

INTEGRATED MODERN AGRICULTURAL MORCELLEMENT SCHEME (IMAMS)

GUIDELINES



ECONOMIC
DEVELOPMENT
BOARD MAURITIUS



Disclaimer

*This publication contains guidance for promoters who want to develop a project under **the Integrated Modern Agricultural Morcellement Scheme (IMAMS)**. These guidelines may be subject to changes at any time. Any other information or document not listed above may be requested depending on the application.*

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 Economic Development Board in case of uncertainty or ambiguity encountered in reading. The Economic Development Board shall, in no circumstances whatsoever, be held liable to any person arising from use of information contained herein.

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1. THE GUIDELINES

These Guidelines are issued under section 5(2)(ca) of the Economic Development Board Act 2017 (EDB Act).

The Integrated Modern Agricultural Morcellement Scheme (the 'IMAM Scheme') is set up under sections 2, 14B and the Second Schedule of the EDB Act and is administered and managed by the Economic Development Board under section 5(1)(k) of the EDB Act.

2. GENERAL OBJECTIVE

The IMAM Scheme has been set up in a context where food security is of prime concern both locally and globally.

The objective of an IMAM Scheme is to encourage modern and innovative agricultural practices through the development of an integrated agricultural facility. The Integrated agricultural facility shall be mixed use development comprising an agricultural morcellement, residential and commercial facilities which may include, amongst others, warehousing, processing, packaging and sale facilities.

The objectives of the IMAM are to:

- (a) create a symbiosis between planters and incentivize the work, stay and monitor concept;
- (b) facilitate the development of relevant infrastructure such as roads, water and electricity facilities;
- (c) generate the critical mass for achieving economies of scale and rationalisation of expenses linked to procuring of inputs as well as marketing;
- (d) promote on-site storage, processing and sale facilities aimed at creating regional agricultural branded facilities.
- (e) support the emergence of regional direct production to sale points as well as regional agricultural production brands.

3. ABOUT THE SCHEME

A Developer satisfying the eligibility criteria shall be eligible to apply for an Integrated Modern Agricultural Morcellement Certificate (the 'IMAM Certificate').

DEVELOPER

- (a) For the purposes of this Scheme, a 'Developer' is the owner of the land at the material point of submission of the application for the IMAM Certificate.
- (b) The Developer shall be responsible for, inter-alia:
 - (i) designing and submitting a project under IMAM Scheme to the EDB for approval
 - (ii) the implementation of all components of the project
 - (iii) developing agricultural land into the agricultural morcellement
 - (iv) building, developing, managing and executing specific projects.
- (c) The Developer may sell or lease serviced land to other persons provided that the Developer ensures that these persons engage in modern and innovative agricultural practices and meet the objectives of the IMAM Scheme. (These persons may be eligible for the 8-year income tax holidays and/ or the exemption on registration duty provided they are eligible for a registration certificate as per section 10 below).
- (d) Additionally, the incentives shall be applicable to the Developer on condition that at least 25% of the agricultural land has been operationalised, developed or sold (a pre-sales agreement may be acceptable) for the sole purpose of agricultural activities.

4. INCENTIVES

Qualified applicants will benefit from the following incentives:

1. Exemption on Land Conversion Tax

Where the land to be converted represents a maximum of 15 per cent of the area of the land, the holder of an IMAM Certificate may benefit from an exemption of land conversion tax.

Those wishing to benefit from the exemption on land conversion tax, should apply for an IMAM Certificate.

2. Income Tax Holiday

The Income derived by a person using an innovative and agricultural method under the IMAM Scheme shall be exempted from income tax during 8 succeeding income years as from the income year in which the person starts the activity.

Persons wishing to benefit from the Income Tax holiday should apply for a Registration Certificate.

3. Registration Duty Exemption

A deed witnessing the transfer of land under the IMAM Scheme, provided that the purchaser uses the land to carry out innovative agricultural practices as certified by the EDB, shall be eligible for registration duty exemption.

Persons wishing to benefit from the Registration Duty Exemption should apply for a Registration Certificate.

5. ELIGIBILITY CRITERIA FOR IMAM CERTIFICATE

The Project should meet the criteria set out below -

- (a) It should be based on innovative agricultural methods and practices.
- (b) It should be carried out on a land area of at least 2 acres.
- (c) It should meet the objects of the Scheme.
- (d) The Project should be approved by the Morcellement Board and any technical committees the EDB may set up;
- (e) At least 25% of the agricultural land should have been sold, developed or operationalised for the sole purpose of agricultural activities
- (f) For Developers seeking exemption on land conversion tax, the aggregate area of any land to be converted from agricultural to residential or commercial activities should not exceed 15% of the total area.
- (g) The Project should comply with all applicable legislations and any other criteria and terms and conditions that may be imposed by the EDB.

6. APPLICATION PROCESS FOR IMAM CERTIFICATE

The application for an IMAM Certificate is usually a 2-stage process –

- (i) Issue of Letter of Comfort
- (ii) Issue of IMAM Certificate.

7. ISSUANCE OF A LETTER OF COMFORT

(a) A developer wishing to obtain a Letter of Comfort should submit a Project together with all relevant documents as set out below to agro-ms@edbmauritius.org

(b) Documents Required for Letter of Comfort

Draft Master Plan showing all the components of the Project including -

1. An outline of the model for development of the morcellement, the infrastructure and the maintenance of the infrastructures
2. The project concept, components with land use of each component, plot coverage, type of residential and commercial facilities
3. Proof of ownership of land by way of a certified copy of the title deed
4. Site location plan showing the land extent and a context map of a scale (1:25,000) or other appropriate scales.
5. Photographs and/ or satellite images may also be submitted
6. Document showing the existing land use and constraints (present land use, type of ground cover, vegetation etc.), existing rivers, canals, natural drain and drainage patterns;
7. A brief on the background of promoters and investors
8. Documents showing proof of funds – A bank confirmation or a letter of arrangement that demonstrates that the developer has the ability and funds available for the project.

- (c) On receipt of a request for a Letter of Comfort, the EDB –
- i. shall, where required, carry out a site visit and refer the application for consideration by a technical committee;
 - ii. may require the applicant to give such further information as may be necessary for the determination of the application; and
 - iii. may, following recommendations of the Technical Committee -
 - a. issue a letter of comfort; or
 - b. request certain changes to be brought to the Master Plan;
 - c. reject the request for a Letter of Comfort

8. **ISSUANCE OF IMAM CERTIFICATE**

(a) A Developer wishing to apply for an IMAM Certificate should -

1. fill and submit the Application Form set out in Annex 1;
2. submit the relevant documents as per paragraph [b] below; and
3. send same to bs@edbmauritius.org

(b) Documents Required for IMAM Certificate

An applicant should submit an electronic version of -

1. Certificate of Incorporation
2. Business Registration Number
3. TAN/ VAT Number;
4. Updated Register of directors
5. Updated register of shareholders;
6. A board resolution nominating the 'Director' who will act on behalf the company
7. Detailed Master Plan including -
 - i. the background of promoters and investors
 - ii. a clear description of the business activity including details about the modern and innovative agricultural methods and practices, the different production stages,
 - iii. project components and description and a detailed map setting out the overall development concept
 - iv. a subdivision plan, drawn up in an appropriate scale and be as per Cadastral Survey Act 2011, prepared and signed by

a land surveyor, delineating the external boundaries of the land to be divided in accordance with a memorandum of survey under the Land Surveyors Act.

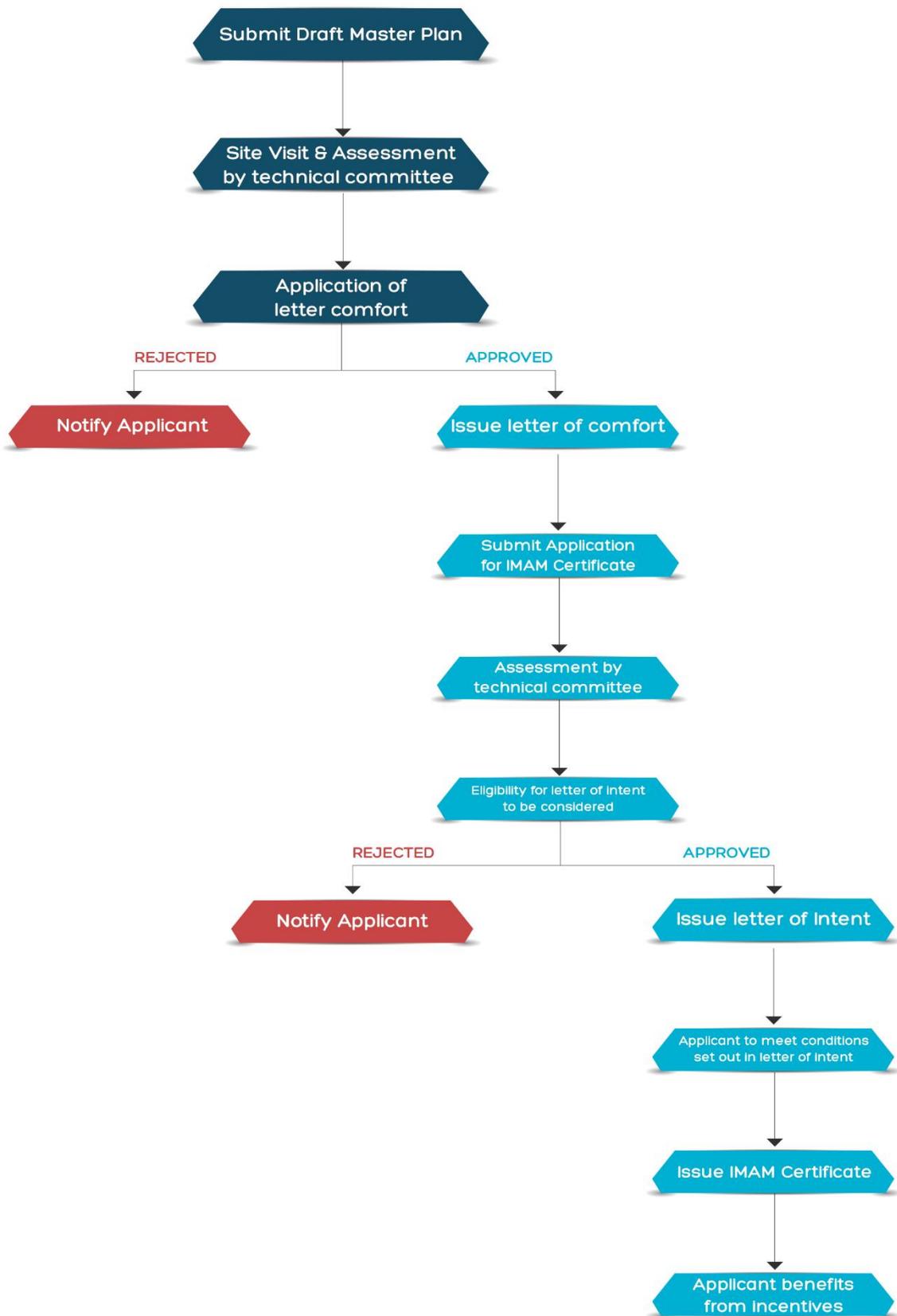
- v. details of residential and commercial developments
- vi. detailed financial structure and financing model with relevant documents showing the ability of the investors/shareholders to finance the project development
- vii. projected investment and employment creation
- viii. proposed construction schedule
- ix. proof of approval by the Morcellement Board
- x. marketing plans
- xi. report on mandatory infrastructure including but not limited to roads, water and electricity networks

8. such other information, documents or particulars, as may be requested.

- (c) On receipt of an application for an IMAM Certificate, the EDB –
 - i. shall, where required, carry out a site visit and refer the application for consideration by a technical committee;
 - ii. may require the applicant to give such further information as may be necessary for the determination of the application; and
 - iii. based on the recommendations of the Technical Committee, may either –
 - a. issue a Letter of Intent subject to such conditions as it may determine
 - or
 - b. reject the application.
- (d) An applicant who has been granted a letter of intent, shall inform the EDB once he has obtained all permits, approvals and clearances from the relevant authorities, developed, sold /operationalised at least 25% of the agricultural land for the sole purpose of agricultural activities, and met all other terms and conditions that may be imposed.
- (e) Where the EDB is satisfied that all requirements have been met, the EDB shall issue to the applicant an IMAM Certificate on such terms and conditions as it may determine.
- (f) The IMAM Certificate shall be in such form, and shall be issued in such manner, as may be approved by the EDB and shall include, inter alia, the terms and conditions attached to the certificate.

- (g) Where a person to whom an IMAM Certificate has been issued -
- i. changes his name, the address or the shareholding structure;
 - ii. intends to change the nature of the business activities;
 - iii. incurs any material change in its Master Plan as approved by the EDB or in its corporate profile,
- he shall immediately inform the Chief Executive Officer, specifying the reasons for the change and giving such further information or particulars as may be required by the Chief Executive Officer.
- (h) The Chief Executive Officer may, depending on the nature of the changes, refer the matter to the Technical Committee for a reassessment of the validity of the Certificate.

Application Process



9. OBLIGATIONS OF HOLDERS OF IMAM CERTIFICATES

The holder of an IMAM Certificate shall, at all times –

- i. be responsible for the proper implementation of all components of the project;
- ii. in answerable to the EDB for the proper and timely implementation of the Project as approved

10. APPLICATION FOR REGISTRATION CERTIFICATE

(a) Any person engaged in modern and innovative agricultural methods and practices within the development undertaken by the holder of an IMAM Certificate and seeking the Incentives (8 year tax holiday and/or Registration Duty Exemption) should-

1. fill and submit the application form set out in Annex 1;
2. submit a Business plan including details on -
 - a. the background of promoters and investors
 - b. a clear description of the business activity including details about the modern and innovative agricultural methods and practices and the different production stages;
 - c. site plan
 - d. project financing
 - e. projected investment and employment creation

(b) On receipt of an application for an IMAM Certificate, the EDB –

- a. shall, where required, carry out a site visit and refer the application for consideration by a technical committee;
- b. may require the applicant to give such further information as may be necessary for the determination of the application; and
- c. based on the recommendations of the Technical Committee, may either –
 - i. issue a Registration Certificate subject to such conditions as it may determine or
 - ii. reject the application.

11. GENERAL TERMS AND CONDITIONS

- (a) These Guidelines set out the terms and conditions governing the Investment Scheme.
- (b) The IMAM Scheme may be varied or terminated. The EDB or the Government of Mauritius shall not bear any liability whatsoever in respect of a Scheme which has been so terminated or amended.
- (c) 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 same has been obtained.
- (d) The holder of an IMAM or registration certificate shall at all times;
 - i. comply with all the laws of Mauritius
 - ii. submit such information as may be required and within such time frame as may be set by the EDB, including but not limited to –
 - investment (realised and committed);
 - turnover (local and export); and
 - forecasted sales and exports
 - iii. participate in all such surveys as may be carried out by the EDB in line with its statutory duties.
- (e) Where the holder of an IMAM or registration Certificate intends to apply for any financial or other assistance from Government, he shall forthwith inform the EDB.

12. FALSE OR MISLEADING DECLARATION

- (a) It is an offence under section 39 (2) of the Economic Development Board Act, for a person to give information, particulars or documents or to make any statement which is false or misleading in any material particular. On conviction, an offender shall be liable to a fine not exceeding 500,000 rupees and to imprisonment for a term not exceeding 5 years.
- (b) Notwithstanding any other action that the EDB may choose to take, in case of a false or misleading declaration:
 - i. The applicant will not be eligible for any future rebate under any Scheme administered by the EDB, and
 - ii. The applicant shall be liable to refund any amount obtained under the Scheme.

13. SUSPENSION OR REVOCATION

The EDB reserves the right to suspend or revoke an IMAM Certificate in accordance with the provisions of the EDB Act.

ANNEX 1

Application for IMAM Certificate /

Application for Registration Certificate under the IMAM Scheme

Business Details

Name of Business:

Date of Incorporation:

VAT No:

Company Phone Number:

Category of Business:

BRN No:

Tax Account No:

Business Size:

Planter's Card number (if applicable):

Business Address

Street:

Town/Village:

Post Code:

Postal Address

Street:

Town/Village:

Post Code:

Contact Person Details

First Name:

Mobile No:

Last Name:

Email

Address:

Financial Status	Year 1	Year 2	Year 3
Turnover over the last 3 years			
Profit/loss over the last 3 years			
Total Investment over the last 3 years			
Workforce over the last 3 years			

Farm Plan Information

Site/Location of proposed development		
Farm Size:		
Status of Land Ownership:	Own <input type="checkbox"/> Lease <input type="checkbox"/>	Duration of Lease agreement:

Forecast	Year 1	Year 2	Year 3
Estimated Turnover over the next 3 years			
Estimated Profit/loss over the next 3 years			
Proposed Total Investment			
Expected workforce			

EDB shall take actions against false or misleading declaration. Moreover, EDB reserves the right to seek additional information for processing the application and for monitoring purpose.

Date:

Signature:

Designation:

Economic Development Board – IMAM Scheme

EDB Business Support Facility

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16, Jules Koenig Street,

Port Louis - Mauritius

Tel: +230 203 3800

Email: bs@edbmauritius.org