



Global Business - News snippets from the Industry

FSC issues Guidance Notes on Security Token Offerings (STO) & STO Trading Systems

On 15 June 2020, the Financial Services Commission (FSC) issued its guidance notes with regards to the implementation of a common set of standards for STO & the licensing of STO Trading systems In Mauritius. This initiative is a welcome move amidst the rising importance of Fintech related activities across the globe.

Securities Tokens are the digitalized version of “Securities” as defined in the Securities Act 2005 (SA 2005) which include shares, debentures, derivatives, bonds and interests/units in Collective Investment Schemes.

Securities Tokens Offerings (STOs) may be undertaken by Reporting Issuers as defined under the SA 2005, Collective Investment Schemes authorised as Expert Funds or Professional Collective Investment Schemes (“PCIS”) and any other issuers as approved by the FSC.

Security Token trading systems (STTS) will also be licensed by the FSC to allow for the trading of Security Tokens. Applicants will be required to apply for the Trading Securities System licence.

STTS are different from traditional securities exchanges inasmuch as they do not require clearing and settlement facilities. They are usually pre-funded allowing transactions to be cleared automatically on the systems on a T+0 basis.

The holder of a Trading Securities System licence (TSS) will inter-alia, be required to:

- have and maintain a minimum stated unimpaired capital of 35 million rupees or an equivalent amount
- subscribe to an adequate professional indemnity insurance policy which shall indemnify the TSS, its employees and any person acting on its behalf against liability for any act, error or omission in the conduct of its operations
- comply with the relevant and applicable Principles for Financial Market Infrastructures (FMIs) issued by the Committee on Payments and Market Infrastructures (CPMI) of the International Organization of Securities Commissions (IOSCO)
- be controlled and managed from Mauritius and will be required to have at least 3 directors comprising of 30% independent directors and at least 1 resident director
- appoint an external and independent third party to undertake an audit of its IT systems and processes at least once every year
- appoint a Chief Technology Officer and will need to develop and apply proper safeguards to ensure that its systems and networks are fully protected, consequently limiting or containing the impact of a possible cybersecurity breach
- make use of custodians licensed by the FSC in accordance with the Financial Services (Custodian services (digital assets)) Rules 2019 or such other custodian of digital assets regulated in jurisdictions which are signatories to the IOSCO MMOU and acceptable to the FSC for the safeguard of Security Tokens. Fiat currency will be required to be held by a bank licensed as a custodian in Mauritius

To access the Guidance Notes issued by the FSC, please click [here](#)

FSC publishes Enforcement Manual

The Financial Services Commission (FSC) published its Enforcement Manual on 12 June 2020 which provides an overview of its approach towards enforcement and the exercise of its enforcement powers conferred to it under the relevant sections of the Financial Services Act 2007. It also aims at increasing transparency, certainty, and consistency, and, more generally, to promote the rule-of-law principles that underpin all of the FSC's enforcement actions with particular reference to:

- the general purpose of disciplinary action;
- the criteria the Commission applies in considering whether to take disciplinary action;
- the determining factors when considering the appropriate level of action including any administrative penalty;
- the factors the Commission will take into consideration for a withdrawal of licence; and
- the publication of enforcement outcomes.

Please click [Here](#) to access the Enforcement Manual

International Benchmarks

Global Peace Index 2020: Mauritius takes top spot in Africa

Mauritius ranks 1st in Africa and 23rd worldwide (a progression of 1 spot compared to the 2019 report) in terms of peaceful countries, according to the 'Global Peace Index 2020: Measuring Peace in a Complex World' issued by the Institute for Economics & Peace.

The report compares 163 independent states and territories covering 99.7% of the world's population on their level of peacefulness. It uses 23 qualitative and quantitative indicators from highly respected sources, and measures the state of peace using three thematic domains: the level of Societal Safety and Security; the extent of Ongoing Domestic and International Conflict; and the degree of Militarisation.

This year's report also takes into account the effect of the Covid-19 pandemic on the level of peacefulness and examines how the impact of the pandemic, and in particular its economic consequences will increase the risk of severe deteriorations in Positive Peace over the next few years, and also gives an indication of the countries that are best placed to recover from the shock

Interestingly, Mauritius is one of the only four countries to get a perfect score in the domestic and international conflict domain alongside Botswana, Singapore and Uruguay.

In the African region, Mauritius takes the lead followed by Botswana and Ghana which are ranked 33rd and 43rd worldwide respectively. The region's three largest improvers in peacefulness in the last year were South Africa, Cote d'Ivoire and Equatorial Guinea, all of which recorded improvements of more than six per cent.

The full 2020 Global Peace Index Report can be accessed [Here](#)

Global Talent Competitiveness Index 2020 (GTCI 2020): Mauritius 1st in Africa

The GTCI 2020 assesses 132 countries and attempts to explore how the development of Artificial Intelligence (AI) is not only changing the nature of work but also forcing a re-evaluation of workplace practices, corporate structures and innovation ecosystems.

The GTCI 2020 is a composite index, relying on a simple but robust Input-Output model, composed of six pillars and has:

- (1) four pillars on the input side — Enable, Attract, Grow and Retain — focusing on actions for policymakers and business leaders; and
- (2) two output pillars, benchmarking national performances in Technical/Vocational and Global Knowledge skills, respectively.

In line with past editions of the GTCI, the positive correlation remains high between economic performance on the one hand and national talent competitiveness on the other.

The main highlights of the GTCI 2020 are as follows:

- The gap between talent champions (almost all of them high-income countries) and the rest of the world is widening
- Turning AI into a force for good requires a proactive, cooperative approach
- When introducing AI to organisations, communities, or societies as a whole, acceptability is a condition for sustainability
- AI may provide significant opportunities for emerging countries to leapfrog
- The emergence of AI in the workplace requires a massive re-skilling of the workforce
- Cities are striving to become AI hubs and attract relevant talents

On the overall, while Mauritius occupies the 49th position on the worldwide ranking, it maintains the lead over its African counterparts followed by South Africa and Botswana which are positioned 70th and 71st worldwide respectively.

To access the full report, click [here](#)

Mauritius Film Industry

'Jungle Beat: The Movie' to be released on June 26th

The film is the first animation movie to have been entirely produced in Mauritius and is a spin-off of the international hit series 'Jungle Beat' that have amassed more than 1.3 billion YouTube views.

'Jungle Beat: The Movie' will be available on major global platforms, including Apple TV, Amazon and Google Play, as well as a host of local TVOD platforms, and has been dubbed in 13 languages so far.

In May 2020, Jungle Beat was shortlisted among the 10 finalists in the prestigious Annecy 2020 animated film competition, with the final winner due to be announced in June 2020. This selection was from an entry pool of 3,180 films submitted from studios in 94 different countries. This followed an incredibly warm response at major international film markets, including the European Film Market (Berlin) and American Film Market (Santa Monica), with theatrical sales having been agreed into more than 40 different countries, before the outbreak of the COVID 19 pandemic earlier this year.

Click [Here](#) or on the picture below to watch the trailer:



It will be recalled that the Government of Mauritius, through its investment promotion agency, the Economic Development Board (EDB) introduced a slew of initiatives over the past years to further develop the local film industry.

The Film Rebate Scheme (FRS) was introduced in 2013 and entitles film producers to a cash rebate of up to 40% on several kinds of audiovisual projects including animation movies, films, TV shows, documentaries and commercials etc.

For more information about the Mauritius Film industry and how we can assist film producers to benefit from the FRS, please get in touch with your usual contact person at ITL or write to us on info@intercontinentaltrust.com

Travel and Tourism

Mauritius: safe destination for travel

World Travel and Tourism Council which is the apex organization for worldwide travel and tourism has recognized Mauritius as a safe destination for travel with regards to the Covid-19 following the implementation of a series of compulsory health measures to activate the recovery of tourist activities. It will be recalled that Mauritian borders have remained closed ever since the implementation of a sanitary lockdown on the island in March 2020 and now that the island is in an advanced stage of de-confinement, the government is working on revival strategies for the tourism industry.

We will endeavor to keep our client base updated about the opening of the Mauritian frontiers. For more information, you may also get in touch with your usual contact person at ITL.

For any additional information please contact us.

Mauritius Office

Email: mauritius@intercontinentaltrust.com
Website: www.intercontinentaltrust.com

Seychelles Office

Email: seychelles@intercontinentaltrust.sc
Website: www.intercontinentaltrust.sc

South Africa Office

Email: sa@intercontinentaltrust.com

Singapore Office

Email: singapore@intercontinentaltrust.com.sg
Website: www.intercontinentaltrust.com.sg

Kenya Office

Email: ke@intercontinentaltrust.com



**Proud Supporter of
THE GLOBAL GOALS
For Sustainable Development**

**ISAE 3402
COMPLETED TYPE II AUDIT**



DISCLAIMER

The information in this newsletter was prepared by Intercontinental Trust Limited to provide potential clients with a broad overview of the opportunities available in Mauritius. While all reasonable care has been taken in the preparation of this newsletter, Intercontinental Trust Limited accepts no responsibility for any errors it may contain, whether caused by negligence or otherwise, or for any loss, however caused, sustained by any person that relies on it. Readers are advised to consult with appropriate, qualified professional advisors before taking action. Intercontinental Trust Limited will be pleased to discuss any specific issues.

If you do not wish to receive further information from Intercontinental Trust Limited, please send an email to news@intercontinentaltrust.com.