

## PRESS RELEASE

### Launching of Regulatory Framework on Crowdfunding

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The Financial Services Commission (the “FSC”) is pleased to announce the launching of the Regulatory Framework on Crowdfunding on 25<sup>th</sup> of November 2021. The event was held at the FSC House in the presence of the Honourable Mahen Kumar Seeruttun, Minister of Financial Services and Good Governance, Mr Mardayah Kona Yerukunondu, Chairperson of the FSC and First Deputy Governor of the Bank of Mauritius, Board Members of the FSC and Mr Dhanesswurnath Thakoor, Chief Executive of the FSC.

The event was also virtually attended by around 230 participants who followed through our live streaming, including 83 from 36 countries.

The Honourable Mahen Kumar Seeruttun highlighted in his keynote address that *“Crowdfunding represents a valuable addition to the plethora of products which we have been introducing and will soon prove to be one of the strongest and one of the most popular components of our financial ecosystem”*. He emphasised on the importance of helping SMEs to *“get off the ground, grow and succeed”* and added that *“Crowdfunding will be supporting various agendas from Fintech to Blockchain, from Green to Blue, from Sustainability to the Environment. Through my Ministry and the FSC, we are focusing on those policies that will boost investor confidence and trust in our system”*.

Mr Mardayah Kona Yerukunondu, the Chairperson of the FSC, mentioned that *“this new regulatory framework for investment-based crowdfunding will contribute to shape and improve access to finance for entrepreneurs”*. Furthermore, he stated that, as a *“forward-looking and responsible”* regulator, the FSC will ensure that businesses will comply with all necessary rules and regulations which will *“spur growth in the Fintech sector, thus transforming it into a new pillar of the Mauritian economy. It is of paramount importance*

*that we ensure regulatory and supervisory structures remain robust, allow risks to be appropriately managed, while enabling innovations to flourish” he added.*

Mr Dhanesswurnath Thakoor, the Chief Executive of the FSC, underlined that the Regulatory Framework on Crowdfunding is aligned with *“the FSC’s Fintech strategy to foster an increased access and adoption of digital financial services in Mauritius”*. He stated that *“the FSC has taken all reasonable care to establish a robust regulatory framework to ensure that the interests of stakeholders of crowdfunding platforms are adequately protected”*. He mentioned the ongoing plans for the Commission to tap into *“SupTech/RegTech opportunities with a view to developing and consolidating our image as a leading, innovative and data-centred regulator within the region”*.

The FSC has set out a comprehensive Regulatory Framework on Crowdfunding as announced in the National Budget Measures 2019/2020. Amendments were brought to the Financial Services Act 2007 (“FSA”) to include ‘Crowdfunding’ as a financial business activity under Part I of the Second Schedule to the FSA.

With the enactment of the Crowdfunding Rules complementing the Peer to Peer Lending Rules, Mauritius is positioned to be a reputable Fintech hub. Furthermore, with the Regulatory Framework on Crowdfunding, investors will contribute to the growth of Small and Medium Enterprises operating in or from Mauritius and participate in crowdfunding activities which are being conducted in a regulated landscape.

*25 November 2021*

About the FSC

*The FSC is the integrated regulator for the non-banking financial services sector and global business.*

*The vision of the FSC is to be an internationally recognised Financial Supervisor committed to the sustained development of Mauritius as a sound and competitive Financial Services Centre.*

*In carrying out its mission, the FSC aims to promote the development, fairness, efficiency and transparency of financial institutions and capital markets in Mauritius; suppress crime and malpractices so as to provide protection to members of the public investing in non-banking financial products; and ensure the soundness and stability of the financial system in Mauritius.*

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