



Financial Services Commission  
Mauritius

## Communiqué

### **Presentation on Building Mauritius as a Competitive International Financial Centre (IFC) - A Roadmap for the Mauritian Financial Services Industry**

The Financial Services Commission ('FSC') hosted a presentation by Dr. Percy Mistry on his report on *"Building Mauritius as a Competitive International Financial Centre (IFC) - A Roadmap for the Mauritian Financial Services Industry"* at the FSC House on 15 January 2014.

Dr. Mistry is the Chairman and CEO of Oxford International Group (OIG) and the Principal Advisor to key multinational and sovereign clients (India and Mauritius). He is a renowned consultant providing strategic advice to governments, transnational corporations, aid agencies, UN agencies and international financial institutions. He specialises in advice on institutional structures, policies and regulatory regimes in the financial systems of emerging markets and advises governments on economic development; development finance; sovereign debt management; monetary, fiscal and exchange rate policies; structural adjustment; and regional economic integration.

The presentation was attended by her Excellency, Mrs U. C. Dwarka-Canabady, Ambassador and Acting Secretary for Foreign Affairs, members of the FSC Board and players in the financial industry i.e. representatives of Global Business, Capital Markets, Insurance and Pension sectors.

Ms Clairette Ah-Hen, Chief Executive of the FSC, in her opening address pointed out that *"Regulation, culture, risk and profitability are all important in determining the future of the financial services industry. The future is promising but uncertain. Following the crisis, there are increased demands and expectations on regulators from the public and policy makers. The pressure on asset managers, banks and insurers is now the new normal. New thinking in financial services needs all stakeholders/experts from the sector to work together to share ideas and experiences. Collaboration is key."*

In his opening remark, Dr. Mistry highlighted that the presentation of the roadmap aimed at enhancing the competitiveness of the Mauritius IFC and was based on the analysis of the outcomes and issues discussed at an FSC workshop with stakeholders held in October 2012 in Mauritius. The FSC workshop held in October 2012 saw the participation of key public sector officials and representatives of various segments of the financial services sector. The purpose was to initiate the process of defining a new vision and strategy for the Mauritius IFC, taking into consideration the experience of other countries and building on the existing foundation. This initiative was part of FSC's mandate *"to study new avenues for development in the financial services sector, to respond to new challenges and to take full advantage of new opportunities for achieving economic sustainability and job creation (Financial Services Act 2007 Section 5(1) (d))"*.

The presentation of the roadmap to build Mauritius as a competitive IFC underlined potential challenges and proposed the following recommendations:

- **Private Banking & Wealth Management (PBWM)**
- **Asset Management**
- **Insurance & Re-Insurance**

- **Transfer Pricing & Tax Management – Constraints/Opportunities**
- **Capital Market Deepening & Development (for use by Outsiders)**
  - ✓ i.e. Debt, Derivatives, Currencies, Commodities, Africa, ETFs
- **Complex Financial Engineering: Domestic, Regional, Africa**
  - ✓ **Mergers & Acquisitions (M&A)**
  - ✓ **Privatizations/Divestitures of SOEs**
  - ✓ **Public Private Partnerships (PPPs) for Infrastructure**

According to Dr. Mistry, *“one of the stronger aspects of Mauritius in terms of its International Financial Centre is its regulation which is actually quite good. It is quite flexible, it has got the right balance between being too heavy handed and too light handed. At the same time, it divides reasonably specific and reasonably firm guidance to what firms can and cannot do. The two regulators of the financial services sector, namely the FSC and the Bank of Mauritius (BoM), are very well respected and recognized... In fact, I believe that the regulators could offer a regulatory advisory service which will be welcomed by many international takers especially in Africa.”*

In her closing remarks, the Chief Executive of the FSC invited all stakeholders to inform the FSC of their interest to form part of the various working groups being set up to look into the recommendations made in Dr. Mistry’s report by 24 January 2014. She further assured of the FSC’s support to the working groups.

***Financial Services Commission  
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