

FINANCE InFocus

A monthly publication of the
Ministry of Financial Services and Good Governance

Vision

Our vision is to transform Mauritius into a Centre of Excellence and promote wealth and good governance. We are driven by ethical behaviour, efficiency, honesty, trust, integrity and responsiveness in our quest for excellence within our operational and staff functions.

Minister: “Fintech will drive growth and innovation”

The Minister of Financial Services and Good Governance, Hon. Dharmendar Sesungkur, is all smiles after attending the Annual Meeting of the International Monetary Fund and the World Bank on behalf of the Minister of Finance and Economic Development, in Bali, Indonesia, from 08 to 14 October 2018.

The event provided opportunities for numerous meetings with respected and experienced leaders in the financial sector and get positive feedbacks that would eventually strengthen the Mauritius financial services sector and maintain its growth as an ethical centre of excellence.

The Minister also held bilateral talks with Hon. Adama Kine, Minister of Finance of the Ivory Coast, and Hon. Yaw Osafo Maafo, Senior Minister of the Republic of Ghana.

Finance InFocus met Minister Sesungkur.

How relevant was the Annual Meeting to the socio-economic development of Mauritius?

It was a high level meet where we had the opportunity to promote Mauritius International Financial Centre as a jurisdiction of choice where transparency, good governance and adherence to internationally agreed standards and best practices are the order of the day. Numerous critical topics were on the agenda; they ranged from woman empowerment to disaster risk financing. It was an enriching experience to engage with world class experts and high-level officials to share our experiences in our respective fields. In an increasingly internationalised corporate world, issues facing nations are



inherently linked and it is by cooperating and collaborating that we can collectively tackle them.

You also served as panellist on Blockchain during the event. What are the prospects of developing a Fintech hub in Mauritius?

Blockchain technology is continuously evolving and its potential still remains largely untapped. Mauritius, as one of Africa's most competitive economies, has the best infrastructure and highly-educated workforce and can be a fast and smart player in this field.

“Issues facing nations are inherently linked and it is by cooperating and collaborating that we can collectively tackle them”

In the midst of financial instabilities and global uncertainties, reinstating trust in financial products is of capital importance. It is vital that we find ways of making the financial system more resilient and able to withstand shocks in the market. This is why that our commitment to building transparency

IN THIS ISSUE

Embracing the buccaneering
Fintech sector 3

Mauritius tops Ibrahim Index of
African Governance 2018 4

Dubai EXPO 2020: Mauritius
to step in the limelight 5

IFC Delivery Model Goes on Fast
Track 6

News Brief: Ministry on the Move 8

and accountability in the Mauritian framework has never wavered. In fact, combating financial crime and malpractices remains our top priority. This Government's engagement in developing Fintech was endorsed by the Hon Prime Minister, Pravind Jugnauth, himself through the Budget Speech 2018-2019. In his own words, I quote: “Digital revolution allows smaller economies to unleash their creative potential and leapfrog traditional industrial development.” Therefore, we find ourselves today in a new era of development that will transform Mauritius into a comprehensive Fintech hub towards Africa. Government has also announced the setting up of a Sandbox Licensing committee. The next inevitable step will be to attract Fintech firms for the Sandbox licensing process. Fintech, a fusion of Finance and Technology, clearly encompasses

(Turn to page 2)

Mitigating risks of Natural Disasters

The Minister of Financial Services and Good Governance reiterated government's support to the Commonwealth's initiative for financing projects to mitigate the impact of natural disasters through the Climate Finance Access Hub, based in Mauritius. Hon. Dharmendar Sesungkur was addressing delegates attending the Annual Meeting of the International Monetary Fund and the World Bank in Bali earlier in October.

The Commonwealth organisation, underlined Hon Sesungkur, counts a rich experience in the development of technical assistance, which makes it an ideal partner for Small Island Developing States (SIDS) and developing countries.

According to a 2017 World Bank report, Mauritius is ranked 7th amongst those countries which are most exposed to natural hazards and 13th amongst those at risk of disasters. "SIDS worldwide not only have scarce financial means to recover



Delegates at the Commonwealth Finance Ministers meeting in Bali

after being struck by natural disasters caused by climate change, they also lack the means to protect themselves against such dangers, hence the importance of Climate Finance," he asserted.

Fintech high on IMF's Agenda

Harnessing the benefits and opportunities of rapid advances in financial technology was high on the agenda of the International Monetary Fund, with a Blueprint provided to help member countries address policy issues and set up their framework for Fintech sector. The Bali Fintech Agenda was launched on the 11th October 2018 during the Annual Meeting of the International Monetary Fund and the World Bank. The agenda consists of recommendations to assist countries in enabling Fintech services, ensuring financial sector resilience, addressing risks that may arise, and promoting international cooperation. "There are an estimated 1.7 billion adults in the world without access to financial services," IMF Managing Director Christine Lagarde said. The 12 policy elements provided were mainly centered on the economic impact, the technological support, the regulatory framework and international cooperation on information-sharing. "Countries are demanding deeper access to financial markets, and the World Bank Group will focus on delivering Fintech solutions that enhance financial services, mitigate risks, and achieve stable, inclusive economic growth," stated World Bank Group President Jim Yong Kim.



From L to R: Minister Sesungkur, Dev Manraj, Financial Secretary and Christine Lagarde, Managing Director of IMF

Moreover, the Executive Directors of the IMF acknowledged the potential risks posed by rapid technological changes to financial systems and individual users and stressed the need for adequate preparation and cross agency coordination by national authorities, including through the strengthening of institutional capacity, building up knowledge, improving communication with stakeholders, and expanding consumer education.

Need to Devise Viable Strategy for SIDS (Continued from page 1)

enormous potential for the financial services sector in Mauritius, as a driver of growth, a purveyor of innovation and generator of jobs for the next generations. In fact, the IMF published a Blueprint during the event which centered mainly around the economic impact, the technological support, the regulatory framework and international cooperation on information-sharing. The Prime Minister has often averred his conviction in the transformation of the financial services sector and personally ensured that there is an environment conducive to the establishment of Fintech. On the other hand, the

application of Blockchain technology is manifold and can be employed in the creation of digital assets and cryptocurrency, as a regulatory tool for governmental transactions, for smart contracting and compliance purposes.

Financing risk reduction projects for disasters is still a daunting challenge for small island states such as ours. How has this been addressed during the Annual Meeting?

For the Commonwealth Finance Ministers' Meeting held during the event, I thanked the Commonwealth for extending their financial assistance to include disaster risk reduction through

the Climate Finance Access Hub, based in Mauritius itself. There is an urgent need to devise a viable strategy for small island states and developing countries to put in place appropriate programs and find the necessary funding to deal with natural disasters. Mauritius is particularly vulnerable to risks of natural calamities and the 'flash floods' that the country recently encountered are clear indications of that. The Mauritius-based Commonwealth Climate Finance Access Hub has, in the short time, made noticeable advancements in this area and is now considered a global pioneer in Climate Finance.

Embracing buccaneering Fintech Sector

The Fourth Industrial Revolution is shaping economic and financial structures across the globe. There is no turning back, technology has infiltrated all the spheres of life be they transport, medicine, education, agriculture and finance. Mauritius being at the cornerstone of redesigning and improving its financial sector is set to develop and embrace Fintech and make it one of the main pillars of its financial sector.

The Mauritian Government has since taken the initial steps to embrace the Fintech wave with the objective of making Mauritius a regional Fintech hub. In order to achieve its objective, the government and relevant stakeholders are developing key drivers namely; policy, talent, capital, demand and environment to make Mauritius an early adopter of emerging technologies.

Regulatory Framework

In February 2018, the Fintech and Innovation-Driven Financial Services Regulatory Committee was set up to assist in developing the regulatory framework and to support development in Mauritius. Following the recommendation of the Committee, the National Regulatory Sandbox Licensing Committee was set up and now fully operational and assessing applications. To promote and facilitate exchange on innovative services in the financial sector, the Financial Services Commission and the Autorité des Marchés Financiers (AMF) from France have signed a Memorandum of Understanding. The FSC and AMF will exchange information on major changes especially regulatory developments in their respective financial sectors. The

Financial Services Commission has been proactive in designing resilient and flexible Rules for the emerging financial technologies. Two of the biggest challenges in adopting Fintech service are the ability to maintain compliance with Anti Money Laundering and Counter Terrorism Financing (AML/CFT) and ensuring data security. Hence, the FSC is developing a regulatory framework that complies with AML/CFT in consultation with the Bank of Mauritius and relevant bodies but which also encourage provide space for innovation. The FSC has published the first series of the Fintech guidance notes on digital assets which has provided clarifications on its position regarding investment in Digital Assets including Cryptocurrencies. The FSC will issue other guidance notes of the first series on Fintech shortly. The regulatory frameworks for Initial Coin Offering (ICO) and digital asset marketplace are also in the pipeline.

Capacity Building

In order to attract talent and build capacity in Fintech, the Government has taken some initial steps. A new scholarship scheme is being formulated for 50 students annually who wish to specialize in digital technologies, including AI and Blockchain. A provision for the training of 2,000 more students in primary schools and 2,500 students in secondary schools in coding is being made. The objective is to ignite the interest of the Mauritians from a very young age and at the same time develop their innovative and programming skills.

Capital and Environment

Access to risk capital and venture capital is of utmost importance to Fintech

startups. The Development Bank of Mauritius has put in place the SME financing scheme which covers SME from different sectors including the Services sector and the ICT Sector. This Scheme is applicable for Loans which do not qualify under the Micro Financing Scheme and are above Rs250,000 and up to Rs3.0 Million. To assist innovative entrepreneurs to create, develop and accelerate their businesses in a sustainable entrepreneurial ecosystem, the Mauritius Research Council (MRC) has launched the National SME Incubator Scheme (NSIS) in 2017. The MRC invites Business Incubators to submit their Expression of Interest to incubate Projects under pre-incubation, Incubation and Acceleration phases. The NSIS will fund (on a 50:50 matching grant basis) Accredited Private Sector Incubators (Turbine Incubator Ltd, Verde Ventures Ltd, Mauritius Startup Incubator, La Plage Factory, Ceridian App Factory and Ventures AA) which will provide all the infrastructural support, training and mentoring to the projects accepted.

The success of the Fintech strategy will eventually depend on the demand for these services. Mauritius is aiming to have a high Fintech adoption rate by Mauritians with customer centric services and is also aiming at providing services on the Sub-Saharan African continent which has a population of unbanked adults of 350 million. Mauritius has the potential to become a leading regional Fintech hub and the success will be achieved through a national interest for this new wave, concerted approach with all stakeholders, long-term vision and most importantly an effective implementation of the key drivers.

Tsunami in Indonesia: Minister Sesungkur expresses condolences of Mauritius

The Minister of Financial Services and Good Governance offered the condolences of the Mauritian nation to the leaders and inhabitants of Indonesia. This was in the light of the Tsunami and the earthquake that shook different parts of the country and resulted in tragically high death tolls which reportedly surpassed 2000 victims. Hon. Dharmendar Sesungkur expressed his deepest sympathy for the victims and assured the Indonesian government of the solidarity of Mauritius in those difficult times. During the catastrophe, the Minister was in the Indonesian island of Bali attending the Annual Meeting of the World Bank and the IMF.

Mauritius tops Ibrahim Index of African Governance 2018



The Mo Ibrahim Index of African Governance (IIAG) 2018 puts Mauritius on the topmost spot in overall governance among African countries in its latest report released on Monday 29 October 2018. The performance to remain on the topmost rung of the good governance ladder testifies the determination of the government and its institutions to maintain Mauritius as an ethical centre of excellence for doing business. “The recent reports issued by IIAG and the World Bank on Ease of Doing Business are based on established methodologies with a fair and balanced approach. This bears testimony of the progress achieved in making our IFC a jurisdiction of substance and international repute in contrast with the negative image which has recently been projected.”, says the Minister of Financial Services and Good Governance, Hon. Dharmendar Sesungkur. The much-awaited report looks into four major components: Safety and Rule of Law, Participation and Human Rights,

Sustainable Economic Opportunity and Human Development. These four components are further divided into smaller metrics and each metric is composed of multiple indicators that are measured and monitored round the year before reaching a conclusion. The IIAG analyses 102 indicators before ranking the governance of African countries.

This year, Mauritius is ranked first in all the four categories. On a score of 100, Mauritius scored 81.3 in Safety and Rule of Law, 77.2 in Participation and Human Rights, 74.8 in Sustainable Economic Opportunity, and 84.6 in Human Development. It must be underscored that IIAG, “measures performance of governments in the provision of the political, social and economic public goods and services that every citizen has the right to expect from their state, and that a state has the responsibility to deliver to its citizens.”

The overall 2018 results show the determination of the government to do better, to govern this country well and remain accountable to the population at large. The 2018 IIAG reinforces our unstinted belief in strengthening all the principles and practices of good governance like integrity, fairness, accountability, responsibility and transparency, among others. The Minister assures that Mauritius will never deviate from the path of good governance in all walks of life, be it social, political, economic, legal and technological. It will always strive its best to remain an accountable and transparent destination. It will never compromise on any avowed principles of governance, the Minister adds.

African State Owned Enterprises to meet on Corporate Governance

The Ministry of Financial Services and Good Governance in collaboration with the African Peer Review Mechanism (APRM) will launch the Africa Network on Corporate Governance of State Owned Enterprises on 8th and 9th November 2018 in Mauritius. It is the first initiative of its kind to focus on State Owned Enterprises (SOEs) governance in the whole of AFRICA and covers the member countries of the African Union. The theme for the Network Meeting is: *Priorities for good governance: positioning Africa’s State-Owned Enterprises to deliver on the developmental mandate*.

In Southern Africa, SOEs are prevalent in key infrastructure and service industries, including water, energy and financial services. These sectors are of critical importance to the well-being of all citizens and to the competitiveness of upstream and downstream private sector companies and industries. Hence, Improving the performance of the SOE sector through improved governance has a great potential to boost economic and social outcomes in Southern Africa. Under-performance of SOEs results in poor returns on government capital and many cases ongoing subsidies from the government.

The SOE meeting will be an opportunity for policy makers to share knowledge and experiences amongst themselves, promote reforms in the region, evaluate State-Owned Enterprises’ corporate governance policy frameworks in Member

Countries and raise awareness among relevant constituencies on benefits associated with good corporate governance. Also, it will serve as a platform for exchange of best practices and peer learning on Transparency and Disclosure and mapping the way forward on the future activities of the network. The APRM was established in 2003 as a self-monitoring and mutually agreed instrument voluntarily acceded to by member states of the AU. Its aim is to promote good governance in Africa through fostering the adoption of policies, standards and practices, leading to high economic growth, sustainable socio-economic development and accelerated regional and economic integration. The APRM focuses on governance issues in some thematic areas, namely Democratic and Political Governance, Economic Governance and Management, Corporate Governance and Socio-Economic Development.

In order for the APRM to assume the role of the Secretariat, it has to partner with aligned organisations for technical support as well as the necessary resource capacity namely, the African Union Commission, AU Members States, APRM Strategic Partners, The World Bank and other OECD Regional Networks - MENA, ASIA, LATIN AMERICA among others.

Dubai EXPO 2020: Mauritius to step in the limelight

In view of the strong bilateral relations with the UAE, Mauritius can be used as a gateway for Africa for using Fintech to deliver financial services to the banking sector as well as the non-banking sector. Therefore, Mauritius has engaged preparations to participate in the Dubai Expo 2020, scheduled to be held in Dubai over a period of six months from 20 November 2020 to 20 April 2021.

About 120 countries have signified their intention to participate in this event. It is expected to attract about 25 million visitors from around the World. In the context of the event, a Working Session on Innovation Technology, Blockchain and Fintech for Dubai Expo 2020 delegates was held at the Ministry of Financial Services and Good Governance on 12 October 2018. This session was chaired by the Permanent Secretary. The Dubai Expo 2020 Team visited Mauritius from 10th to 12th October 2018 to have working sessions on the evolution of the Mauritian economy, the business climate, investment opportunities, the Blue Economy, the Mauritius Africa Strategy and the visibility of Small Island Estates. The Dubai Expo 2020 will provide



an opportunity for Mauritius to strengthen the bilateral relations with the UAE and enhance the visibility of Mauritius with the major trading partners at the international level. The Mauritian pavilion will be located in a prime location near the pavilion of the UAE, and will be a platform to promote trade and investment opportunities and showcase the major sectors of our economy.

Gearing towards compliance with FATF Standards

Amendments brought to the Financial Intelligence and Anti-Money Laundering Act (FIAMLA) by the Finance (Miscellaneous Provisions) Act 2018 and the promulgation of a new set of Regulations have addressed a number of the technical compliance deficiencies identified in the ESAAMLG Mutual Evaluation Report (MER) of Mauritius, which was published on 21 September 2018. Mauritius has submitted an application for the technical compliance re-rating of a number of Recommendations of the FATF to the ESAAMLG Secretariat on 07 October 2018. Two senior technical officers of the ESAAMLG Secretariat were, in fact, in Mauritius from 1st to 4th October 2018 to assist Mauritius in preparing the application for the re-rating which will be considered at the next ESAAMLG Task Force of Senior Officials Meeting to be held in April 2019. The new set of Regulations issued under the

FIAMLA came into force on 1st October 2018 and revoked the previous 2003 Regulations. The objective of the Regulations 2018 is to ensure compliance with the Financial Action Task Force (FATF) standards. More specifically, the Regulations 2018 address the following FATF requirements: customer due diligence, Politically Exposed Persons (PEPs), correspondent banking, money or value transfer services, new technologies, wire transfers, reliance on third parties, internal control, foreign branches and subsidiaries, and higher risk countries. The Regulations 2018 apply to all Financial Institutions as well as the Designated Non-Financial Businesses and Professions (DNFBPs). The penalties for non-compliance with the Regulations 2018 are a fine not exceeding one million rupees and imprisonment for a term not exceeding 5 years.

Mauritius no longer in OECD black list of golden passport schemes

The Organisation for Economic Co-operation and Development ("OECD") has analysed and reported over 100 Residence by Investment/Citizenship by Investment (CBI/RBI) schemes operated by 21 countries that can potentially pose a high-risk to the integrity of OECD/ G20 - Common Reporting Standard ("CRS"). The schemes included in the guidance are those that pose a high risk for being misused because of a low or zero rate of taxation of foreign financial income and the limited physical presence requirements attached to the RBI/CBI schemes. Mauritius was removed by the OECD list in respect of the CBI/RBI schemes as the Government has demonstrated controls, compliances and showed clear commitment in tackling international tax avoidance and evasion, treaty abuse and due diligence procedures. CBI/ RBI schemes often referred to as

golden passports or visas, allow individuals to obtain citizenship or residence rights through local investments or against a flat fee for perfectly legitimate reasons. These schemes can create a potential misuse as tools to hide the assets held abroad, give access to a low personal income tax rate on offshore financial assets. As a consequence, jurisdictions have taken actions to prevent the misuse of RBI/CBI schemes by putting in place a spontaneous exchange of information mechanism that will ensure that the information on applicants of these schemes will be made available to their jurisdictions of tax residence. According to the OECD, Mauritius occupation and permanent residence permits are not high risk.

IFC Delivery Model Goes on Fast Track

The Budget Speech 2018/2019 announced a series of measures for the transformation of the financial services sector. This included the setting up of several committees at national level and subcommittees to ensure implementation of these measures and concretise the aspirations of Mauritius International Financial Centre (IFC) to double its contribution to GDP and reinforce its position as a pillar of the Mauritian economy. In fact, a Steering Committee under the Prime Minister's Office chaired by the Secretary to Cabinet held a first meeting recently to deliberate on the subcommittees that will drive the policies being adopted.

This encompasses the setting up of a Mauritius Artificial Intelligence Council, a steering committee for the Digitisation of Public Sector Services and for the implementation of the Blueprint for the Financial Services Sector. These Subcommittees will report to the Steering Committee to actively promote the transformation of the Financial Services sector in terms of Blockchain technology, Artificial Intelligence, specialised banking services including private banking and wealth management, cross-border investment amongst other.

In parallel, the Financial Services Consultative Council (FSCC), established under section 12 of the Financial Services Act 2007, serves as a platform for high-level discussions between industry leaders and public sector officials on the evolution of financial services and the formulation of policy decisions. Chaired by the Minister of Financial Services and Good Governance, it has been proposed to set up expert groups to explore measures in the fields on taxation, new products, financial literacy and public relations, developmental issues and other related aspects. The above committees relate to the ecosystem that will drive the financial services sector to further Mauritius IFC as a centre of excellence in conformity with international standards and practices. Further information on any updates arising thereof will be communicated accordingly.

Mauritian firm awarded Finance for the Future Awards 2018

Mauritian firm GroFin won the 2018 Finance for the Future Awards in the Building Sustainable Financial Products category. The firm is a pioneering private development financial institution specialising in financing and supporting small and growing businesses (SGBs) across Africa and the Middle East. Within the Building Sustainable Financial Products category, the nominees competing with GroFin were Abundance Investment (UK), Environmental Finance (UK), QBE (Australia) and Yes Bank (India). This prestigious award is run by ICAEW (Institute of Chartered Accountants in England and Wales) and A4S (The Prince's Accounting for Sustainability Project). The award saw nominees, in the different categories, such as HSBC (UK), Coca Cola and Standard Bank Group amongst others. GroFin has invested in over 700 SMEs and sustained over 88,150 jobs across a wide spectrum of business activities within the 15 countries in Africa and Middle East that they operate in.

Mauritius Moves up in Doing Business Ranking

Mauritius has moved to 20th position from 25th in its ranking in the Doing Business 2019 Report of the World Bank. This remarkable achievement is attributed to the robust reforms brought about by the authorities. With over 44 Double Taxation Agreements signed including India, resolutely on OECD's white list and FATCA compliant, Mauritius maintains its lead in Africa in all international indexes. For example, the country ranks first in the Mo Ibrahim Index of African Governance since 2007 and also ranks 1st in terms of "Ease of Doing Business" in front of major economies such as Rwanda, Morocco, Botswana and South Africa.

The country has also maintained its position as the most competitive jurisdiction in the Sub Saharan Africa region. Its good performance is attributed to improvements in various pillars of the economy notably: market product, institutions, technological readiness and business dynamism. The Global Financial Centres Index ranked Mauritius in the 49th position, ahead of jurisdictions such as Cyprus, Malta, Guernsey and Johannesburg. The Mauritius IFC has upheld its reputation as one of leading IFCs in Africa, progressing by 24 points in the ratings.

However, with respect to the Corruption Perception Index, Mauritius has lost four places over one year attaining the 54th position in 2017. A similar trend has been noted with regards to Global Innovation Index and Basel AML Index. (See Table)

International indices	2017	2018
Ease of Doing Business	49 out of 190	25 out of 190
Index of Economic Freedom	21 out of 180	21 out of 180
Global Competitiveness Index	45 out of 137	45 out of 137
Corruption Perceptions Index	54 out of 180	-
International Financial Centre	69 out of 92	49 out 100
Absa Africa Financial Markets Index	2 out 17	4 out of 20
Human Development Index	64 out of 188	65 out 112
Global Innovation Index	64 out of 127	75 out of 126
Basel AML Index	78 out of 146	85 out of 129
International Property Rights Index	38 out of 127	40 out 140

UN trains Mauritian Regulators on Countering Terrorism Financing



The Ministry of Financial Services and Good Governance in collaboration with the United Nations Counter-Terrorism Centre (UNCCT) organized a 3-day National Capacity Building Workshop on Countering the Financing of Terrorism for Mauritius through effective national and regional actions from 29 to 31 October 2018 at Sofitel Mauritius L'Imperial, Wolmar, Flic en Flac.

This Workshop is part of a series of workshops which the UN Office of Counter Terrorism (UNOCT) will be providing to Mauritius for building our capacity in combating the financing of terrorism. The theme of this first workshop was "Implementation of Terrorist Designations and Asset Freezing Regime in Mauritius".

The aim was to train participants on the requirements of the UN Security Council Resolution (UNSCR) 1373 of 2001 which requires a domestic coordination mechanism for the designation of terrorists and freezing of assets as well as the role of regulated financial institutions and its difference with the UNSCR 1267 of 1999.

The Ministry of Financial Services and Good Governance coordinated the workshop along with Mr Zeeshan Amin and Ms France Lemeunier from the UNOCT as well as experts from the UN Office on Drugs and Crime (UNODC) and the UN Counter Terrorism Executive Directorate (UNCTED). Resource persons from France, Finland and South Africa have also intervened to provide concrete examples on how their countries have implemented the UN Security Council Resolutions, the challenges they have faced and how we may also avoid similar pitfalls.

The workshop was attended by representatives from key authorities which are involved in the combat against terrorism financing as well as the private sector. Participants included representatives of the Financial Services Commission, the Bank of Mauritius, the Financial Intelligence Unit, the Attorney General's Office, the Counter Terrorism Unit, Interpol, the State Bank of Mauritius and the Standard Chartered Bank.

Launching of SEM Africa Bond

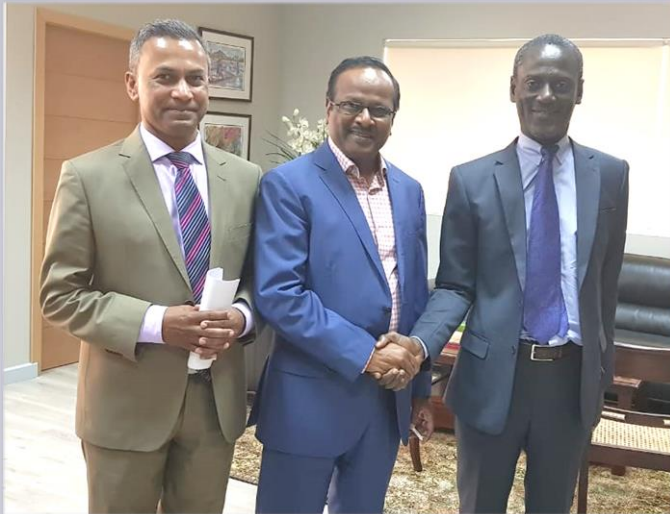
With a view to reinforcing SEM's emergence as an attractive and compelling platform for capital raising, listing and trading of Africa-focused ventures, SEM has launched on 19th October an Africa Board, which will showcase SEM's listed issuers and products that have an Africa-centric orientation. This initiative aligns SEM's strategy with the national agenda of positioning Mauritius as a financial services hub for Africa. The setting up of the Africa Board aims at enticing potential African issuers, GBC companies having an Africa focus, Exchange-traded funds holding African underlyings, issuers of African depositary receipts and issuers of African debt products to raise capital and list on SEM's cost-effective and flexible multi-currency platform. The success of this initiative

will enhance SEM's and Mauritius' image as an attractive service platform of substance for Africa. To be included on the Africa Board, an issuer needs to demonstrate its compliance with the requirements of the Africa Board. In fact, since its inception in 1989, the Stock Exchange of Mauritius (SEM) has been listing a multiplicity of products spanning across various asset classes. Following SEM's internationalisation strategy, a growing number of issuers has been listing securities having an Africa-focus. Since 2009, out of the 156 new listings and out of the 87 new GBC/international securities listed, 29 listings are Africa-focused securities. These Africa-focused issuers have leveraged on SEM's multi-currency listing, trading and settlement platform to raise Rs 45 Billion to fund their activities.

SEM Africa Index

Following the launch of the Africa Board, the SEM plans to launch the SEM Africa Index (SEM-AFRIDEX) on 01 November 2018 in order to track the time-series performance of all equity products listed on the Africa Board. SEM-AFRIDEX will comprise rupee and foreign currency denominated securities that are listed and traded on the Africa Board and which meet the Index Eligibility Requirements. SEM-AFRIDEX will be a market capitalization based index that will include international securities and will track price movements of its constituents. Market capitalization of the constituents will be calculated on their last traded prices. SEM-AFRIDEX will be calculated on a real time basis by SEM's automated trading system (SEMATS) during the continuous trading session and published daily on the SEM's website-page as well as the end-of-day market result sheet.

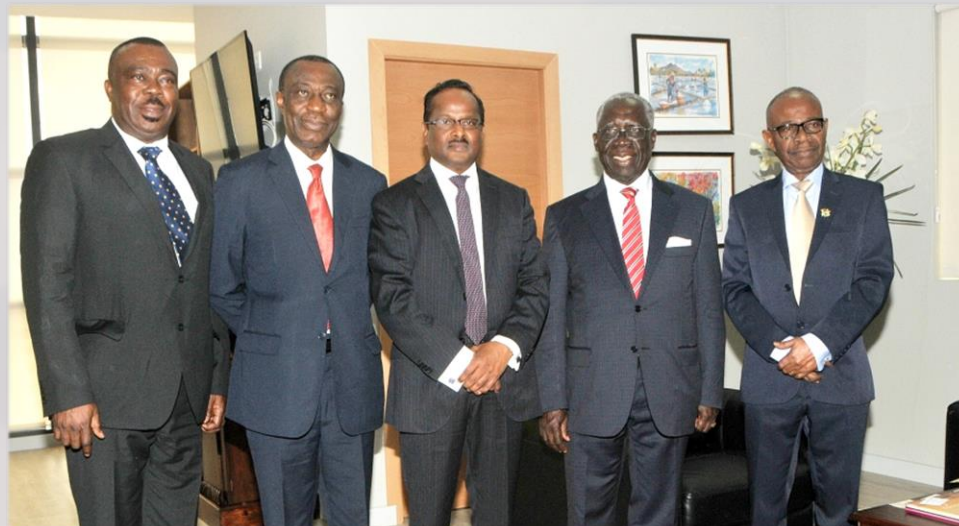
Ministry on the Move



Visit of Mr. Abdoul Aziz Wane, Director of Africa Training Institute (ATI) and AFRITAC South (AFS) of the International Monetary Fund (IMF) to Hon Sudhir Sesungkur



Meeting of ESAAMLG representatives with Minister Sesungkur and Ministry officials on MER rating.



Courtesy visit by delegation from Ghana

11-member delegation from the Republic of Ghana led by Hon. Yaw Osafo Maafo, Senior Minister. The latter was accompanied by Hon Dr Anthony Akoto Osei, Minister for Monitoring and Evaluation, Hon Stephen Asamoah Boateng, Minister for State Enterprise Commission and High Commissioner George Ayisi-Boateng. Both parties discussed mutual avenues of cooperation and investment in the financial services sector.



Minister Sesungkur launched the Training of Trainers program of the National Productivity and Competitiveness Council.



Hon. Minister delivered a keynote address last month at the Annual Conference of the International Association of Insolvency Regulators.

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