



Financial Services Commission
Mauritius

Presentation of the Global Business Guide

FSC House, 25 January 2012, 09.00

Speech by Ms C. Ah-Hen, Chief Executive Financial Services Commission

Honourable Xavier Luc Duval, Vice-Prime Minister and Minister of Finance and Economic Development

Ms Mary Anne Philips, Vice Chairperson of FSC

Members of the Board of the FSC

Mr Sudamo Lal, Director General MRA

Mr Dhiraj Seetulsingh, Chairperson FRC

Mrs Prabha Chinien, Registrar of Companies

Mr Sean Ennis, Executive Director CCM

Industry partners

Ladies and Gentlemen

It is with great pleasure that I welcome you today at the FSC House for the '*Presentation of the Global Business Guide*'.

It is symbolic that the first event of this year for the Commission brings together Government, the Regulator and the Industry.

The International context – Facing the challenges ahead

- *Meeting international norms and standards and sustaining investor confidence*

The global economic crisis has intensified the debate about the role of International Finance Centres (IFCs). Today, so as to strengthen the global framework for financial stability and reduce the likelihood of the re-occurrence of another crisis, the emphasis has shifted to whether or not a jurisdiction is complying with the international standards particularly those relating to transparency and exchange of information. In addition, it is no longer sufficient to have the appropriate legislative framework, the regulatory standard setters are taking a more active role with the monitoring of compliance and regulators have to demonstrate their commitment and ability to implement these standards.

The challenge of financial centres such as Mauritius, remains to ensure that their regulatory standards are at par with international standards and that their reputation is not infringed by identification with financial crime.

The past years have set out the main framework and I am confident that we are on the right track to fully meeting the international standards as set out by the leading organizations like the OECD, IOSCO, IAIS and IOPS (FSC being the integrated regulator which supervises both prudential soundness and conduct of business for Capital markets, Insurance, Pensions in addition to Global Business).

Already our efforts are being recognised and in its peer review report of October 2011, the OECD has acknowledged the progress in our legal and regulatory framework that gives its **competent authority broad access to the full range of relevant information.**

The report further highlights the fact that Mauritius being a small and open economy is dynamic, diversified and fully integrated into world markets; and **confirms the status of Mauritius as a trusted, transparent and well-established International Financial Centre.**

The presence of the Mauritius delegation, of which FSC is a member on the Financial Stability Board Regional Consultative Group for Sub-Saharan Africa will reinforce recognition of the efforts of Mauritius to be on a level playing field with other IFCs through an active participation at regional/international platform.

The election of the FSC to the Vice Chair of CISNA (The Committee of Insurance, Securities and Non-Banking Financial Authorities for SADC for the period December 2011 to August 2013, during CISNA's meetings held in Victoria Falls, Zimbabwe last December, shows the respect and trust of SADC regulators in Mauritius to address the three principal challenges in the CISNA sphere, namely: market development, market harmonisation and systemic stability.

As we work with our African partners in implementing CISNA's strategic plan, we continue to address the need to develop Manpower Excellence within the Commission with greater focus on accountability, efficiency and professionalism. The development of technical competence is carried out in collaboration with our international network of regulators and institutes such as the Financial Stability Institute, the Toronto Centre, the Asia-Pacific Economic Cooperation (APEC) Financial Regulators Training Initiative (FRTI), IFSB for Islamic Finance as well as local partners.

I take this opportunity to announce that the FSC, in collaboration with the IFSB, will be organizing a workshop on "Facilitating Implementation of the IFSB Standards" specific to Islamic Capital Market Segment on 16-18 April 2012.

- ***Balancing business-friendly approach v/s regulation***

While never compromising on sound regulation, we need to recognise the challenges we face **collectively** to maintain the competitiveness of the jurisdiction which requires:-

- close collaboration and dialogue between the industry and FSC;
- compliance by Management Companies in implementing the regulatory requirements; and
- the right balance between regulation and business-friendly operations.

Ladies and gentlemen,

The Commission, has – in the past, under the FSDA (the repealed Financial Services Development Act) issued booklets as part of a series of “Guide to...”. Many of these booklets had become out of date with the numerous changes in laws and regulations over the past few years and needed revision.

As we reviewed our licensing process to increase efficiency and improve decision-making, the Licensing Team also embarked on compiling frequently asked questions by investors and management companies and looked on how to improve the application process and communication with applicants. The team also considered the views expressed by many of you during the various FSC-Industry meetings. Today, the work done so far has reached a stage where it can be shared with our stakeholders in Industry.

Through this Guide to Global Business, we would like to facilitate the application by the service providers for a global business licence and thus further improve the licensing process.

The objective of this Guide is to:

- provide guidance to investors and service providers with proper understanding of the requirements before applying for a Global Business Licence;
- remove bottlenecks to the application process;
- strengthen the continuous and efficient collaboration between the FSC and Management Companies ('MCs'); and thus
- contribute to enhancing the competitiveness of Mauritius as an international financial centre of substance and as a preferred destination for starting a business;

It is to be noted that this guide is a working tool – dynamic and not static – which will be updated as we develop new products or as we improve processes within the FSC (such as online application) or as we enhance collaboration with service providers and licensees and come up or resolve new issues.

I am pleased to announce that the FSC will conduct training sessions / seminars for the industry – at least twice a year for GB (to start with) - so as to ensure common standards across the industry.

Joint efforts from the industry and regulator will be required for a smooth implementation of the process and I am convinced that 2012 will see a fruitful collaboration between the FSC and the Industry as well as with other stakeholders.

Thank you.