



**Financial Services Commission
Mauritius**

CISNA Bi Annual Meeting, October 2012, Mauritius

The Financial Services Commission ('FSC') for the third time hosted the bi-annual Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA) meeting in Mauritius from 2 to 5 October 2012 at Long Beach, Belle Mare. CISNA's vision is to facilitate the development and implementation of a harmonised, risk based regulatory framework for member states in SADC that enables market growth and development, reduces the potential for systemic risk, informs and protects consumers, mobilises capital flows and contributes to prosperity in the region. All CISNA members from the Southern African Development Community were present to the exception of Dem. Rep. of Congo and Mozambique.

Important internal issues such as the draft Terms of References for CISNA initiatives, a proposal for the establishment of a permanent secretariat and a proposed organisational structure, rules and procedures were discussed. A monitoring and evaluation framework using the traffic light system was adopted to help quickly identify problem areas and measure progress. A representative of the Committee of SADC Stock Exchanges (COSSE), which reports to CISNA was also in attendance and addressed the Plenary.

The Capital Markets Subcommittee is working on a number of projects namely Harmonisation of Listing Requirements towards Best Practice, Requirements for Licensing and Approval of Central Security Depository Participants and Corporate Governance Standards. Work will also start on new projects identified such as risk management measures and over-the-counter derivatives market and product regulation.

The final report on the study on Harmonisation of Insurance Industries in the SADC region was adopted. Nine key recommendations were made: improvement of legislation and supervisory procedures of the jurisdiction; secondments to other jurisdictions for skills development; agreement on a common framework based on a paper issued in June 2012 by the International Association of Insurance Supervisors; consensus on the impediments; teams of supervisors and outside consultants to work on the proposed minimum standards; development of a scorecard; 'soft requirements'; and data collection.

The study on Harmonisation of Pensions Industries in the SADC region is progressing. The study will include an analysis of existing legislation up to the time of assessment using the seven core Principles of the International Organization of Pension Supervisors.

The report on the diagnostic study on Micro insurance presented by FinMark Trust, a non-profit making independent trust whose purpose is to promote financial inclusion and regional financial integration and who co-funded the "Baseline study on the Implementation of the SADC Protocol on Finance and Investment" with the GIZ, was adopted. Findings of the study revealed lack of financial inclusion policy, risk of informality, risk of insolvency and no consumer protection. The report recommends building a standardised data collection system, a harmonised micro insurance framework and to strengthen policy on micro insurance.

The Consumer Financial Education Technical Committee plans to conduct a survey to gauge the current status in terms of financial education in the member countries and the results are expected to assist in the development and implementation of national policies and strategies for financial education. The Financial Services Board of South Africa will continue a programme to familiarize CISNA members with its own programmes for two more years.

The Training Committee is carrying out a survey to understand the needs of the member states. Training gaps identified will be filled by providing priority training programmes which may develop into a certification programme for regulators under CISNA.

Anti-Money Laundering/Combating of Financial of Terrorism is an important issue for both SADC and CISNA, and a technical committee has started working on a terms of reference and an action plan to strengthen the standards in member jurisdictions, in line with the newly adopted Annexure 12 of the SADC Finance and Investment Protocol.

The next CISNA meeting has been scheduled for 22 – 26 April 2013 in Sun City, South Africa. Tanzania and Mauritius continue to hold the Chair and Vice Chair respectively.

Financial Services Commission
26 October 2012