



Financial Services Commission
Mauritius

**Speech of Mr. P.K Kuriachen, Acting Chief Executive,
Financial Services Commission, Mauritius**

in the context of the

Launching of the Online Submissions Platform

Hon. Roshi Bhadain, Minister of Financial Services, Good Governance and Institutional Reforms

Mrs Prabha Chinien, Registrar of Companies

Representatives of Local Agencies and of the Industry

Members of the media, Ladies and Gentleman

Good Afternoon!

It is my pleasure to welcome you today at the FSC House in the context of the launching of the Online Submissions Platform. It is an honour for the FSC Mauritius to be graced by the presence of Honourable Minister Roshi Bhadain on this special occasion.

MoU with CBRD: Today's event is significant for the FSC Mauritius in its commitment to advance the jurisdiction to a higher level. In this venture, the Online Submissions Platform (OSP) is adjutant. In a nutshell, it is expected that the OSP will enhance the score of Mauritius in the Ease of Doing Business Index. In our context, a high ease of doing business ranking means the regulatory environment is more conducive to establish and conduct business operations. How the OSP proposes to achieve this? As a matter of fact, the OSP allows Management Companies and other applicants to submit applications for licenses on an online platform. It also allows payment of fees online through Electronic Payment Instructions, and provides an interactive platform amongst Government agencies (notably the Corporate and Business Registration Department - the CBRD).

In this context, the concretisation of the partnership of the FSC Mauritius with the CBRD, via the signature of a Memorandum of Understanding later today is a major stepping block. The

advancement of the Mauritius IFC is not the mandate of one or two institutions only; it is the mandate of every stakeholder in the sector – from government agencies to the industry players. You may recall, earlier the FSC Mauritius established an online procedure for submission of applications for Tax Residence Certificates in collaboration with the Mauritius Revenue Authority. On this note, I wish to seize this opportunity to thank Mrs Chinien and her team who have been very supportive of the project since Day 1.

It is our choosing that this platform is as interactive and user-friendly as possible. You would note that information submitted to the CBRD for the setting up of companies are prepopulated from the CBRD platform and channeled to the FSC Mauritius platform. This procedure reduces duplication in submission, and has also the benefit of avoiding mistakes and errors in data entry. Further clearance to the CBRD for the incorporation of companies is also given via this platform to reduce the turnaround time of licensing applications.

About the OSP: Allow me at this stage to briefly introduce you to the OSP. The OSP has been designed to be modular and will be fully operational in three phases.

- Phase 1 – which is being launched today - is the online submission for applicants seeking Global Business Licences and financial activity licences, and payment of fees;
- Phase 2 will cater for the renewal/ updation /conversion of licenses and payment of fees – which will represent a major development in operational matters; and
- Phase 3 will allow for submission of applications for domestic players.

Modules 2 and 3 are currently under development and will be operational soon.

The FSC Mauritius has, last month, successfully conducted the testing and piloting exercise of Phase 1, together with the Management Companies. In this respect, I wish to thank the Management Companies for their participation, your valuable feedback and continuous collaboration with the FSC Mauritius.

Ladies and Gentleman,

Regtech: Today, the amount of information requested by regulators is inversely proportionate to their capacity to assess such information – to the extent that regulators around the world are under-

resourced. On the other hand, there is a need to redesign financial regulation in line with the transformation of the financial market infrastructure. A phased approach is advisable – where first, automation is created to capture big data, to streamline processes and ensure regulatory compliance. The FSC, in this objective, intends to use technology to improve supervision and regulation through better analytics.

The need for the OSP is just a natural step in a world led by technology. Whilst the debate around Financial Technology (or FinTech) is gaining momentum, the regulatory technology (RegTech) or using technology to ease regulation is equally important.

During the recent World Bank and IMF FSAP mission, concerns were raised about the capabilities of the FSC Mauritius for effective supervision of such large number of licensees with limited resources. RegTech is the way forward. The FSC Mauritius has already adopted a Risk based supervision system, started with an online questionnaire. Further RegTech initiatives are in the pipeline. On-site inspections will be conducted only on exceptional basis once the RegTech is full operating.

Digital transactions and communications leave time stamped audit trails on a real time basis. With the implementation of OSP, the FSC Mauritius is intending to put in place a rating system to evaluate internal and external performances. In the initial phase, internal ratings will be used to reward the best performing officers of the FSC and externally to award the management companies on their quality of submissions.

Revamping of Website: Our website is an effective tool for communication with our licensees, the public at large and the international community. Following the ever-growing popularity of mobile devices, we aim to sustain this online presence and improve end-users' experience with more flexibility options. In a study commissioned by Google, it was found that 52 per cent of users are unlikely to engage with a business that has a non-mobile friendly site. The engagement of the FSC Mauritius to stay abreast of the latest technological developments is translated into the revamping of the official website into a fluid design tailor-made for users of smart phones, tablets and desktop screens; hence a more user-friendly interface and increased responsiveness.

Highlights of 2016: As a little retrospection of year 2016 may I highlight that last February, the FSC Mauritius launched the Online Data Capture System (ODCS) which is a platform aiming to ease

financial data collection, compilation and analysis through online submissions in line with the best international statistical practices.

The FSC Mauritius has started to work on the Centralised Online KYC project which will be another model as to how technology is gradually blending itself into financial regulation.

All those technological initiatives are tools to modernise the Mauritius IFC, enhance competitiveness and position our jurisdiction as a regional hub for the African and Asian economies; and contribute towards making Mauritius a major player in the region. This vision can only be achieved if all stakeholders play an active role in the process. I foresee that 2017 will be another exciting year for the Mauritius IFC.

Looking backward, on the 1st of December 2001, exactly 15 years back, the Stock Exchange Commission, the office of the Commissioner of Insurance and the Mauritius Offshore Business Authority were merged into one entity to establish an integrated regulator, i.e. the FSC Mauritius. In 15 years, the landscape of the financial services and of the Global Business has much evolved. Mauritius has shifted from a classical offshore jurisdiction to one of substance, where gradually offshore is being brought onshore in line with the vision of our policymakers to establish Mauritius as an international financial centre with a regional focus on Africa and Asia.

On this occasion ladies and gentleman, allow me to have an even bigger dream. The years to come will be decisive as we all pull together to erect the Mauritian jurisdiction as an International Financial center of repute and substance.

On a concluding note, I wish you all a happy festive season and may our collaboration continues to be fruitful and prosperous.

Mr P.K. Kuriachen

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