

**Speech by Ms C. Ah-Hen, Chief Executive, Financial Services Commission for the
Signature of Memorandum of Understanding between
the Financial Services Commission and the Competition Commission of Mauritius
11 November 2011, 14.30 at FSC House**

Dr Ennis, Executive Director, Competition Commission of Mauritius

Ladies and Gentlemen

Good afternoon

Thank you for your presence today at the FSC House.

Against the background of the events in the world of finance, regulators need to remove excessive focus on any one particular aspect and broaden their attention beyond immediate results. They need to work together to promote a fair, stable and efficient environment for investors and all stakeholders in the market.

Regulatory framework ensures sound conduct of business. In the financial-services environment, it is clear that for sustainable shareholder value creation (and protection), regulation alone is not enough. Whereas regulation tackles prevention of broad structural market failures, competition policy is required to prevent any harmful behaviour of individual market participants.

This Memorandum of Understanding establishes a framework for cooperation between the FSC and the CCM. It sets out a formal framework for cooperation for exchange of information between the two authorities.

It lays out procedures for discussing matters of common interest and facilitates contact and discussion to better protect the interest of consumers of financial services.

However, competition enforcement and regulation must neither introduce unnecessary burden nor stifle growth. We must make sure that the market develops in ways that are compatible with long term stability and efficient growth. Above all, we need to promote a system that both consumers and operators can trust.

Whilst we shall collaborate to promote a fair and competitive environment, the independence of both authorities shall be maintained.

As our challenges as regulators increase, it becomes crucial that we strengthen our relationship with partners both in Mauritius and in other jurisdictions in other areas of surveillance – more specifically for exchange of information.

I wish here to point out that Mauritius' efforts to meet international standards on transparency and disclosure has recently been recognised by the OECD in its report released in October 2011. The report mentioned that *“in line with the international movement towards more transparency and exchange of information, Mauritius has taken significant steps to enhance its exchange of information and its legal and regulatory framework”*. The Report also *“recognised that Mauritius is putting in place a national strategy for an efficient exchange of information system.”*

I have no doubt that this MOU will provide the right framework for both FSC and CCM to further consolidate the financial markets in Mauritius.

Thank you.