

**MAURITIUS  
ADVANCE COMMITMENT LETTER**



*Minister of Finance  
Mauritius*

24 May, 2000

Mr. Johnston  
Secretary-General  
OECD  
2 Rue André-Pascal  
75775 Paris Cedex 16  
France

Dear Mr. Johnston,

Level One Commitment - Mauritius

I am writing in connection with the OECD's project on harmful tax competition and the OECD's Report, "Harmful Tax Competition: An Emerging Global Issue" (the "OECD Report").

In view of the above, I am pleased to inform you that the Government of Mauritius hereby commits to the elimination of tax practices that have been determined by the Forum on Harmful Tax Competition to be harmful in accordance with the OECD Report. Mauritius undertakes to implement such measures (including through any legislative changes) as are necessary to fulfil this commitment.

We commit in particular to a programme of effective exchange of information in tax matters, transparency, and the elimination of any aspects of the regimes for financial and other services that attract business with no substantial domestic activities.

Details of these steps and a specific timetable will be agreed with the Forum. This timetable will involve the phased elimination, concluding by the end of the year 2005, of any aspects of the Mauritius regimes that are determined by the Forum on Harmful Tax Competition to be harmful.

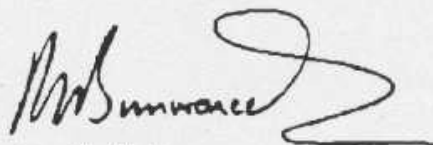
We understand that the OECD is prepared to assist us in establishing, improving, or maintaining such practices and procedures as are necessary to comply with that commitment.

We further commit to refrain from:

- (1) introducing any new regime that would constitute a harmful tax practice under the OECD Report;
- (2) for any existing regime related to financial and other services that currently does not constitute a harmful tax practice under the OECD Report, modifying the regime in such a way that, after the modifications, it would constitute a harmful tax practice under the OECD Report; and
- (3) strengthening or extending the scope of any existing measure that currently constitutes a harmful tax practice under the OECD Report.

We intend to release this letter of commitment and its transmittal letter to the public and would welcome the OECD's release of this letter after the Committee on Fiscal Affairs reports to the OECD Council on the progress of its work, which we understand is expected by mid-June 2000.

Yours sincerely,



Dr. V. K. Bunwaree  
Minister of Finance

for and on behalf of the  
Government of Mauritius