

## COMMUNIQUÉ

### ADMINISTRATIVE PENALTIES REGULATORY FRAMEWORK

Further to the [Consultation Paper on Administrative Penalties](#) issued on 10 May 2019 which set out preliminary information and the proposal to develop a framework to impose Administrative Penalties (APs), the Financial Services Commission (the “Commission”) today publishes its [Administrative Penalties Regulatory Framework](#) (the “Framework”).

APs will be applied by the Commission to sanction its licensees for instances of regulatory breaches other than for non-filing of statutory documents and statistical information which are provided for under the [Financial Services \(Administrative Penalties\) Rules 2013](#).

APs are recognised by international standard-setting bodies as an effective enforcement tool to address instances of non-compliance with relevant laws and to prevent future re-occurrence. The Commission is committed to implementing enabling frameworks to facilitate the growth and sustainability of the Mauritius International Financial Centre and the financial services sector at large.

The Framework has been devised in line with the Commission’s credible deterrence strategy. The structured five-step approach set out therein is designed to ensure transparency, proportionality and consistency of the Commission’s penalty-setting process. The Framework primarily sets out the policy and methodology for the imposition of APs by the Commission, including the exercise of its discretion, in determining an applicable quantum and has been benchmarked against best practices adopted by various jurisdictions.

Mr Harvesh Seegolam, Chief Executive of the Commission states that, *“APs are an important and effective enforcement tool to address regulatory breaches. The proportionate and effective imposition of APs will play an important role in engendering public confidence in the regulatory regime and the regulated industry. The Commission will continue to work with its stakeholders to embed sound business conduct. I wish to thank members of the industry, relevant professionals and the public for the views and comments provided, all of which were carefully considered in finalising the Framework.”*



In view of the continuously evolving financial landscape, the Framework will be subject to periodic reviews and updates.

Click [here](#) to access the Q&A on Administrative Penalties on the Commission's website.

Any queries about this Framework can be sent to [apframework@fscmauritius.org](mailto:apframework@fscmauritius.org)

#### **Notes to Editors:**

1. The Commission is the integrated regulator for the non-bank financial services sector and global business. Established in 2001, the Commission is mandated under the [Financial Services Act 2007](#) and has as enabling legislations including but not limited to, the [Securities Act 2005](#), the [Insurance Act 2005](#), the [Private Pension Schemes Act 2012](#) and the [Financial Intelligence and Anti-Money Laundering Act 2002](#) to license, regulate, monitor and supervise the conduct of business activities in these sectors.
2. Find out more information about the Commission [here](#).

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#### **Financial Services Commission**

FSC House, 54 Cybercity  
Ebene, 72201 Mauritius  
T: (+230) 403-7000 • F: (+230) 467-7172  
E: [fscmauritius@intnet.mu](mailto:fscmauritius@intnet.mu)  
[www.fscmauritius.org](http://www.fscmauritius.org)