

COMMUNIQUE

Webinar on ‘Virtual asset regulatory developments and highlights in Mauritius’ co-hosted by the FSC and Z/Yen Group Limited

The Financial Services Commission, Mauritius ("FSC") in collaboration with Z/Yen Group Limited hosted a webinar on ‘Virtual asset regulatory developments and highlights from Mauritius’ on 18 April 2023. The webinar, which focused on the latest regulatory and market changes, aimed at shedding light on the practical implications of the ongoing initiatives in the virtual asset ecosystem.

The event was attended by both local and international participants comprising financial regulators and supervisors, as well as, private sector stakeholders.

Mr Dhanesswurnath Thakoor, the Chief Executive of the FSC, in his keynote address highlighted the evolving Fintech regulatory landscape in Mauritius. He emphasised that *“Mauritius has put in place a number of enabling legislative provisions to position itself as a Fintech Hub of choice for Virtual Assets”*. He also stated that *“Mauritius, as an International Financial Centre and a growing Fintech hub, is among the first countries in the Eastern and Southern African region to adopt a comprehensive legislation on Virtual Assets, through the enactment of the Virtual Assets and Initial Token Offerings (VAITOS) Act 2021”*.

Mr Thakoor further underlined that, to date, the FSC has issued licenses to five entities namely as Virtual Asset Broker – Dealer, Virtual Asset Wallet Services, Virtual Asset Custodian and Virtual Asset Market Place. He added that *“at a time when the global regulatory landscape is uncertain, our regulatory framework provides clarity and consistency and that our regulatory landscape provides for all dimensions of the public’s interface with Virtual Assets to protect them and at the same time address prudential and AML/CFT risks”*.

Resource persons from the FSC provided an overview on the VAITOS and the ongoing initiatives undertaken in the Virtual Assets space, as well as the authorisation process and the supervision of Virtual Assets Service Providers.

Mrs Hemlata Nundoochan of the Bank of Mauritius spoke on the various developments related to the Fintech sector under its purview and further elaborated on the draft guideline for virtual assets related activities.

Mr Ashveen Gopee, Managing Partner at Lex Frontier, elaborated on the various initiatives on the legal and regulatory framework of the virtual assets as well as the threats and risks related to this segment. He highlighted that the National Risk Assessment exercise on Virtual Assets/Virtual Assets Service Providers were “*the founding stone for the enactment of the VAITOS*”. He further said that “*the VAITOS provides a comprehensive legislative framework for VASPs and issuers of ITOs in line with the international standards of the FATF with respect to managing, mitigating and preventing ML/FT risks, and which is predominantly an AML/CFT framework*”. Moreover, he stated that “*the issuance of the Guidance Notes on AML//CFT further reinforced the existing framework of Financial Intelligence and Anti-Money Laundering Act and regulations*”. He underscored that “*this shows the seriousness of the regulator and the jurisdiction as a whole to put forward Mauritius as a serious jurisdiction for potential players to come and do business*”.

Mrs Jessica Naga, CEO of the Mindex Group, provided her views on the experience of Mindex as a licensed operator and stated that the VAITOS framework brings enormous certainty to the sector. She further observed that “*it is a judicious choice that Mauritius is making to build a sustainable and trusted Fintech hub and is leveraging on experience built over the 30 years of IFC with trusted regulators, laws and legal system, and an innovative digital financial institutions infrastructure amongst others*”.

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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