



# INTERCONTINENTAL TRUST e-NEWS

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**INTERCONTINENTAL TRUST**  
Impeccable Service Intelligent Solutions

## FSC issues Code of Business Conduct

As part of its Fair Market Conduct Programme, the Financial Services Commission (FSC) has issued a Code of Conduct (the Code) on 1 October 2015. The Code is effective as from 1 January 2016.



The Code lays out the 9 main principles that all licensees\* are expected to follow to ensure the sound conduct of business, namely:

- Skill, Care and Diligence
- Business Integrity
- Conflict of Interests
- Communicating with Customers
- Protection of Customer's Assets
- Compliance
- Financial Resources
- Internal Affairs
- Relationship with the FSC Mauritius

\* In line with the Financial Services Act, Licensees include any persons registered and authorized under the:

- Insurance Act 2005
- Private Pension Schemes Act 2012
- Protected Cell Companies Act
- Securities Act 2005
- Securities (Central Depository, Clearing and Settlement) Act
- Trusts Act 2001

Therefore the Code is applicable to all our clients licensed as a Collective Investment Scheme (CIS), Closed-End funds, Professional CIS, CIS Manager, Investment Adviser. For more clarifications, please do not hesitate to get in touch with your usual contact at ITL.

All licensees are expected to comply with the Code and it is the duty of the licensee to keep record of any arrangements made to adhere to the Code. These records must be made available for inspection by the FSC upon request.

## **FSC issues Circular Letter on the Registration of Prospectus for IPO issuers**

On 24 September 2015, the Financial Services Commission (FSC) issued a circular letter (CL240915) to inform all stakeholders of the procedures for registration of prospectus in line with section 76 of the Securities Act 2005 (the Act) which are applicable with immediate effect.

It is noted that any persons intending to make an offer of securities to the public (Initial Public Offering) in Mauritius is required to do so through a prospectus that complies with Part V of the Act.

There are three stages for the registration, as follows:

### **Stage 1:**

**Acknowledgement of filing:** The applicant files the prospectus with the FSC along with the relevant fees and a certified true copy of the statement referred to in section 71(2)(b) of the Act. As from 1st January 2016, a fee of Rs100,000 will be applicable at the time of application. Thereafter, the FSC will issue an acknowledgement of filing.

### **Stage 2:**

**Provisional Registration:** A provisional registration may be granted during the application review process and will be subject to certain amendments in the prospectus, as may be deemed appropriate by the FSC.

### **Stage 3:**

**Registration:** The FSC may grant the registration after, inter-alia, having conducted a review based on the disclosure requirements and when satisfied that the proposed changes have been made.

## **Mauritius occupies top spot on the Ibrahim Index of African Governance (IIAG)**

Mauritius maintains the lead position in the IIAG 2015 (commonly referred to as the “Mo Ibrahim Index”), launched on 5 October 2015.

The IIAG is an annual assessment of the quality of governance of all the African countries based on 4 distinct concepts, namely:

- Safety & rule of law
- Sustainable economic opportunity
- Participation & human rights
- Human development

These concepts have further been elaborated into 14 sub-categories consisting of 93 indicators and the data has been collected from 33 independent external sources.

On the overall, the African average governance score in the IIAG increased slightly by +0.2 points to 50.1 backed mainly by positive performances in the Human Development (+1.2) and Participation & Human Rights (+0.7) categories.

## **Mauritius ranks 1st in Sub-Saharan Africa on Global Innovation Index 2015**

Mauritius takes the lead in the Sub-Saharan Africa region in the Global Innovation Index 2015 (GII 2015) followed by South Africa and Senegal.

The GII 2015, published on 17 September 2015, surveys 141 countries and takes into account 79 indicators. This index provides an insight into the state of innovation around the world and one of the key findings of this year's report is that more and more developing countries are embracing innovation to bolster their industrial and economic growth.

## **Annual Economic Freedom of the World report 2015 – Mauritius ranks in the top 10**

Mauritius ranks 6th on the Economic Freedom of the World (EFW) report 2015 issued by the Fraser Institute on 14 September 2015, ahead of major countries such as the United States (16th), Japan (26th), Germany (29th) and France (70th). With a score of 8.08, Mauritius is well above the average economic freedom score of 6.86.

The EFW 2015 has been based on 2013 statistics (the most recent year of available data) and covers 157 countries and territories. The degree of economic freedom is assessed in five broad areas:

1. size of government: expenditures, taxes, and enterprises;
2. legal structure and security of property rights;
3. access to sound money;
4. freedom to trade internationally; and
5. regulation of credit, labor, and business.

## **Mauritius signs IPPA with UAE**

On Sunday 20 September 2015, Mauritius signed an Investment Promotion and Protection Agreement (IPPA) with the government of the United Arab Emirates (UAE).



The objective of the IPPA is to boost cross-border investment by protecting investors from direct or indirect double taxation, improve commercial and economic relations and broaden investment opportunities.

The IPPA is yet to be ratified by both governments.

## The Stock Exchange of Mauritius joins the UN Sustainable Stock Exchanges Initiative

As part of its initiative to promote sustainability and responsible investment, the Stock Exchange of Mauritius (SEM) joined the United Nation's (UN) Sustainable Stock Exchanges initiative (SSE) as a Partner Exchange on 25 September 2015.

The Sustainable Stock Exchanges is termed by Forbes as one of the "World's Best Sustainability Ideas" and is aimed at bringing together all the stakeholders of the major capital markets. Its main objectives are to encourage transparency, create awareness about Environment, Social and corporate Governance (ESG) issues and promote responsible investment.

## Stock Exchange of Mauritius awarded the "Most Innovative African Stock Exchange for 2015"

It is the third time in five years that the Stock Exchange of Mauritius (SEM) is conferred the "Most Innovative African Stock Exchange" award at the Institutional Investment Capital Market Awards 2015 organised by Africa investor (Ai). The awards ceremony was held on the 25 September 2015 at Thomson Reuters in New York.



This award is a testimony of the SEM's ability to embrace innovations and to adapt to the changing needs of the capital market. The other runner-ups to this award included the Johannesburg Stock Exchange, the Nigerian Stock Exchange and the Nairobi Securities Exchange.

### For any additional information please contact us.

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