

Speech

by

Dr The Honourable Ramakrishna Sithanen
Deputy Prime Minister, Minister of Finance and
Economic Empowerment

**On the occasion of Egmont Working Group
and Committee Meetings**

organized by

Egmont Group and FIU Mauritius

on

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Grand Baie International Conference Centre

Members of the Diplomatic Corps

Mr. Luis Urrutia, Chairman of Egmont Group

Ms. Bronwyn Somerville, Executive Secretary of Egmont

Mr. Clency Sam Soon, Chairman of the Mauritius FIU

Mr. Dev Bikoo, Director of the Mauritius FIU

Distinguished Guests,

Ladies and gentlemen,

It is indeed a great pleasure to address all of you who are participating at the Egmont Working Group and Committee Meetings. Let me at the very outset wish all participants who have come from abroad a very warm welcome to Mauritius and a pleasant stay in our country.

You are thrashing out a wide range of issues which indeed require a great deal of experience sharing as well as concerted and collective actions. Adopting and adhering to international standards in the areas of Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) have become an imperative. It is difficult to get a reliable estimate of the amount of money being laundered annually. But we know it is in the trillions of dollars and we know they are a serious threat to the integrity and stability of financial sectors worldwide and can even undermine the social and political fabric of nations. Moreover, we cannot overlook the reality that behind money laundering and the financing of terrorism there are dreadful crimes, tax evasion, illicit trafficking in drugs and human beings and illegal arms trade, to name but a few.

Implementing effective AML/CFT strategies is admittedly a daunting challenge. All international AML/CFT organizations ranging from the United Nations Office on Drugs and Crime (UNODC), the Financial Action Task Force (FATF), the World Bank, the IMF, and of course, the Egmont Group are aware of the challenges and of how they evolve. Those financing terrorist activities seem to be always a step ahead. By the time certain patterns of crimes or typologies are detected and established, they have changed to new techniques or geographical regions. The situation is worsened by the absence of firm data on their evolution. Despite all international efforts, UN Conventions, FATF-40+9 Recommendations and other international efforts, it is still not sure to what extent the quantum of dirty money worldwide is declining, if at all. But this should not deter our efforts.

Mauritius has in the past decade been playing a proactive role in AML/CFT. In June, 2000 we passed the Economic Crime and Anti-Money Laundering Act. This was followed by more legislation including the Financial Intelligence and Anti-Money Laundering Act in 2002 under which the Mauritius FIU was established. The approach of the Government has been to support a rapid development of the FIU while encouraging its operational independence.

Furthermore, we have opened up our AML/CFT régime to external appraisal, including the World Bank/IMF and the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG). We are implementing their recommendations - those relating particularly to assets forfeiture and seizure.

I should like to add that due to our high degree of compliance and transparency, Mauritius has never featured on any black list whatsoever. In fact, in March 2009, our country graduated to the white list of clean, transparent, cooperative and compliant jurisdictions. Mauritius has earned the reputation of being a country that applies international norms on its fiscal stance and on the exchange of information.

As regards the exchange of information, we believe it is a crucial pillar of the collective efforts to face down money laundering and the financing of terrorism.

In fact, in my Budget Speech in May 2009, we announced a number of actions to improve and create a faster and more effective process for the exchange of information. Thus, the Financial Services Commission (FSC) is enhancing its processes for securing proper and adequate information on those who do business in our jurisdiction, requiring wider information relating to Category 2 Global Business Companies which include data relating to beneficiary owners, an Outline Business Plan and filing of financial summaries. It is also creating better capacity to exchange information with foreign authorities when required. The FSC and MRA are working together to allow faster response to queries from foreign authorities regarding Global Business Companies. And we have amended the Income Tax Act to allow for an exchange of information on persons who are not tax residents. In the area of exchange of information we give our full support to the Egmont Group and we are open to their suggestions and advice on how to further improve.

Besides our efforts locally to be compliant and transparent and to promote AML/CFT standards, we are taking a regional perspective. Regional integration is a pillar of our new development strategy and the development of Mauritius as a regional financial services centre is a core objective. We are therefore encouraging our FIU to support general AML/CFT and FIU development in the African region. I am confident that the participation of representatives of African Egmont FIUs, one emerging African FIU and the Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) will contribute to build that regional approach.

Let me end, by reiterating Mauritius commitment to AML/CFT. Combating money laundering and financing of terrorism is an imperative that must be strengthened. Individual actions are not enough. We need collective actions supported by a strong and effective process to exchange information to make a marked difference. And this is an area where cooperation among countries takes on a crucial importance.

I wish you a successful meeting and look forward to your deliberations and recommendations.

I thank you for your attention.