards de GWh/an .

The energy challenge of the future: green hydrogen. Mauritania is also committed to the research and development of green hydrogen, and aims to become a major player in this sector by 2040, alongside several other countries around the world, including Australia, South Korea, America and Norway. Some pre-feasibility studies have shown that the country has significant potential to "produce green hydrogen, due to its world-class solar and wind resources".

Two framework agreements were signed to this end in 2021 between the Mauritanian state and leading energy transition companies.

Firstly, a memorandum of understanding concluded in May 2021 with the British renewable energy developer CWP Global, for the development of a US\$40 billion project to produce 30 Gigawatts of wind and solar energy to power electrolyzers for the production of green hydrogen. The Government and CWP Global reiterated their commitment to the project in a joint statement on the sidelines of the Glasgow COP26 climate summit.

Then in a second phase, in September 2021, Mauritania signed another Memorandum of Understanding with the British giant Chariot Ltd for the development of the Nour project, which covers an onshore and offshore area of about 14,400 km². The first step should be to carry out feasibility studies for the supply of electricity from solar and wind sources for electrolysis and hydrogen production. This partnership was strengthened in September 2022 by the entry into the project of French Total Eren, a subsidiary of Total Energies, in a joint venture with energy specialist Chariot Ltd, with a view to achieving 10 GW of electrolysis capacity, which would make this project one of the largest in the world by 2030.

AVAILABLE CORPORATE STRUCTURES



The branch / representation office

- ✦ The law makes no distinction between a branch and a representative office.
- ✦ They are both subject to the same rules of registration in the commercial register and rights linked to the incorporation.

➤ Flexibility and simplicity for the establishment.

The necessary documents

- ✦ Minutes of the Board of Directors or decision of the General Management authorising the opening of a branch and appointing a legal representative in Mauritania
- ✦ Copy of the statutes + trade register of the parent company in French legalised by the diplomatic authorities in Mauritania.

➤ On this basis, registration with the Commercial Register (CR) is carried out and a certificate of registration is issued

➤ [Documents to be provided](https://apim.gov.mr/wp-content/uploads/2022/12/Dossier-Creation_FR_18112022_FV-2.pdf) for the creation of the branch available on the APIM website : https://apim.gov.mr/wp-content/uploads/2022/12/Dossier-Creation_FR_18112022_FV-2.pdf

The subsidiary under Mauritanian law

Structure	Partners	Minimum capital	Legal representative	Auditor	Rights linked to the incorporation
Limited liability company (LLC)	Minimum of 1 partner	» No minimum capital » 25% of the capital must be paid up at the incorporation	Manager appointed by the General Meeting with full powers of management and direction	Mandatory if company's turnover is more than MRU 4,000,000	» Stamp duty (see art, 320 CGI) » Notary fees according to capital and on a decreasing
Public limited company (SA)	Minimum of 1 shareholder	500,000 MRU to be paid up for at least 25%, the remainder to be paid up within five years, by successive appeals following the decision of the shareholders	» Either a Board of Directors composed of 3 to 12 directors chaired by a Chairman of the Board of Directors who may be assisted by one or more General Managers » Or a Management Board (number of members fixed by the statutes with a Chairman and General Managers) controlled by a Supervisory Board	Mandatory	
Simplified joint stock company (SJTC)	» Either 2 partners minimum » Either Legal persons with a minimum capital of MRU 2,000,000	The capital set must be fully paid up at the time of signing the Articles of Association	Management and system of operation freely determined by the articles of association	Mandatory	

The decision-making

It is mandatory to hold an :

- » Ordinary General Meeting for the approval of the accounts
- » Extraordinary General Meeting for all important decisions (commitment of shareholders, modification of capital, modifications to the statutes, etc.)

> Compared to the branch/representation, the subsidiary has stricter rules for both its establishment and its administration.



In conclusion

The chosen legal structure will have to take into account multiple factors:

- 1⚙

The management and control modalities in relation to the objectives pursued in Mauritania
- 2↙

The prospects for activity in Mauritania
- 3🔍

The characteristics of the mother company (administrative centralisation, geographical location, free capital transfer).

Act 2004-042 establishes financial relations with foreign countries, guarantees the freedom to transfer foreign currency to foreign countries for all operations that are part of a company's current operations



Capital transfers no longer require authorisation from the Central Bank of Mauritania (BCM)



TWO REQUIREMENTS :

-
1. Proof of transfer (minutes of the general meeting deciding on the distribution of the shares, invoices, etc.)

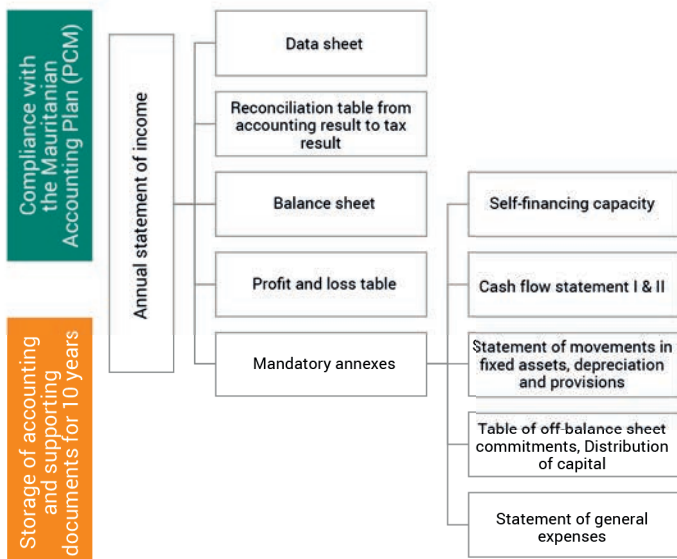
2. Receipt of payment of taxes due



LOCAL ACCOUNTING, TAX & SOCIAL OBLIGATIONS



Accounting rules



Tax rules ... company

Corporate tax (IS) imposed by Law n°2019-018

Corporate tax (IS)

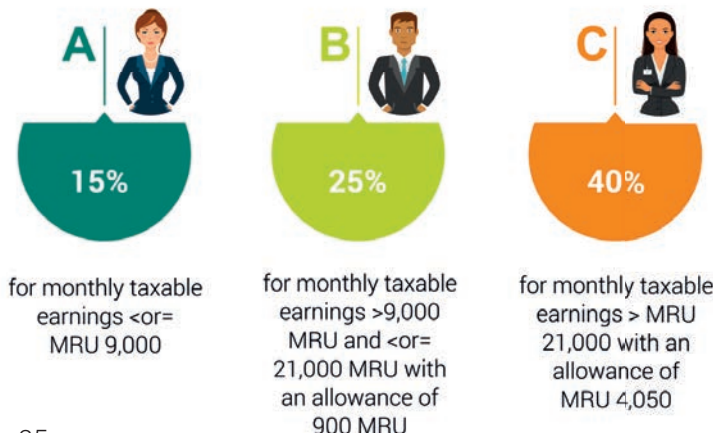
- ✓ 25% of net profit or 2% of taxable income for companies subject to BRN (normal real profit)
- ✓ 25% of the net profit or 2.5% of the taxable income for companies subject to BRI (intermediate real profit)
- ✓ Quarterly payment by instalments of :40%; 30%; 30%

Other taxes

- ✓ Licence
- ✓ Apprenticeship tax
- ✓ VAT (Value Added Tax)
- ✓ Import duties and taxes on imported goods
- ✓ Registration and stamp duties
- ✓ Tax on property income
- ✓ Tax on income from movable capital (dividends, interest on debts etc.)

Tax rules... employees

Employees are subject to the Tax on Salary and Income (TSI) deducted at the source



Tax rules ... withholding taxes to be remitted



On payments to resident professional service providers subject to IBAPP



on payments to non-resident and non-established recipients



on income and movable capital (IRCM) on directors' fees, bonuses and interest paid

Deductions from rents payable to owners of rented premises



8% in respect of the Property Tax on Residential Properties (CFPB)
10% in respect of the Tax on Property Income (IRF)

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Tax inspection possible on the basis of documents or on the spot

On the basis of documents

Annual and systematic control of the declarations provided by the company

On the spot

8 days before the date scheduled for the first intervention, the tax administration sends the taxpayer, by registered mail, an audit notice

The taxpayer has the right to be assisted by counsel

- General

- Verification of compliance with the PCM (accounting and records)
- Verification of the last 3 financial years with the possibility of go back to the year in which there was a loss or credit VAT loss
- May result in a notification of adjustment



- Partial

- Does not exclude a general audit
- Limited to certain taxes
- May result in a notification of adjustment
- Can be done every year



- Unstructured

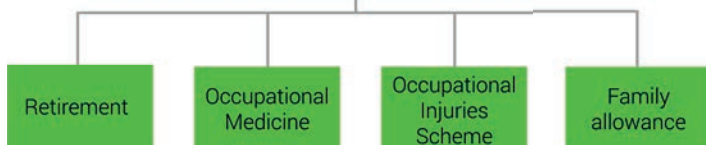
- Does not exclude a general control
- Limited to certain taxes and accounting
- Does not lead to a notification of adjustment
- Can be done every year

Social rules ... National Social Security Fund (CNSS)

Local entity : Whatever its form, is registered as an employer with a unique employer number issued by the National Social Security Fund (CNSS)



Employee: individually registered with the CNSS as an employee (as well as the manager) with a booklet and a personal registration number ensuring



.....

Social Rules: Social contributions and benefits

Local entity: Whatever its form, it will have to pay quarterly social contributions for all its employees



Contribution calculated on the basis of 16% of the employee's remuneration but not exceeding MRU 15,000



Employer 15%
(occupational medicine, work accident, pension, family allowances)

Employee
1%

Social rules : Registration CNAM

Local entity: no matter what form it takes, is registered as an employer with a unique employer number issued by the Caisse Nationale d'Assurance Maladie (CNAM)

Employee: individually insured with CNAM as a permanent employee (as well as the manager)

Covered by the CNAM

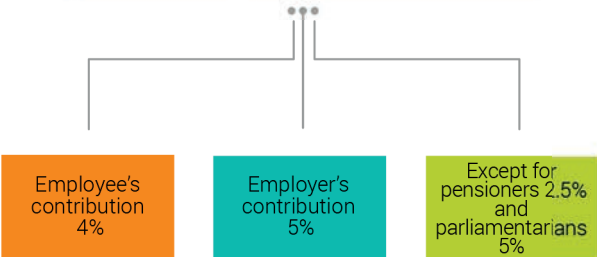
- ✓ Hospitalization: 90% of the cost
 - The insured person's share may not exceed 1,000 MRU per hospitalisation
- ✓ Medicines: 67% of the cost
 - Insured's share cannot exceed 150 MRU per drug
- ✓ Consultation: 80% of the cost
- ✓ Evacuation: 100%.
- ✓ Biological examinations: 80%.
- ✓ Radiological examinations: 80%.
- ✓ Long-term conditions: 100%.

Social rules: health insurance contributions

Local entity: The company, whatever its form, must pay the health insurance contributions of its employees on a permanent basis every quarter



The basis of the contribution is the employee's total salary, allowances and bonuses





The Agreement to the privileged regime of the investment code

The SME regime

2012: The new investment code has instituted a one-stop service for investments which allows one to obtain an investment certificate on request, entitling one to the following preferential tax regimes:

- ✓ SME regime
- ✓ Special Economic Zones
- ✓ Establishment agreements

This regime applies to all investments between MRU 5,000,000 and 20,000,000 million subject to the real profit regime and generating at least 10 direct jobs.

The SME regime: tax benefits

3.5% import tax duty, excluding any other duty or tax payable at the customs cordon, on capital goods, the list of eligible products of which is fixed by order of the Minister of Finance

During the installation phase, limited to 3 years, exemption from the Tax on Financial Transactions (TOF) on the proceeds of credits for first investment or extension of activities contracted with banks and financial institutions.

Export Processing Zones (EPZs)

Tax benefits

Conditions : Investing at least MRU 50,000,000 million and generating at least 50 permanent jobs in the free zones and demonstrating an export potential of at least 80% are exempt from :

- any tax based on personnel costs, including the total amount of salaries, wages, allowances and remuneration of any kind, including benefits in kind, paid by the companies and borne by them, excluding the employer's contribution payable by the employers;

- the contribution des patentes, the contribution foncière sur les propriétés bâties, the contribution foncière sur les propriétés non bâties, the contri-

bution des licences. This exemption is replaced by a single communal tax which cannot exceed an annual amount of MRU 500,000

- Companies eligible for the free zone remain subject to corporate tax at the standard rate



Customs benefits



- Total exemption from customs duties and taxes on the import of capital goods, equipment and utility vehicles intended for production,

- Exemption from customs duties and taxes on export.

- BN: the payment of customs duties and taxes for finished products to be sold on the domestic market remains the responsibility of.

Business Center development outside

Settling in a business centre outside Nouakchott

- Industrial, agricultural or product processing company
- Investment \geq MRU 5 000 000 million
- Creation of a new activity

3 years limited installation period

3.5% import tax duty excluding any other duty or tax payable at the customs cordon on capital goods

Operational phase: Customs benefits

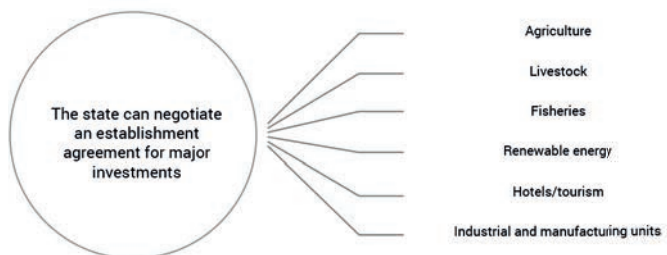
- ✦ Payment of 0% import duty excluding any other duty or tax payable at the customs cordon on capital goods for which the list of eligible products is fixed by Order of the Minister of Finance;
- ✦ These advantages also apply to spare parts recognisable as being intended for them;
- ✦ These industrial inputs are subject to the rates listed in the customs tariff throughout the approval period.

Operational phase: Tax benefits

Total exemption from corporate tax for the first eight (08) years when the new business or extension of an existing business generates (10 additional permanent jobs).



Establishment agreements



Conditions of installation law 2012-52 of 07/13/2012 on the Investment Code:

Major investments in the areas of :

- ✓ agricultural activity, with the exception of the acquisition of land;
- ✓ processing of livestock products;
- ✓ the onshore fishery products industry, with the exception of fish meal;
- ✓ the development of artisanal and coastal fishing;
- ✓ industrial and manufacturing units;
- ✓ renewable wind and solar energy production;
- ✓ hotels and tourism outside Nouakchott;
- ✓ road and port facilities;
- ✓ the Health sector;
- ✓ water and sanitation infrastructure.

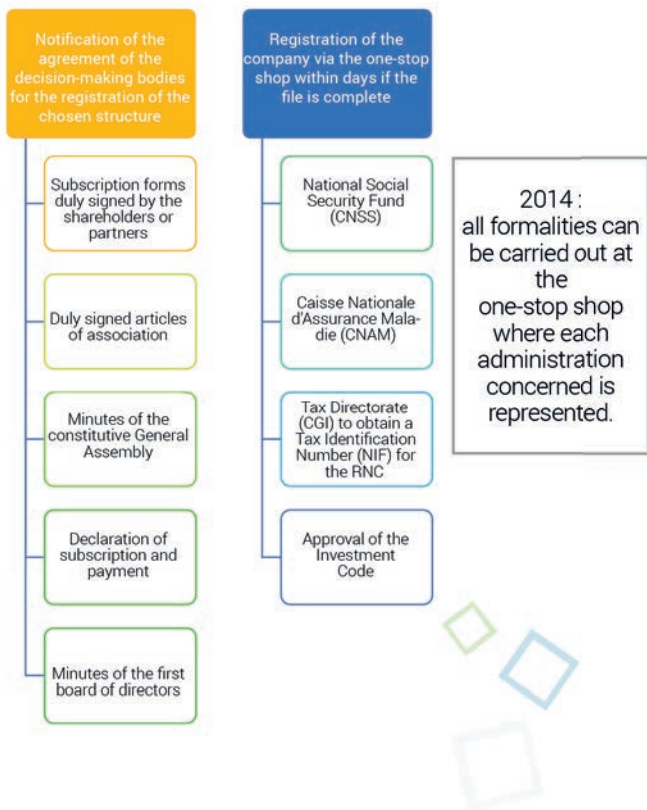
Benefits :

✓ The eligibility thresholds are set as follows:

✓ The conditions of installation as well as the specific advantages to be granted are defined within the framework of a Convention negotiated with the competent departments in relation with the Ministry of Economic Affairs and Development and the Ministry of Finance.



>> Summary of the action schedule





OUR FIRM **EXCO-GHA Mauritanie**

An international trademark

*Thanks to its expertise and knowledge,
EXCO GHA MAURITANIE
is a member of the following networks*

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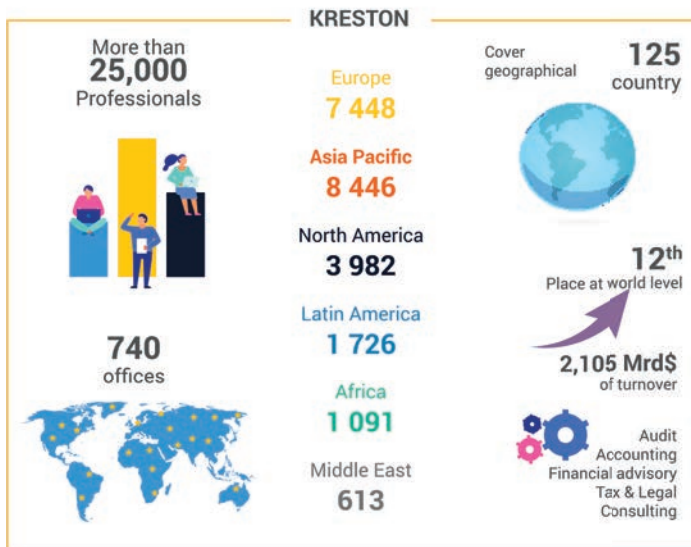
■ **EXCO Afrique:** 1st African network of accounting firms present in fifteen countries in West, Central and North Africa. Exco Afrique has a turnover of 15 million Euros, employs more than 500 professionals and has more than 5000 clients in Africa.

■ **EXCO France:** 6th largest independent French network of audit, accounting and consulting firms. EXCO employs nearly 2,500 people in 140 offices in France and its overseas territories, in Portugal and in Africa.

■ **KRESTON Global:** 12th largest network of independent accounting, auditing and consulting firms in the world. Founded in 1971, Kreston covers 125 countries with 740 offices and more than 25,000 employees and partners.

EXCO & KRESTON Global in a few figures

A large-scale network, common practices, a strong signature



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Exco GHA Mauritania, who are we?

EXCO GHA Mauritania, a member of the Exco Afrique and Kreston Global networks, is the leader in auditing, accounting and legal and tax consulting in Mauritania.

The firm was voted Best Audit & Accountancy Services Provider 2020 in Mauritania by INTL magazine's Global Excellence Awards 2020.

Founded in 1991, Exco GHA Mauritania (formerly BSD & Associés) is made up of experienced

professionals, including eight chartered accountants, who possess advanced skills and in-depth knowledge of the local and international professional environment.

The company's partners, with more than 35 years of experience in the fields of public accounting, auditing and tax consultancy, have in-depth knowledge of the local and regional economic fabric.

For almost fifteen years, EXCO GHA Mauritania has been assisting national and international companies on a daily basis regarding all aspects of their business. For each project, our teams bring their skills in the fields of accounting, auditing, consulting, legal, tax, social, and human resources.



our practices

Accounting



- Managing and supervising accounting system
- Consolidated accounts
- Reporting
- Forecast / Business creation
- Tax consolidation
- Accounting valuation
- Intégration fiscale
- Evaluation

Legal & Tax



- Legal support
- Tax optimization
- Corporate law
- Social law
- Risk assesment, recovery claim
- Dispute resolution, arbitration

Consulting



- Business organization
- Quality
- Asset management advice
- Strategic diagnosis

Audit



- Legal audit
- Contractual audit
- Fraud audit
- Internal control

Social



- Training management
- Outsourcing payroll
- Work permit

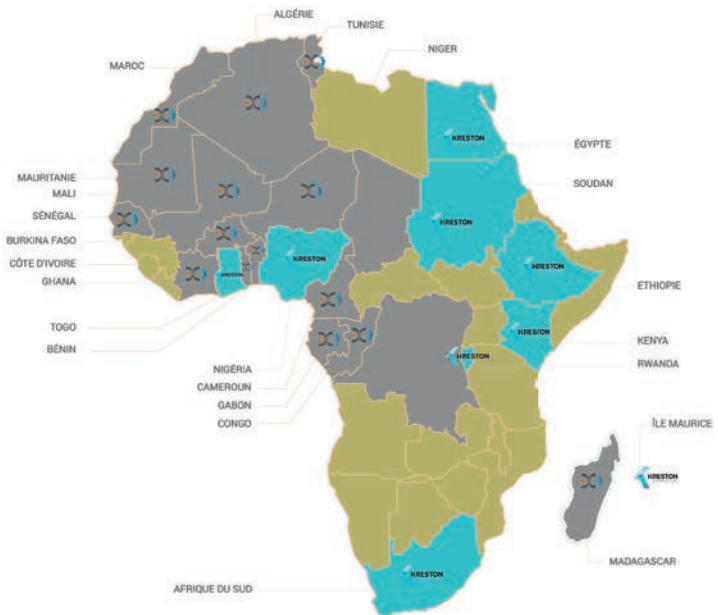
Exco Afrique, local connection global cohesion

Your African partner in line with international standards and values



A strong presence in :

- GAFTA - Greater Arab Free Trade Area
- ECOWAS - Economic Community Of West African States
- CEMAC - Central African Economic and Monetary Community



OUR SECTORS





OUR CLIENTS





Launched officially in December 2021, the Mauritania Entrepreneurs Club (CEM) is an innovative network of business leaders, each with their own expertise in different sectors, but sharing the ambition to place entrepreneurship at the heart of development through innovation, job creation and wealth, and the ability to harness national potential.

The initiative brings together entrepreneurs from diverse backgrounds, all committed to entrepreneurial ventures and united by a common dedication to sustainable and responsible private sector development in Mauritania.

Currently, CEM has 50 members, spans 12 sectors of activity, operates 6 thematic clusters, and produces 3 annual advocacy reports.



Contacts:

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CEO of CDS Water & Energy

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Ahmed Khattry

General Director of Port Tanit

The Port of Tanit in Mauritania serves as a gateway to investment opportunities in the maritime domain. Its strategic location on the Atlantic coast of West Africa offers optimal connectivity with global maritime routes.

Strategic Geographic Positioning

Located on the Atlantic coast of Mauritania, in a natural bay 60 km from Nouakchott, on the road to Nouadhibou and only 30 km from the OumTounsy International Airport, the Port of Tanit is at the heart of regional economic development, with direct access to the Atlantic Ocean. Proximity to Europe, the Americas, and other regions of Africa, as a strategic logistics hub.

Modern and Efficient Infrastructure

Well-equipped port infrastructure, including service stations, repair workshops, and weighing facilities.
Efficient transshipment services facilitating international trade exchanges.

Attractive Investment Opportunities

A wide range of opportunities in logistics, maritime transport, port management, ship services, and real estate development.
Strong governmental support with investment-friendly policies and attractive tax incentives.

Economic Growth and Regional Development

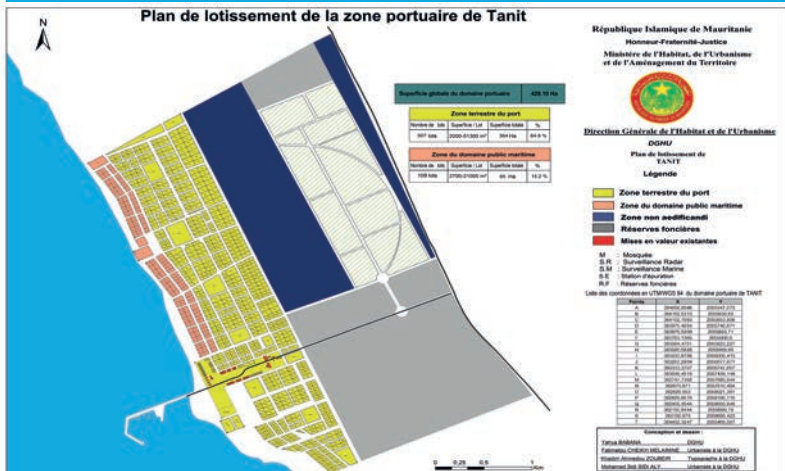
Contribution to economic growth and local job creation.
Positive impact on the development of related infrastructure and regional trade links.

The Port of Tanit offers high and sustainable returns for savvy investors, thus contributing to the sustainable socio-economic development of Mauritania and the region. Seize a unique opportunity by investing in our land area at an attractive price 1.26 USD /m²/an/year for a 99-year lease.

Port of Tanit



Plan de lotissement de la zone portuaire de Tanit



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