

COMMUNIQUÉ

Proclamation of the Virtual Asset and Initial Token Offering Services Act 2021

The Financial Services Commission, Mauritius (the "FSC") hereby informs industry stakeholders and the public that the [Virtual Asset and Initial Token Offering Services Act 2021](#) (the "Act") has come into force on the 7th of February 2022.

The Act sets out a comprehensive legislative framework to regulate the business activities of virtual assets service providers and initial token offerings. It has been developed *inter alia* in accordance with international standards established by the Financial Action Task Force to manage, mitigate and prevent anti-money laundering and countering the financing of terrorism risks associated with these emerging and innovative business activities.

Any person who is currently carrying out the business activities of:

- (i) a virtual asset service provider or an issuer of initial token offerings in accordance with the Act; or
- (ii) a custodian (digital assets) in accordance with the Financial Services Act,

is required to apply for a licence or registration (as applicable) with the FSC not later than 3 or 18 months after the commencement of the Act, respectively.

Pursuant to the provisions of the Act, it is an offence for any person to carry out the business activities of a virtual asset service provider or an issuer of initial token offerings in or from Mauritius without an appropriate licence issued by the FSC. In accordance with Sections 7(2) and 23(2) of the Act, any person found in contravention thereof shall commit an offence and be, on conviction, liable to a fine not exceeding 5 million rupees and to imprisonment for a term not exceeding 10 years.

The FSC therefore advises industry stakeholders and the public to:

- (i) transact only with duly licensed virtual asset service providers or registered issuers of initial token offerings under the Act; and
- (ii) report forthwith on any potentially suspicious, unlicensed or unregistered virtual asset service providers and issuers of initial token offerings, as the case may be, to the FSC.

The FSC has published **FAQs** on its website (www.fscmauritius.org) and also established a dedicated phone line (404 5646) to assist industry stakeholders and the public with any query or reporting.

9 February 2022

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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