



**SPEECH OF MR HARVESH SEEGOLAM,
CHIEF EXECUTIVE OF THE FINANCIAL SERVICES COMMISSION
AT THE OPENING CEREMONY OF THE 42ND BI-ANNUAL CISNA PLENARY
LE MERIDIEN, MAURITIUS**

Mr Tafadzwa Chinamo, Chairperson of the Committee of Insurance, Securities and Non-banking Financial Authorities (CISNA) and Chief Executive of Securities and Exchange Commission of Zimbabwe

Mr Kenneth Matomola, Vice Chair of CISNA

Dr Renganaden Padayachy, First Deputy Governor of the Bank of Mauritius and Chairperson of the FSC Mauritius

Members of the Board of the FSC Mauritius

Members of CISNA Executive Committee

Fellow Chairpersons and CEOs of SADC Member States

Representatives of SADC

Captains of the Industry

Distinguished Guests

Ladies and Gentlemen

All Protocols Observed

A very Good morning to you all.

The Financial Services Commission of Mauritius is honoured to host this 42nd bi annual meeting of the Southern African Development Community's - Committee of Insurance, Securities and Non- banking Financial Authorities (CISNA).

It is my pleasure to greet and welcome all our guests and fellow regulators from SADC Member States, as well as our distinguished experts and resource persons to today's plenary. We have amongst us more than a hundred representatives of regional regulatory institutions. I thank you all for your presence this morning.

Ladies and Gentlemen,

The future outlook of CISNA depends largely upon how successfully and effectively we structure and move forward on key projects initiated over the past years. In today's fast evolving world, it is certainly no secret that cooperation is the success mantra in any field of activities. I firmly believe that same applies in the regulatory sphere as well.

Ladies and Gentlemen,

As our region progresses, our respective financial services sectors will be called upon to play increasingly more significant roles and bring more contribution and support to sustaining and further nurturing growth across various sectors of our economies. I always say, financial services remain the main enabler of development in any economy.

This means that we, as regulators, equally have correspondingly decisive roles to play- not only in framing the enabling regulatory framework, ensuring sound conduct and oversight, but most importantly in accompanying our region in its growth and development phase.

Discussions over the last few days here at the various Committee levels have all been very supportive of this thinking and of the need to further enhance regional regulatory integration and harmonisation.

Ladies and Gentlemen,

I assure that at the level of the FSC Mauritius, we are fully committed to providing the necessary support and assistance to the various CISNA initiatives for our common cause and goal of ensuring better and enabling regulation of financial services across member countries.

We look forward to formulate a tailor made mechanism which will be the springboard for firms in various jurisdictions to spread their wings in other member states. This can be as beneficial for the insurance segment in terms of cross border activities as for capital raisings and listings across several jurisdictions, to mention a few.

It is in this very respect that the FSC Mauritius, with the relevant support of the Government of Mauritius, has submitted its candidacy for the Hosting of the Office of the Permanent Secretariat for the SADC CISNA. We have endeavoured to provide a complete set of administrative and logistic support for the successful setting up of the CISNA Secretariat. During the last three years, the various Committees have discussed on how best to move forward. The road ahead is challenging but very important to undertake. We rely on the collaboration of all CISNA members to ensure a seamless transition as the Office of the Permanent Secretariat of CISNA becomes fully operational over the next months.

This bi annual meeting is an opportune time for us to reflect on pressing matters. We have reached a turning point in the history of CISNA – The last three years have witnessed the debate over the necessity for the CISNA Secretariat to be operational as an office on its own; and rightly so, since we are, as Regulators, prompted to redefine our ways of doing things to embrace more challenges that the uncertain macro economic and financial

environment is bringing on the table. That the Office of the CISNA Secretariat comes to legal existence is hence a timely move.

At this stage, I wish to commend the works and dedicacy and give due credence to the Financial Services Conduct Authority who has, since the inception of the CISNA (since 1998), housed the CISNA Secretariat and mobilised the resources to enable to CISNA community to operate optimally.

Going forward, we hope to draw the same synergies so as to work closely together for the betterment of the CISNA family.

Ladies and Gentlemen,

There are several issues which are common to our jurisdictions. The structures of financial institutions have gained in complexity and the way in which their services are being distributed is equally becoming more intricate.

Additionally, we have to address our minds how we can best embrace and encourage innovation whilst ensuring financial stability, orderly administration and consumer confidence and protection.

Another common challenge is the fact that regulatory resources remain scarce and subject to constant up skilling.

A key function of each regulatory authority remains striking the right balance between the promotion of development in the financial arena and ensuring proper conduct in the industry.

Another concern is the fact that various traditional financial services, be it insurance, pensions or capital markets, are all being subject to refinements and redefinitions. As new products are being created, our roles as regulators are being up hauled.

Together, the community of the South African Development Countries region faces similar ground realities. By sharing our experiences in terms of lessons learnt and best practices, we can be better equipped to stand as a strong African block.

As per discussions held over the last few days, some areas where we can immediately and collectively gain from experiences of our fellow counterparts are in matters of viability and operations of funeral schemes; adequacy of pension schemes; cross border transactions and supervision of multinationals having footprint in our jurisdictions; Anti Money Laundering and Anti Terrorist Financing; fitness and propriety of operators; as well as sustainable and green financing to mention a few. Another collaboration area is in terms of enforcement matters in cross border transactions.

Furthermore as we evolve as a collective body aimed at providing financial services accessible to our fellow countrymen, there is a need for harmonisation of our laws that embrace the international standards. This would allow greater market access to the service providers and, at the same time afford more choices to the consumers of financial services.

Surely there cannot and may never be a one-size-fits-all master key. However, there are many joint initiatives which can set the foundation for a common approach to issues we regularly face from this side of the world.

Regulators in CISNA can work together to build financial services ecosystems which are stable, sustainable and inclusive.

For this to work, it is crucial that we speak with one voice on key fundamentals/ overarching Principles. A Regulatory Toolkit may be the contemplated answer. Each Regulatory Authority will thereafter have the discretion to translate the spirit of what has been accorded upon in a way which best suits its local market.

It is in this very respect that exactly one month ago, we proceeded with the launch of the OECD and FSC Regional Centre of Excellence under the FSC in Mauritius. This Centre is instrumental to accompanying us as regulators to bring financial services in our region to the next level by:

- First, delivering capacity building programmes aimed at regulators and law enforcement agencies;
- Second, conducting research on topical areas of relevance to regulators and drafting policy papers; and
- Thirdly, reflecting on the best practices and potential standards at the regional level that reflect the ground market realities.

To this particular end therefore, the close collaboration of the CISNA Secretariat office and the OECD/FSC Regional Center of Excellence can be pivotal in addressing our common goals in training needs, research and regulatory harmonisation. I am particularly pleased to note that some CISNA committees have already come up with their priority lists of areas where more capacity building is required.

Ladies and Gentlemen,

Another area we cannot ignore as regulators is the advent and impact of innovation and disruptive technologies in the way financial services are now being carried out and delivered as a service. We have to be proactive and prepare to reinvent ourselves in a creative, effective and timely manner. As Regulators, we have the opportunity to leverage on financial technology to solve regulatory and compliance requirements more effectively and efficiently.

RegTech is another stepping stone towards the harmonisation of regulatory frameworks. To this end, I am pleased to announce that as a technology

friendly regulator, at the level of FSC Mauritius, we are extending the functions of our Online Submission Platform, initially on a pilot basis, to be followed with full deployment as from mid of this year. This initiative is in line with our digitalization project and the forthcoming FSC One Platform. This will allow our licensees to apply and pay for new licences, renew licences and pay from Deposit accounts held with the FSC Mauritius. We would be happy to share details of this technological advancement with our fellow regulators as well.

But certainly while technology platforms and the use of RegTech solutions represent tremendous opportunities for regulators, the challenge however remains on the security features and data handling risks. Therefore cyber security is part of our regulatory work and financial services in general and hence is another important item on our priority list at the regional level.

This said, the CISNA platform could provide the regulatory supervisory hub to share knowledge on regulation, supervisory practice and data formats, and the role of disruptive technologies.

With these words Ladies and Gentlemen, I would like to wish you all very successful deliberations and wish to all of us here a brighter future for CISNA based on the fundamentals of better and effective collaboration between regulators.

I thank you all for your attention and also wish our foreign delegates a pleasant stay in Mauritius.

Thank you.

Harvesh Seegolam,

FSC Chief Executive

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