



SEPTEMBER, 2021 MBA NEWSLETTER

Mauritius fully opened its borders to vaccinated international travellers on 1 October 2021, after a two-phased partial reopening strategy. Further relaxation of COVID-19 measures around the island also came into effect on the same date. The MBA recommends the continued use of digital channels for safety, and convenience.

Insolvency Legislation *Advocacy*

The MBA has been invited to be part of a Working Group (WG) at the level of the Ministry of Finance. A first meeting of the WG was held on 24 September 2021. The mandate of the WG is to review and amend the current Insolvency Legislation, in light of reforms proposed by the World Bank. The MBA’s role is to ensure effective implementation of changes from an economic and financial stability perspective.



Development of Secondary

Secured Transactions

markets

Thought Leadership

The MBA is part of a Working Group (WG) with the Bank of Mauritius, and the Ministry of Finance, on the development of secondary markets for bonds. A first meeting was held virtually on 16 September 2021, comprising representatives of member banks, the Bank of Mauritius, the Ministry of Finance, insurance and pension sectors. Several suggestions were made by the MBA and its members, such as the introduction of a 7-year bond, issuance of USD bonds and Floating Rate Notes, mechanisms to normalise the pricing of bonds and yield in the current low-rate/high-liquidity environment, as well as a market survey.

Reforms

Advocacy

The Government of Mauritius is embarked on a 2-year project with the World Bank to review the national framework on Secured Transactions for greater efficiency. Secured transactions are at the heart of the business of banks, and the MBA is actively and constructively working with the World Bank consultants, EDB and other stakeholders on this project. On 16 September 2021, the MBA participated in a virtual meeting, where the consultants presented an overview of the recommendations they are proposing to make. The MBA is currently assessing the impact of the proposed reforms and will be responding in the coming weeks.

MoKloud

Capacity Building

The MBA, in collaboration with, the Ministry of Technology, Communication and Innovation (TCI) had organised a working session for banks on 27 September 2021 on the MoKloud platform. The platform was launched on 16 September 2021, as part of initiatives set up by Government to facilitate ease of doing business, and improve customer experience. As of 16 September, customers of banks can access and use electronic versions of birth and marriage certificates free of charge, instead of requiring postage stamps and queues.



FATF on-site visit

A delegation from the Financial Action Task Force (FATF) Africa/Middle East Joint Group conducted an on-site visit in Mauritius from 13 to 15 September 2021. The objective of the on-site visit was to assess the effective implementation of necessary legal, regulatory and operational reforms, as recommended by the FATF. As part of their visit, the FATF team met

with representatives of the Banking sector. The next plenary of the FATF, which is due in October 2021, will receive the report of the inspectors, and determine whether Mauritius is able to exit the list.



Private Banking Webinar *Thought Leadership*

On 15 September 2021, the MBA hosted a webinar on Private Banking for Chief Executive Officers and senior officers of its member banks, featuring a presentation by Mr. Yovan Dabee, a career Private banker in the UK. During the presentation, Mr. Dabee discussed the skills required as a Private banker, the common categorisation among Private banking clients, and the different strategies adopted by banks to cater to their needs; such as hiring wealth planners. More webinars are in the pipeline, as part of the MBA's initiatives to further develop the Private Banking and Wealth Management segment in Mauritius.



LIBOR Transition *Thought Leadership*

On 21 September 2021, the MBA published two Frequently Asked Questions (FAQ) brochures on the London Interbank Offered Rate (LIBOR). These have been prepared by the MBA Working Group on LIBOR, in consultation with the MBA Legal sub-committee. The long form FAQ is aimed at finance professionals & larger businesses, while the standard version targets the public, and small businesses. Member banks would also be uploading the set of FAQ on their individual websites, for clients' information and benefit. The Bank of Mauritius has also issued an updated Guidance on LIBOR Transition, in light of the latest international development.



MBA Retail Sub-Committee

The MBA held its Retail Sub-Committee on 8 September 2021. Several issues were discussed in raising the level of retail banking generally, in relation to improving customer experience, access to banking services, technological developments and prevention of financial crime and fraud. Members also discussed the implementation of recent government measures, such as the home ownership and home loan schemes, as well as improving accessibility to bank premises.



Contactless Payments discussion & awareness *Capacity Building*

On 20 September 2021, the MBA, in collaboration with VISA, organised a working session for the banking industry. The objective of this session was to share best practices on Contactless Payments, with an opportunity to improve payments security, increase customer experience and mitigate risk of fraud on the market.



Engagement with the Mauritius Africa Fund

On 7 September 2021, the Mauritius Africa Fund (MAF) held a brainstorming meeting with Business Mauritius, to explore potential collaboration between the Fund and private sector operators. The Mauritius Africa Fund exists to facilitate and support Mauritian investments into the African continent. The MBA has also met with the MAF to explore synergies with Mauritian banks, and future working sessions will be held.

Thought Leadership

The Global Foreign Exchange Committee has recently completed its Three-Year Review of the FX Global Code and an updated version is now available on its [website](#). One of the major outputs of the review has been the creation of Disclosure Cover Sheets for Liquidity Providers (LPs) and FX Platforms. As a participating public register, the MBA will be amending its [FX Global Code page](#) soon, to include a new column that will contain links to Market Participant's Disclosure Cover Sheets. The Cover Sheets are voluntary templates that LPs and platforms can use to facilitate the transmission of key disclosure information, and support them in meeting the range of disclosure and transparency principles within the Code. In total, 11 principles out of the 55 embedded in the FX Global Code have been amended.



Market Participants, including banks, are expected to host Disclosure Cover Sheets on their own websites. The MBA will be liaising with banks as well as the Regulator in relation to the updated FX Global Code.

[For more information click here](#)



Economic Commissions

Through the Finance Act 2021, the Government has set up a Public-Private Joint Committee, in order to improve the dialogue between the private and public sectors. Under this Committee are four Economic Commissions, which look at development opportunities in various sectors of the economy, and make recommendations to Government.



Meeting – British High Commission

On 15 September 2021, the Chairperson and CEO of the MBA paid a courtesy visit to British High Commissioner Charlotte Pierre, to discuss and explore potential collaboration, especially in the fields of financial literacy, capacity building, and helping the Mauritian financial ecosystem in its digital

The objective is to boost the economic recovery and Build Back Better. The MBA has been invited to be part of the Joint Committee, and the MBA CEO is co-chairing the Economic Commission on Export of Services. Members are invited to share any proposals through the MBA.

transformation. The MBA is already the local partner to the Chartered Banker Institute, while the two global banks present in Mauritius are headquartered in the UK. The MBA also attends the City UK event every year, an important international event in relation to financial services and regulatory policy.

Meeting – Tourism Authority

On 5 September 2021, the Chairperson and CEO of the MBA met with the Chairperson and senior officers of the Tourism Authority (TA). The TA is committed to implementing a number of initiatives to embed sustainable practices within the Tourism industry, such as the phasing out of combustion engines for commercial pleasure craft. The support of banks was requested in this connection, and the Tourism Authority will be working with banks to improve access of economic operators to sustainable financing.

