

# AFRICA WAREHOUSING SCHEME

# **GUIDELINES**

July 2024



### DISCLAIMER

These guidelines may be subject to changes at any time. Any other information or document not listed herein 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 this manual. The Economic Development Board shall, under no circumstances whatsoever, be held liable to any person, arising from the use of information contained herein.



#### 1. INTRODUCTION

The Africa Warehousing Scheme (hereinafter referred to as the "Scheme") is implemented and managed by the Economic Development Board (EDB) Mauritius and funded by the Ministry of Finance, Economic Planning and Development.

These Guidelines set out the terms and conditions governing the Scheme. The Scheme may be terminated or amended, at any time, without prior notice. The EDB or Government of Mauritius will not bear any liability in respect of a Scheme which has been so terminated or amended.

#### 2. OBJECTIVE OF THE SCHEME

The objective of the Scheme is to support access to and increase the competitiveness of locally manufactured products in selected African markets by granting a refund on eligible costs incurred for warehousing and market development activities in those markets.

#### 3. THE SCHEME

**1.** Under the Scheme, Eligible Beneficiaries will be entitled to a 60% refund on Eligible Costs where these are incurred in relation to Qualifying Products in Eligible Countries, as per the table below.

Eligible Costs	One-Off Refund	Year 1 & Year 2	Cap per beneficiary per country
Market Survey Costs	60% Refund	Not eligible	Rs. 510,000
Costs for setting up company operations	60% Refund	Not eligible	Rs. 510,000
Rental and Administrative costs for first 200 m <sup>2</sup> of warehouse	-	60% Refund	Rs. 300,000 per year
Market Development & Penetration Costs	-	60% Refund	Rs. 900,000 per year



- 2. Eligible Costs are costs incurred in Eligible Countries and mean
  - a) Market Survey Costs
  - b) Costs for setting up company operations
  - c) Rental and Administrative Costs
  - d) Market Development and Penetration Cost

#### 3. Market Survey Costs

- a) 'Market Survey Costs' means expenses related to consultancy services to assess the competitive landscape, export opportunities and non-tariff barriers in eligible markets, so as to help formulate the market entry strategy.
- b) These are one-off costs, and refund will be granted only once.
- c) These are capped at Rs510,000 per Eligible Beneficiary and per Eligible Country.

#### 4. Costs for setting up company operations

- a) These costs **include** -
- i. expenses incurred in the eligible market for -
  - company incorporation
  - licensing and permits
  - registration of trademarks
- ii. expenses incurred for Pre-Shipment Verification of Conformity (PVoC) of goods required by each eligible market
- b) These are one-off costs, and refund will be granted only once.
- c) These are capped at Rs510,000 per Eligible Beneficiary and per Eligible Country.

#### 5. Rental and Administrative Costs

- a) "Rental costs" means costs incurred for the rental of space within a building for use as warehouse for Qualifying Products.
- b) "Administrative Costs of warehouse" means expenses incurred in the daily management of the warehouse and includes receiving costs and fulfilment charges.
- c) Only costs incurred in relation to the first 200 m2 of warehouse rented will be considered.
- d) An official and duly signed Lease Agreement clearly specifying the surface area in square metres and the purpose of the rental ("warehousing") should be submitted.
- e) In case the leased premises will be used for
  - i. both office purpose and warehousing purpose, the percentage of surface area dedicated to warehousing will have to be clearly stated.
  - ii. warehousing of qualifying products and other products that do not meet the required conditions, the lease agreement should state the percentage of surface area that will be dedicated to storage of each type of product.



This information should be in the Lease Agreement or in any other document as may be acceptable to the EDB.

- f) Any change in the use of the leased warehouse will be subject to the prior approval of the EDB.
- g) These costs will be
  - i. refunded only from the start date of rental of the warehouse in the destination country or on the date of arrival of qualifying products in the destination country, as indicated in the MRA Customs Declaration Form and the Arrival Notice, whichever comes later.
  - ii. refunded subject to export of Qualifying Products; and
  - iii. capped at Rs300,000 for each year

#### 6. Market Development and Penetration Cost

These costs-

- a) Mean expenses pertaining to the promotion of qualifying products such as marketing, advertising, and meetings with professional buyers (importers, distributors) in the country of export.
- b) will be refunded to the Eligible Beneficiary already renting warehousing space in the Eligible Country.
- c) are subject to the export of Qualifying Products; and
- d) will be capped at Rs900,000 for each year.
- 7. The Scheme is presently valid until 30 June 2027.

#### 4. ELIGIBLE BENEFICIARIES

- 1. The EDB will assess the eligibility of the applicants and their qualifying products.
- 2. Eligible Beneficiaries are Mauritian manufacturing entities wishing to export and operate warehouses in Eligible Countries for Qualifying Products.
- 3. For the avoidance of doubt, a refund under this Scheme, does not attest that the Beneficiary is in compliance with all applicable laws. It shall remain the responsibility of the Beneficiary to hold all applicable licences, authorisations, permits as may be required and to ensure compliance with all applicable laws including, without limitation, compliance with laws relating to Environment, Food Safety and Labour.
- 4. The Government of Mauritius and the Economic Development Board Mauritius shall bear no liability for any incident, accident, or injury occurring in the Eligible Countries.

#### 5. ELIGIBLE COUNTRIES

The Eligible Countries are set out in Annex 1.



#### 6. QUALIFYING PRODUCTS

- a) Qualifying Products are those that are manufactured locally and comply with the SADC, COMESA or AfCFTA rules of origin, whichever is applicable.
- b) For products for which preferential Certificates of Origin cannot be issued, qualifying products are those that have been manufactured or processed from imported materials as long as there is a value addition of more than 20% of the Ex-Works (excluding profit) of the finished goods. The Non-Preferential Certificates of Origin of MCCI should be accompanied by a written statement on the process of manufacture and the percentage of value addition, certified by a registered accountant.

#### 7. APPLICATION PROCESS

- a) An Applicant may apply for refund under this Scheme only as from the date he/she
  - i. Holds an Export Development Certificate
  - ii. Enrolls for the Scheme.

No claim prior to that date shall be entertained.

b) Export Development Certificate

The procedure for obtaining an Export Development Certificate is set out in the Export Development Certificate Guidelines issued by the EDB.

Holding an Export Development Certificate from the EDB does not in any way guarantee that the Applicant is eligible for any refund. The eligibility for the refund will be determined during the enrolment/claim process.

- c) Enrolment Process
  - i. An Applicant wishing to benefit from the Scheme must enrol itself with the EDB. This is a one-off procedure. Click **here** to download the Enrolment Form.
  - ii. The Applicant must submit the Enrolment Form and a copy of the Export Development Certificate to the EDB.
  - iii. The EDB will process the application and inform the Applicant whether his application to be enrolled for the Scheme with the EDB has been approved or not.
  - iv. The EDB reserves the right to request for such additional documentation as it may



deem fit.

v. Enrolment with the EDB does not in any way guarantee that the Applicant is eligible for refund.

Claims for refund submitted by operators that have not enrolled with the EDB under this Scheme will not be entertained.

#### 9. CLAIMS PROCESS

1) The Applicant must submit the prescribed CLAIM FORM (Click **here** to download Claim Form) together with a copy of the following supporting documents:

#### **Market Survey Costs**

- (1) Signed contract with consultant dated after 30 June 2024
- (2) Terms of Reference of the consultancy service
- (3) Invoice issued by the consultant
- (4) Receipt of payment issued by the consultant

#### Cost of setting up company operations

- (1) Certified copy of Certificate of Incorporation from the Registrar of Companies in eligible country
- (2) Certified copy of Tax registration
- (3) Certified copy of VAT registration (where applicable)
- (4) Certified copy of Business Licence
- (5) Certified copy of trademark registration
- (6) Invoices and Receipts of costs pertaining to Pre-Shipment Verification of Compliance
- (7) Receipts and other documentary evidence of costs involved

#### **Rental and Administrative Costs of Warehouse**

- (1) Air Waybill (AWB) or House Air Waybill (HAWB) or Bill of Lading
- (2) Commercial Invoice
- (3) Packing List
- (4) MRA Customs Declaration Form
- (5) Certificate of Origin



- Lease Agreement/Contract of warehousing premises. NOTE: The Lease
  Agreement should clearly state the surface area in square metres and the purpose of the rental ("warehousing")
- (7) Warehouse insurance policy
- (8) Certified copy of Invoice issued by warehouse Lessor (with costs breakdown of rental components e.g warehouse rental costs, administrative costs, etc)
- (9) Receipt of payment issued by warehouse Lessor

#### Market Development & Penetration Costs (conditional to rental of warehouse)

- (1) Official and duly signed Lease Agreement that should clearly specify the surface area in square metres and the purpose of the rental ("warehousing").
- (2) Contract with marketing expert / agency, with Terms of reference of services to be delivered
- (3) Certified copy of invoice issued by marketing expert / agency
- (4) Receipt of payment issued by marketing expert / agency
- (5) Contract with Advertisement / Communication agency, with Terms of Reference of services to be delivered
- (6) Certified copy of invoice issued by Advertisement / Communication agency
- (7) Receipt of payment issued by Advertisement / Communication agency
- (8) Certified copy of Merchandising Contract
- (9) Certified copy of Invoice from Merchandiser (where applicable)
- (10) Receipt of payment from Merchandiser (where applicable)
- (11) Proof of payment of salary to Merchandiser (where applicable)
- (12) Receipt of payment of 1 return air ticket from Mauritius to each eligible market per year for 1 representative of the company, for travel in Economy class
- (13) Stubs of Embarkation Cards (both ways) when traveling to eligible market
- (14) Report of meetings with importers and distributors in eligible markets
- 2) Enrolment and Claim Forms have to be submitted to the Economic Development Board (EDB) Mauritius, Ground Floor, Exchange Square, Wall Street, Ebene 72201.
- 3) The Claim has to be submitted within three months from the date of payment of expenses.
- 4) The EDB shall examine the claims and reserves the right to request for such additional documents as may be required.
- 5) The claim will be rejected:
  - i. If the Claim does not meet the criteria as set out above and as determined by the EDB.
  - ii. in case of any missing or incomplete document or information.
  - iii. If the applicant is in breach of any applicable law.



#### **10. 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) In addition, 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.

For any information required, please contact the EDB by email to <u>raifa@edbmauritius.org</u> or on Tel : 203 3800.



# Annex 1 Eligible Countries

Kenya

Tanzania



## ECONOMIC DEVELOPMENT BOARD

Ground Floor, 7 Exchange Square, Wall Street, Ebene, 72201, Republic of Mauritius

Tel: +230 203 3800

http://www.edbmauritius.org/