

## The New Competition Regime in Mauritius and the Financial Services Industry

talk by

**John Davies**

**Executive Director, Competition Commission of Mauritius**

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In his opening address, Dr. Milan Meetarbhan, Chief Executive, Financial Services Commission, highlighted the role played by the FSC to ensure protection of consumer interests and prevention of market abuse in the non-banking financial services sector. On the respective roles of the Financial Services Commission and the Competition Commission of Mauritius, he stated that it was crucial “to ensure there is no overlapping of roles” between the two. He further announced that a Memorandum of Understanding (MoU) was being worked out between the two Commissions to better coordinate their actions, avoid unnecessary duplication of duties and ensure effective co-operation in investigations for instance..



John Davies, Executive Director of the Competition Commission of Mauritius (CCM) made a presentation of his institution and elaborated on its mandate to enforce provisions against price fixing, bid-rigging, the control of mergers and the creation of monopoly situations. Competition, he said, will always play in favour of consumers while stimulating productivity, innovation and economic growth.

Explaining the role of the Competition Commission, he pointed out that it could, under the Competition Act, seek the FSC's views on any investigation it carries out concerning alleged market or consumer abuses in the Financial Services Sector

The CCM, he added, has considerable powers to impose remedies to block mergers and take measures in relation to price control. It can also launch investigations whenever it has reasonable grounds to do so. It can, at any time, call for the production of information from companies and convene hearings of companies under investigation.



Introducing Mr John Davies, Mr Reshad Hosany, Permanent Secretary, Ministry of Business, Enterprise and Cooperatives,,highlighted areas of complementarity identified between the CCM and the FSC.

While sector-specific regulators like the FSC aim at preventing malpractices by entities falling under their purview, competition authorities such as the CCM have a duty to track down anti-competitive behaviour wherever it is found and to promote competition among players in any sectors including the financial services sector.

He referred to Section 66 of the Competition Act which provides for the Competition Commission and sector regulators to enter into MoU's to govern the exercise of their respective responsibilities and to establish mechanisms for practical cooperation, including the use of sector-specific expertise with the objective of creating a fair competition environment.