



BANK OF MAURITIUS

Guideline for the Setting up of Representative Offices in Mauritius

October 2014

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INTRODUCTION

This guideline outlines the process and the minimum criteria to be observed by a foreign bank intending to establish a representative office in Mauritius.

Objective

The objective of this guideline is to provide minimum standards and requirements for the setting up of a representative office in Mauritius by a foreign bank.

Authority

This guideline is issued under the authority of section 50 of the Bank of Mauritius Act 2004 and section 100 of the Banking Act 2004 and in accordance with section 11A of the Banking Act 2004.

Scope of Application

This guideline applies to any foreign bank which intends to establish a representative office in Mauritius.

Effective Date

This guideline shall come into effect on 1 November 2014.

Interpretation

In this guideline –

“Act” means the Banking Act 2004;

“Bank” means the Bank of Mauritius established under section 3 of the Bank of Mauritius Act 2004;

“banking business” has the same meaning as assigned to it in the Banking Act 2004;

“foreign bank” means any bank which is not incorporated in Mauritius and which is not licensed by the Bank;

“Minister” refers to the Minister to whom responsibility for the subject of finance is assigned;

“representative office” means an office set up in Mauritius by a foreign bank to conduct any or all of the activities stated at Section 4 of this guideline.

SECTION 1 - STATUTORY REQUIREMENTS

1. In terms of section 11A of the Banking Act 2004,
 - (a) A foreign bank may set up a representative office in Mauritius with the prior written approval of the Bank.
 - (b) The foreign bank must submit a written application to the Bank to set up a representative office in Mauritius and the application must be accompanied by the prescribed non-refundable processing fee.
 - (c) The Bank may approve the application, with or without conditions, or reject the application.
 - (d) A foreign bank whose application to set up a representative office in Mauritius has been approved by the Bank shall pay such appropriate annual licence fee as may be prescribed.
 - (e) The foreign bank may carry on in Mauritius, through its representative office, such activities as may be specified by the Bank.

SECTION 2 – APPLICATION PROCESS

2. Any foreign bank intending to establish a representative office in Mauritius must submit a duly filled in application form set out in Annex A, to the Bank.
3. The application form shall be accompanied by –
 - (a) such document or information as the Bank may require; and
 - (b) such non-refundable processing fee as may be prescribed.
4. The Bank may, within thirty (30) days of receipt of an application, request the applicant to provide it with such additional information as it may require for the purposes of determining the application.
5. The Bank may, within forty-five (45) days from the date of receipt of the application and submission of all requested information and documents, either reject the application or approve the application with or without conditions.
6. The Bank shall notify the applicant of its decision to reject or approve the application, in writing, within seven (7) days of reaching its decision.
7. Where the Bank approves the application, it shall, after payment of the appropriate annual licence fee, issue the foreign bank with an authorisation to set up a representative office in Mauritius.

8. The authorisation shall be in the form of a certificate authorising the foreign bank to carry out, through the representative office, such activity/ies as may be specified by the Bank.
9. A foreign bank which is granted an approval under section 11A of the Act shall ensure that the representative office opens for business not later than ninety (90) days, or such period as may be determined by the Bank, from the date of approval.
10. The foreign bank shall, within seven (7) days from the date of its opening, notify the Bank of the date on which the representative office has opened for business.
11. The foreign bank shall ensure, at all times, that an authenticated copy of the certificate issued under paragraph 8 above, is displayed in a conspicuous place in the public part of the representative office.

SECTION 3 – CONFIDENTIALITY

12. The foreign bank and its representative office shall comply with section 64 of the Act.
13. The representative office shall, immediately, report to the Bank any unauthorised access or breach of confidentiality and security and the action/s it proposes to take in consequence.

SECTION 4 – PERMISSIBLE ACTIVITIES

14. The representative office of a foreign bank may carry the following activities in Mauritius:
 - a) Establish and maintain contacts with companies incorporated in Mauritius;
 - b) Promote the services of the foreign bank through marketing and act as a liaison;
 - c) Arrange, liaise and facilitate the visits and meetings of the personnel of the foreign bank's overseas offices with their major clients in Mauritius;
 - d) Serve as a point of contact and liaison for existing and potential customers in Mauritius and the offices of the foreign bank;
 - e) Conduct market research activities and collect information for the foreign bank;
and
 - f) Such other activities as may be approved in writing by the Bank.
15. A representative office shall not conduct any form of banking business, such as accepting deposits, opening accounts for clients, granting loans or dealing in securities.

16. A representative office shall not engage directly in financial transactions, other than those necessary for and incidental to the maintenance of the office in Mauritius.

SECTION 5 – HOURS OF BUSINESS, RELOCATION AND CLOSURE OF REPRESENTATIVE OFFICES

17. A representative office shall inform the Bank of its proposed hours of business.
18. No representative office shall be relocated or closed without the prior written approval of the Bank.
19. Adequate notice of the relocation or closure of the representative office shall be given to members of the public.

SECTION 6 – POWERS OF THE BANK OF MAURITIUS AND REPORTING

20. The Bank shall have free, full, unfettered and timely access to the internal systems, documents, reports, records, staff and premises of the representative office and shall exercise such powers as it may deem necessary.
21. The Bank shall have the power to request any information from or issue instructions to a representative office at any time it may deem necessary.
22. A representative office shall submit information in such form and such medium as may be prescribed by the Bank from time to time.
23. The Bank may revoke the approval where the representative office contravenes any provisions of the banking laws or fails to comply with guidelines and instructions issued by the Bank or it is in the public interest to do so.
24. The Bank may cause an inspection of the operations and affairs of the representative office to be made by its officers or such other duly qualified person as it may appoint, so as to assess whether the representative office is complying with the banking laws and any guidelines or instructions issued by the Bank.
25. A representative office shall forthwith inform the Bank of any incidents of fraud, theft or robbery.

SECTION 7 – DISCLOSURES

26. A representative office shall display the following information in a conspicuous place on its premises:
 - a) The name, contact details and logo of the foreign bank it is representing;
 - b) An authenticated copy of the consent letter from the home country supervisory authority approving the establishment of the representative office in Mauritius;

- c) An authenticated copy of the foreign bank's valid licence to conduct banking business as issued by the home country supervisor;
- d) A list of the services offered by the representative office; and
- e) The list of fees, commissions or charges, if any, for each service which are payable to the representative office.

SECTION 8 – STAFFING

- 27. The foreign bank shall ensure that its representative office has appropriate physical infrastructure and is adequately staffed to conduct its activities.
- 28. A representative office is required to appoint a Chief Representative, duly approved by the Bank, to manage the representative office on a full time basis. The representative office shall comply with the provisions of section 46 of the Act when appointing or reappointing the Chief Representative.
- 29. The Bank shall communicate in writing to the representative office its objection, if any, to the appointment of the person within 15 days of the date of receipt of the notification of appointment or re-appointment.
- 30. The application to appoint a Chief Representative must be accompanied by his/her curriculum vitae and a duly filled in Fit and Proper Person Questionnaire, which may be downloaded from the website of the Bank at <https://www.bom.mu>.

Bank of Mauritius

**APPLICATION FORM TO SET UP A REPRESENTATIVE OFFICE
IN MAURITIUS**

SECTION I: Details of Applicant

(a) **Name of Applicant Bank:** _____

(b) **Address:** _____

Tel: _____ Fax: _____

(c) **Country of Incorporation:** _____

(d) **Applicant** (The application should be submitted by the Chief Executive Officer or equivalent of the bank who should attest that the information submitted is true to the best of his/her knowledge. Your bank may be required to furnish additional information and any changes in any information provided hereunder should be communicated promptly to the Bank of Mauritius. Misrepresentations or omissions of material facts may be grounds for rejecting the application).

Name (in Block Letters):

Designation:

Telephone:

E-mail:

SECTION II: Information to be Provided in the Application Form

The Application Form should be accompanied by the following documents:

- a) Original consent letter from the home country supervisory authority approving the establishment of the representative office in Mauritius;
- b) A consent letter from the applicant authorising any regulatory body, law enforcement body or financial institution, in Mauritius or in a foreign country, to release to the Bank of Mauritius, for use in relation to the application and the enforcement of the Banking Act 2004, any information about the applicant, and any of its directors, shareholders, beneficial owners, chief executive officer or other senior officers as may be applicable.
- c) Certified copy of the Certificate of Incorporation of the foreign bank;
- d) Certified copy of the Memorandum and Articles of Association or Constitution of the foreign bank;

- e) Certified copy of the foreign bank’s valid licence to conduct banking business as issued by the home country supervisor;
- f) Annual Reports, including the profit and loss account and balance sheet of the foreign bank for the last 2 years; and
- g) Annual Reports of the foreign bank’s holding company or shareholders with controlling interest for the latest financial year.

Section III: Submission of Application Form

The application, in writing, duly signed by the Chief Executive Officer, or equivalent, of the foreign bank accompanied with the requested documents and information should be sent to the Bank of Mauritius to the attention of:

**The First Deputy Governor
Bank of Mauritius
Sir William Newton Street
Port Louis
MAURITIUS**

SECTION IV: Background Information

A. BRIEF HISTORY

Please provide a brief history of your bank including the principal business and field of operations and information on any takeovers involving your bank or merger with other entities.

B. SHAREHOLDING STRUCTURE

List the names, address and percentage shareholding of persons holding 10 per cent or more of the shares or voting power of your bank and your bank's holding company, if applicable. State the name of the stock exchange your bank or its holding company is listed on, if applicable.

C. RELATED COMPANIES

Please provide particulars of related companies of your bank.

D. MANAGEMENT

Please provide names of members of the Board of Directors, names and experience of the Chairperson and Chief Executive Officer of your bank and its holding company if your bank is a subsidiary.

E. CHIEF REPRESENTATIVE

Please provide the name, profile and responsibilities of the proposed Chief Representative of the representative office in Mauritius. Please state whether the Chief Representative has ever been convicted in a Court of Law for an offence involving fraud, dishonesty or has ever been under investigation for any professional negligence or malpractice by any regulatory authority in any country. Please provide a duly filled in Fit & Proper Person Questionnaire which is available on the Bank of Mauritius website at <https://www.bom.mu>.

F. OVERSEAS NETWORK

Please provide a list of your bank's subsidiaries, associates, international branch network, representative offices and joint ventures.

G. STRUCTURE

Please provide an organisational chart showing subsidiaries and associated companies of your bank.

H. RATINGS

Please provide ratings by international credit rating agencies, if available.

I. ACTIONS AGAINST THE BANK

Was your bank (including branches) or your bank’s holding company, related subsidiaries and associated companies, or their directors, convicted in a Court of Law or censured or reprimanded by your bank's home or other regulatory authorities during the last 3 years or are there any proceedings now on-going which may lead to such a conviction? Are there any restrictions imposed on the operations of your bank (including branches) or your bank’s holding company, related subsidiaries and associated companies by your bank's home or other regulatory authorities? Has your bank had any of its previous applications to open banking offices (branches or subsidiaries) or representative offices in other countries rejected? If yes, please provide details.

SECTION V: Home Country Supervisor

J. HOME COUNTRY SUPERVISOR

Please provide name and address and contact details of the Home Country Supervisor.

K. SUPERVISORY FRAMEWORK

Briefly describe the functions and powers of the home country supervisory authority of your bank and holding company and the extent to which the authority exercises comprehensive or consolidated supervision.

SECTION VI: Banking System

L. OVERVIEW

Briefly describe the banking system in your bank’s home country. You should provide more information on the conditions under which your bank has been licenced if more than one type of licence is issued in your bank’s home country.

Indicate the frequency and scope of on-site examinations conducted by the home country supervisory authority and the date of your bank’s most recent examination.

SECTION VII: Activities of the Representative Office

M. FEASIBILITY STUDY

Please provide a feasibility study, including the reasons for proposing to set up a representative office in Mauritius.

N. PROPOSED ACTIVITIES

Please provide a list of the activities that is proposed to be provided through the representative office.

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O. PROPOSED LOCATION

Please provide the proposed location and address of the representative office.

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P. PROPOSED STAFFING

Name of Staff	Proposed Designation

Q. PARTICULARS OF EXPATRIATES

Name of Proposed Person	Function

SECTION VIII: Other Information

R. ANY OTHER INFORMATION IN SUPPORT OF YOUR BANK'S APPLICATION

Declarations and Signatures

I certify that, to the best of my knowledge and belief, the above information is true, complete and correct and I also agree to abide by the terms and conditions applicable to a representative office and to such other conditions as may be imposed by the Bank of Mauritius from time to time.

.....
Date

.....
Chief Executive Officer