APRIL, 2021
MBA NEWSLETTER

Mauritius rolls out Phase 2 of its deconfinement strategy from 1 May, 2021. The MBA recommends customers to continue making use of digital channels, for safety, and convenience.

Quarterly Board meeting

On Monday 26 April 2021, the MBA held its first board meeting of the year digitally, under the chairpersonship of Mr. Alain Law Min, CEO of MCB Group. This was an opportunity to welcome newly appointed CEOs (Mr. D. Singh, S. Sharma and Grant Parsons) to the Board of MBA. The Board reviewed recent developments domestically and internationally, and took stock of the progress made on the MBA's strategic plan.

Article IV Consultation

On Friday 23 April 2021, the MBA participated in this year's International Monetary Fund (IMF) Article IV consultation, which was held virtually. In the course of this annual exercise, the IMF engages with economic operators and stakeholders on the state of the economy and outlook for different sectors. The MBA shared its views on the resilience of the banking sector, its views on the route to recovery, as well as some of the recommendations made in the context of the 2021 pre-

Budgetary consultations.

2021 Pre-budgetary consultation exercise

On Wednesday 21 April 2021, the Chairperson and CEO of the MBA met with the Honourable Minister of Finance, Dr. Renganaden Padayachy, in context of the pre-budgetary consultations. The meeting was a positive, open discussion on measures to boost growth, and how banks can play their role in financing the economic recovery. We presented our Memorandum, titled Preserving Investor Confidence and Boosting Growth. Some of the measures proposed include preserving the investment grade of Mauritius, ensuring greater visibility on the tourism sector, initiatives to mobilise funding for SMEs and corporates, and the development of capital markets and public-private partnerships as tools to finance the recovery,

Meeting with Ombudsperson

On Thursday 22 April 2021, the Chairperson and CEO of MBA paid a courtesy meeting to Dr. Dan Maraye, the newly-appointed Ombudsperson for Financial Services, to discuss future collaboration. Dr. Maraye is a former Governor of the Bank of Mauritius and has a deep understanding of the banking sector.

During the meeting, the MBA and the Ombudsperson exchanged views on the broader operating framework for complaints. The MBA highlighted a number of initiatives already taken to improve service levels and customer mobility. The Ombudsperson invited the MBA to submit proposals, and also discussed collaboration on a number of financial literacy and consumer protection initiatives.

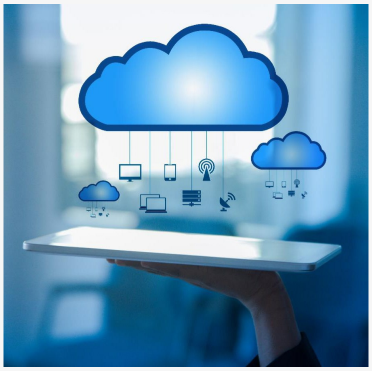
especially in relation to renewable energy and blue economy projects.

LEARN MORE

Task Force on Banking Sector Resilience
Advocacy

The fourth meeting of the Task Force on Banking Sector Resilience by the Bank of Mauritius was held on 16 April 2021. It is chaired by the Second Deputy Governor of the Central Bank, and comprises CEOs of a number of banks and of the MBA. The task force looks at issues relating to banking stability. At the last meeting, the Task Force reviewed the current moratorium arrangements, and started discussing arrangements for the period after 30 June 2021. The regulator also invited banks to closely monitor their assets.

Consultations
Advocacy



Digital Assets Bill
Further to the first virtual meeting of a Working Group on Digital Assets Bill held on 31 March 2021, the MBA has submitted written submissions on key provisions for improvement of the Bill to the Ministry of Finance. A number of proposals relating to Anti-money laundering (AML) Policy, Prudential norms, Regulation, Supervision, and Consumer protection,

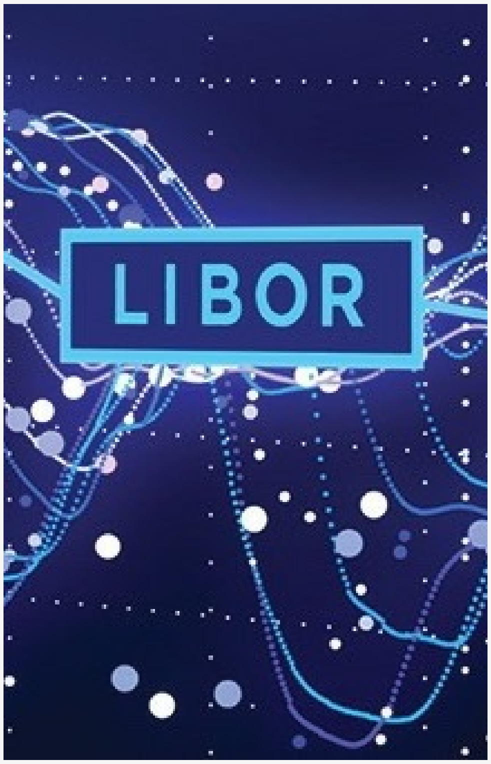
Outsourcing and Cloud Computing
An IT Working Group (WG) comprising representatives from member banks ABSA, MCB and MauBank has been set up by the MBA, with a view to brainstorm ideas for a sound regulatory framework for Cloud Computing, and more flexibility with regards to Outsourcing. Proposals made by the WG have been shared with the Bank of Mauritius.

Gambling Regulatory Authority Act
Following the recent amendments brought to the Gambling Regulatory Authority Act 2007, the MBA has held discussions with the relevant authorities for further insight into the implementation of these measures, and their impact on the banking industry.

amongst other issues, were made to the Ministry of Finance.

LIBOR transition

Thought Leadership



The MBA Working Group (WG) on LIBOR Transition held its second online meeting on 4 April 2021. The WG group is a multidisciplinary committee, made up of senior officers from a Finance, Risk or Treasury background, and meets once a month to exchange best practice and ensure preparedness in relation to the forthcoming phasing out of the London Inter-Bank Offering Rate (LIBOR), by the end of 2021. Members identified key areas of discussion, such as credit adjustment spreads, fallback language for contracts, accounting and systems implications, and communication with clients, and took note of the international benchmarking work conducted by the MBA.

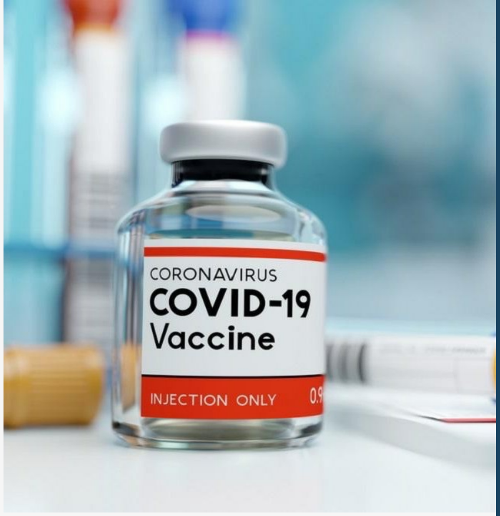
Training Program under ISA Solar Initiative

Capacity Building

40 officers from MBA member banks participated in a week-long Online Training program for Bankers of International Solar Alliance (ISA) Countries under ISA's Banking Solar Initiative. The training programme aimed at enhancing bankers' understanding of photovoltaic systems and ability to assess their viability. This initiative was held between 19 to 23 April 2021, and was the result of a collaboration between the Ministry of Energy and Public Utilities, and Business Mauritius.

Covid-19 Vaccination Campaign

Banks are actively participating in the National Vaccination Campaign. The MBA, working in collaboration with Business Mauritius and the Economic Development Board, has coordinated a complex vaccination programme for bank staff, especially frontliners. Vaccine quotas were allocated to each bank in proportion to total Work Access Permits. More than 3,500 bank employees have been successfully vaccinated till date, through this collaboration.



Collaboration with the UoM & Coursera

Capacity Building

As part of its capacity building mandate, the MBA has been engaging with the University of Mauritius (UoM), to find ways of ensuring better alignment between the output of the University and the needs of the Banking Industry.

Particular focus has been laid on the need for agile learning through digital platforms. On 30 March 2021, the MBA participated in a videoconference with Coursera, which has partnered with the UoM, to offer high-quality, practical courses to banking professionals under the aegis of the University of Mauritius. The MBA is currently exploring training partnership in the areas of corporate finance, Fintech, Coding, and UX design.

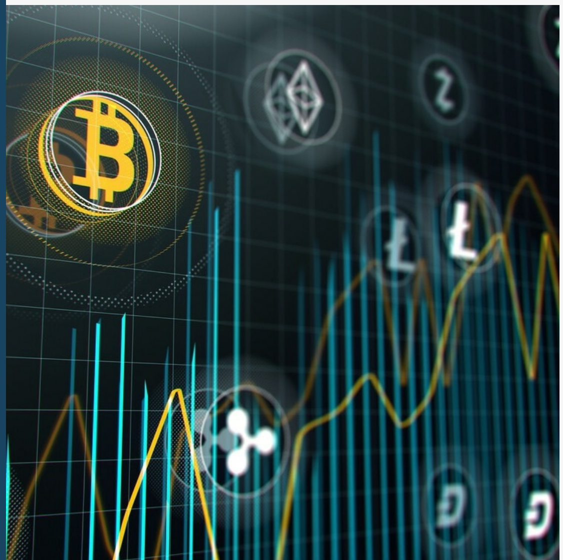
Use of digital channels campaign

Community Engagement

To foster the use of digital channels for banking during the lockdown and beyond, the MBA ran a TV campaign from 1 April to 15 April 2021, during the 19h30 news bulletin on MBC channel 1. The campaign is expected to have had a reach of 750,000 people This follows our two-week radio campaign in March, on cybersecurity and Covid-19 awareness, which had an estimated reach of 800,000 people. The MBA is also running a sustained social media campaign on the use of digital channels, with weekly tips on Facebook. This follows campaigns on Budgeting in January and February, and Cybersecurity in March. We have also been working in conjunction with member banks to coordinate financial literacy topics.

LEARN MORE

BIS Insights: Supervising crypto assets for AML



International News

The Bank for International Settlements (BIS) has issued a paper on Supervising Crypto Assets for anti-money laundering (AML). The objective is to provide guidance around regulatory classification of crypto assets, AML/CFT regulation of crypto asset service providers, supervisory practices, enforcement actions and cooperation & information-sharing.

LEARN MORE

Mansa platform by Afreximbank

On 12 April 2021, the MBA attended a presentation by Afreximbank on the pan-African project known as the Mansa platform. This multilateral initiative is a collection of linked up platforms with economic operator information, to facilitate the due diligence of economic operators, and facilitate cross-border interactions in the context of the African Continental Free Trade Area (AfCFTA) As Mauritius is embarking on the Centralised KYC Registry project, this initiative is of interest to the MBA, and a further presentation will be organised for members in the near future.

LEARN MORE