Way forward for the Mauritius IFC

Presented by Harvesh Seegolam, Chief Executive, FSC Mauritius
The Financial Services sector is the future.

Percentage GDP Contribution of main Sectors 2008 - 2018

Percentage Growth Rates of GDP Contribution of main Sectors in 2018
Considerations impacting the Sector

- International Developments
- AML/CFT practices
- Enhanced collaboration between regulators & timely Enforcement
- Digital Innovation & Digital Security
- Innovative product offerings
- Dynamics of Doing Business (M&As)
At the heart of this...
Our Fundamentals

» Ensuring adherence to international norms
» Nurturing the good repute of the Mauritius IFC
» Encouraging sustainable and substance-based activities
» Adopting Sensible Regulatory Approaches
Initiatives in identifying drivers of growth for Mauritius as an IFC

- Blueprint Exercise conducted and completed in a fully collaborative manner
- Report on FinTech and Innovation Driven Financial Services
- Working Groups to revamp the Securities Markets framework
- Working Groups to enhance the Insurance product offerings
- Committees/Sub-Committees on Global Business
- Review of Regulatory Framework
Setting the targets: which activities should the IFC focus on?

Mauritius: A specialist IFC focused on key activities

Cross-border investment
- Expected Growth: 5% in real terms
- Will provide 46% of IFC economic value add (USD 1.15 bn)

Corporate banking & Corporate Finance
- Expected Growth: 9.6% in real terms
- Will account for 48% of IFC economic value (USD 1.21 bn)

Private wealth
- Expected Growth: 6.7% in real terms
- Will account for 5% of the IFC’s economic value add (USD 115 Million)
Way forward for Mauritius as an IFC

Drivers of Growth:

Cross Border Investments
Corporate Banking and Corporate Finance
Private Wealth
Digital Financial Assets & AI

Supporting the Drivers:

Capital Markets
Corporate Services
Fund Services
Asset Management
Insurance solutions
The impact on the economy

- Contribution of the IFC to GDP is expected to grow to approx. 12%
- In real terms, the size of the IFC will increase from USD 976 million in 2016 to approx. USD 2.5 billion
- The number of employment in the IFC is expected to increase to approx. 21,000
Enabling the Enablers

Business environment
- **Future-proof** the **regulatory** and tax regimes.
- Create **simple, user-friendly processes** to serve financial institutions, corporates and HNWIs.

Human capital
Attract, develop and retain world-class **global talent**.

Financial sector development
Attract high-calibre corporates and financial institutions to create real **depth and breadth** in the IFC.

Infrastructure
Enhance **living options**.

Reputation
Improve the nature and reach of Mauritius’ reputation by building its **brand** and communicate its **image** as a world-class specialist IFC.
Future Proof Regulator

Regulatory Evaluation and Adjustment

- Review of current licences
- Need for new licences
- Developing minimum standard for the industry
- New framework for Management Companies
- Augmenting the operational efficiency of the FSC

Enhanced Supervision & Compliance
Organising for delivery

Purpose

- To coordinate innovation in the Mauritius IFC
- To submit monthly report on progress to the Steering Committee

Steering Committee at the level of the PMO

Project Management Team set up at the level of the FSC

- Working in collaboration with the Ministry of Financial Services & Good Governance
The difficulty lies not so much in developing new ideas, but in escaping from old ones.

- John Maynard Keynes
THANK YOU