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Special issue

7th Annual Comsure Financial Crime Conference

in partnership with

The Axis Academy

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Director of Public Prosecutions

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The Axis Academy

"Protecting our good repute is a shared national responsibility"

Mathew Beale,
CEO of Comsure Compliance Ltd

"Ensuring Mauritius never faces another FATF grey listing"


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Guardians of Paradise: Outsmarting Financial Crime

Mauritius has long sought to consolidate its reputation as a trusted and transparent international financial centre. The 7th Annual Comsure Financial Crime Conference, held on 22-23 October 2025, at the Hilton Mauritius Resort & Spa, in partnership with The Axis Academy, demonstrated that this ambition is anchored not only in regulatory reform but also in a deepening sense of accountability.

Under the theme *"Guardians of Paradise: Outsmarting Financial Crime,"* the two-day conference assembled an influential network of policymakers, prosecutors, regulators, and compliance professionals to debate the country's evolving response to financial crime in an era of technological disruption, global scrutiny, and institutional reform.

For Mathew Beale, Chief Executive Officer of Comsure Compliance Ltd, and host of the conference, the event's theme was both an affirmation and a challenge. *"The idea of being 'guardians' speaks to our collective duty to protect this island's hard-earned reputation — a paradise not just in its natural beauty, but in its integrity and governance,"* he explained. Mathew Beale reflected on two decades of engagement with Mauritius's financial evolution and reiterated his belief that *"we must ensure Mauritius never faces another FATF grey listing."* His keynote address, titled *"Global Trends in AML/CFT: Effectiveness or Exhaustion?"* warned that global compliance frameworks risk becoming overextended and mechanical. *"Many systems have drifted into a tick-box approach,"* he observed. *"What we need now is a shift from mere compliance to collaboration."* He called for greater coordination among regulators, law enforcement, and private institutions, noting that *"without that, the entire framework risks failing in its purpose."*

Innovation also took centre stage with the launch of Acrion Ltd, Mauritius's first full-service whistle-blowing and compliance advisory firm. Introduced by Ameer Caunhye, a seasoned compliance professional, the firm offers a suite of services — from AML audits to confidential reporting systems — designed to align with new obligations under the Financial Crimes Commission Act. *"Whistle-blowing systems are essential tools for transparency, integrity, and good governance,"* said Ameer Caunhye, positioning Acrion as a practical response to the growing demand for ethical oversight within financial institutions.

The Attorney General, Gavin Glover SC, set the tone in his opening address, arguing that *"courage in government and integrity in finance are two sides of the same coin."* He warned that *"the criminal mind is inventive,"* and that *"technology multiplies its speed and scale,"* as funds can *"vanish at the click of a button."* His remarks encapsulated both urgency and intent: Mauritius, he said, *"will no longer play catch-up"* but will instead seek to *"steer the course"* through transparency, institutional independence, and cross-border cooperation.

The Attorney General outlined the depth of reform achieved over the past three years — notably the Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act 2024, which strengthened investigative powers and transparency obligations, and the establishment of the Financial Crimes Commission (FCC) to unify enforcement efforts. Looking ahead, he announced work on a Mauritius National Crime Agency, designed to consolidate expertise across departments. Yet, amid such structural advances, his warning was unambiguous: *"Integrity cannot be legislated. It must be lived."*

That same insistence on integrity underpinned the intervention of Rashid Ahmine, Director of Public Prosecutions, who called for a more results-driven approach to enforcement. "Investigations alone mean nothing!" he declared. *"What really counts is when you bring a case before court and secure a conviction."*

Throughout the conference, a consistent message emerged: the defence of Mauritius's financial integrity depends on collaboration as much as on compliance. The rulebook may have expanded, but its effectiveness will depend on the quality of enforcement, the independence of institutions, and the ethical fibre of those entrusted to uphold the system.

Mathew Beale described participants as *"the true guardians of paradise."* His closing words captured the spirit of the gathering — that Mauritius's credibility will not rest on the quantity of its regulations but on the quality of its resolve. The next phase of the fight against financial crime will indeed require vigilance, coordination, and above all conviction.

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GAVIN GLOVER SC,
ATTORNEY GENERAL OF MAURITIUS

"Courage in government and integrity in finance are two sides of the same coin"

- **"To remain trusted, we must be incorruptible"**
- **"The criminal mind is inventive. Technology multiplies its speed and scale."**
- **"Shell companies and decentralised ledgers enable funds to vanish at the click of a button."**
- **"Money moves faster than we can. Our treaties too must move at the speed of crime."**

"When criminals collaborate across borders, how can we not do the same?" asked the Attorney General of Mauritius as he opened the Comsure Financial Crime Conference 2025 at the Hilton Mauritius Resort & Spa. Warning that *"to remain trusted, we must be incorruptible," he described a world where "the criminal mind is inventive. Technology multiplies its speed and scale,"* and *"shell companies and decentralised ledgers enable funds to vanish at the click of a button."* His message was clear: as *"money moves faster than we can,"* only courage, integrity, and coordinated action can preserve the country's financial credibility.

The Attorney General of Mauritius, Gavin Glover SC, opened the Comsure-Axis Financial Crime Conference 2025 with a resolute message: Mauritius will no longer play catch-up in the fight against financial crime. Instead, it intends to shape global standards through transparency, institutional reform, and integrity.

Under the theme *"Guardians of Paradise – Outsmarting Financial Crime,"* the two-day event gathered regulators, industry professionals, and policymakers to reflect on how small jurisdictions can preserve credibility and trust in a rapidly evolving financial landscape. The Attorney General's address, both technical and philosophical, underscored the delicate balance between vigilance and vision in defending what he called *"our way of life."*

"Our island is often described as a slice of heaven in the Indian Ocean," he began. *"Yet, even paradise has its shadows."* He reminded the audience that Mauritius' reputation as a financial centre depends not only on compliance but also on incorruptibility. *"To remain beautiful, we must be vigilant. To remain trusted, we must be incorruptible."*

He described financial crime as a corrosive force that undermines institutions and public trust. *"Confidence is a fragile commodity,"* he said. *"When financial crime seeps into a system, it corrodes more than numbers, it corrodes the trust that binds citizens and institutions."*

The Attorney General framed the battle against financial crime as both moral and systemic, adding that technology has amplified criminal ingenuity. *"The criminal mind is inventive,"* he remarked. *"Technology multiplies its speed and scale. Shell companies and decentralised ledgers enable funds to vanish at the click of a button."*

The Legal Arsenal: A Comprehensive Reform

Over the past three years, Mauritius has undertaken what the Attorney General described as "the most significant anti-money laundering reform since independence." The Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act 2024 amended sixteen pieces of legislation – including the Banking Act, the Companies Act, and the Virtual Assets and Initial Token Offering Services Act (VAITOS) – to strengthen investigative powers and transparency obligations.

Under the revised framework:

- Investigators are now legally empowered to compel attendance and production of documents, with penalties including imprisonment.
- Administrative sanctions have been reinforced.
- A centralised Beneficial Ownership Register now mandates all companies to maintain written declarations from each beneficial owner and promptly report any changes.
- Companies must ensure full compliance with these provisions by 30 June 2026.

The VAITOS Act, as amended, regulates virtual asset service providers and token issuers, explicitly excluding fiat currencies and securities from its definition of virtual assets. Operating without a licence constitutes a criminal offence,

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punishable by MUR 5 million in fines, and up to 10 years' imprisonment.

Further supervision measures, through Section 36 and Part VIII of the Act, give the Financial Services Commission (FSC) enhanced authority to request information, conduct inspections, and enforce risk-based supervision across service providers. Complementing these reforms, the Bank of Mauritius (BoM) has introduced prudential classifications, capital adequacy requirements, and risk management obligations on banks engaged in virtual asset activities. These provisions came fully into force in May 2025, following consultations dating back to November 2021.

Consolidating Enforcement: The Financial Crimes Commission

Another major step was the establishment of the Financial Crimes Commission (FCC) under the FCC Act 2023, which unified seven enforcement agencies into one body empowered to detect, investigate, and prosecute. Oversight is now exercised by an Independent Operations Review Committee, ensuring transparency and accountability in enforcement.

However, the Attorney General acknowledged that amendments were necessary after the Commission's creation. *"The FCC Act had unfortunately been used to undermine the constitutional powers of the apex prosecuting authority,"* he said. The government's first legislative amendment, therefore, sought to restore this balance and reaffirm *"our unwavering commitment to institutional independence."*

Towards a Mauritius National Crime Agency

Looking ahead, the Attorney General unveiled work on a Mauritius National Crime Agency (NCA), with technical assistance from British experts. Described as *"a specialised, organised body designed to strengthen the country's capacity to combat crime,"* the agency will consolidate investigative expertise currently scattered across multiple departments.

It will bring together investigators, forensic analysts, financial experts, and legal advisers under a single statutory mandate to address serious corruption, fraud, and transnational financial crimes.

"The Mauritius NCA will be independent but subject to robust safeguards of accountability and judicial oversight," he explained. *"For constitutional balance, prosecution will remain in the hands of the Director of Public Prosecutions."*

This institutional reform, he said, represents a *"paradigm shift"* in Mauritius' approach: *"We are no longer playing catch-up. We are steering the course."*

Harnessing Technology Responsibly

The Attorney General noted that the digital era has blurred borders and created new avenues for illicit finance. Artificial intelligence and big data analytics, he said, now enable regulators to *"detect anomalies, trace patterns, and predict risks."* Yet these same tools can be *"weaponised by criminals."*

He warned that AI-generated forgeries, manipulated algorithms, and deepfakes could

From left to right: **Mathew Beale**, CEO of Comsure Compliance Ltd; **Shammeemkhan Abdoolakhan,** Director of Talent and Technical Development, Axis Eruditio Ltd; **Gavin Glover SC,** Attorney General of Mauritius; and **Jean-Claude Permal,** Executive Director, Axis Fiduciary Ltd

challenge even the most vigilant institutions. The challenge, he said, is to *"harness technology without compromising rights."*

The 2024 BoM report recognised the increasing complexity of instantaneous, cross-border digital transactions, and regulators' need to supervise such activities in real time. Mauritius's efforts have been validated by the FATF Follow-up Report (May 2025), which rated the country as largely compliant with international standards. But the Attorney General stressed that the fight is far from over: *"We must not fold up, we must not rest. Money moves faster than we can. Our treaties too must move at the speed of crime."* He also urged greater cross-border cooperation, stressing that *"when criminals collaborate across borders, how can we not do the same?"*

The Human Firewall

While laws, algorithms, and technology can serve as defences, Gavin Glover SC emphasised that the *"ultimate firewall"* is human integrity. *"Integrity cannot be legislated. It must be lived. It stands between a signature and a scandal, between aggression and collusion. It is the invisible bulwark that no hacker can reach."*

He called on every professional, from regulators and auditors to lawyers and judges, to embody ethical leadership. Conferences such as Comsure's, he said, help *"cultivate competence and conscience"* and remind participants that *"professional excellence and ethical leadership are inseparable."*

Transparency, governance, and equality

The Attorney General linked financial integrity to broader governance and constitutional reforms. *"Our fight against financial crime is part of a wider effort to modernise institutions, restore public trust, and strengthen the rule of law,"* he said.

He confirmed that the government is pursuing constitutional reforms aimed at eradicating discrimination and making equality tangible. *"Mauritius is a plural society shaped by a complex past. We must re-examine inherited structures and realign them with democratic aspirations,"* he stated.

Drawing a clear parallel between fiscal

> **When criminals collaborate across borders, how can we not do the same?**

transparency and political ethics, he explained that *"just as we insist on transparency in finance, we must seek honesty in governance. Courage in government and integrity in finance are two sides of the same coin."*

Defending More Than an Economy

The Attorney General reminded the audience that financial crime is never victimless. *"It steals from schools, from hospitals; it weakens democracy and threatens our children's future."* The defence of Mauritius' financial integrity, he argued, is therefore a defence of *"our identity as Mauritians."*

He therefore called on the financial and legal community to lead by principle rather than convenience: *"Let Mauritius be the jurisdiction others emulate, not because we are the easiest route, but because we are the most principled. Let us choose transparency over convenience, justice over expediency, and truth over silence."*

The Attorney General went on to reaffirm his office's commitment to collaborate with all state institutions, regulators, professionals, and international partners *"who share our vision of a world where prosperity and probity go hand in hand."*

Gavin Glover SC concluded by expressing gratitude to Comsure and its partners *"for their dedication to raising the bar,"* and described the participants as *"the true guardians of paradise."*

"Our paradise," he said, "must remain graced not only by its natural beauty and economic opportunity, but by the strength of our conscience."

GAVIN GLOVER,
ATTORNEY GENERAL OF MAURITIUS

"A key objective is to make the NCA free from political or administrative influence"

- **"Mauritius must actively strive to become fully incorruptible"**

In this exclusive interview, the Attorney General shares insights into Mauritius' next major step in strengthening its financial integrity framework. Gavin Glover also talks about the creation of the Mauritius National Crime Agency (MNCA) as he outlines the government's vision for a more transparent, independent, and efficient system to combat financial crimes and promote investor confidence.

In your speech, you emphasized that Mauritius must stay relevant, vigilant, and incorruptible in the fight against financial crimes. Could you elaborate on that message?

The message behind my speech is that Mauritius must actively strive to become fully incorruptible. We are realistic and understand that achieving 100% incorruptibility may be extremely difficult. However, by setting our threshold very high, we aim to achieve the best possible result in fighting financial crimes.

It is about being vigilant, committed, and uncompromising in our efforts, even if perfection is ultimately unattainable.

You also mentioned plans to set up the Mauritius National Crime Agency (MNCA). When is the MNCA expected to become operational?

The MNCA is being developed with support from the British National Crime Agency. My office is currently busy drafting the legislation, which requires a complete review of the Financial Crimes Commission Act. At the same time, we are building the National Prosecution Service (NPS), because we believe a strong system relies on three interconnected elements: the MNCA, the NPS, and the Police & Criminal Justice Bill. There needs to be a symbiosis between the three of them despite the fact that these enactments are going to take time to be ready, as they are huge.

My Office, which has limited resources, is trying to move as fast as possible on the drafting of the MNCA. We aim to have a first draft submitted to Cabinet by early 2026, with the goal of implementing it during the second year of this government's mandate.

Can you provide more information on when the MNCA draft is going to be presented to parliament?

We will bring the Bill to parliament when we are ready and when we think the law is proper and locks into other amendments that we are bringing in the system. However, I can tell you that my Office is working tirelessly to get the Bill to Cabinet. As you know, the draft has to go to Cabinet first because the MNCA will be a multidisciplinary agency, with foreign inputs.

Therefore, we need a bit more time to make sure that these laws fit together.

With the establishment of the MNCA, what will happen to the Financial Crimes Commission (FCC)? Will the MNCA overlap the work of the FCC?

The MNCA will not overlap with the FCC. Rather, the FCC will disappear and will be fully integrated into the MNCA. In fact, we are producing a piece of legislation which will provide more independence and a more structured approach to the various branches of investigation, something that the current FCC Act does not clearly establish.

What key institutional and governance changes will distinguish the MNCA from the FCC?

We are creating a structure which is clear and clean. The MNCA will represent a major evolution from the existing FCC by establishing a more robust institutional structure. It will comprise distinct directorates dedicated to corruption, money laundering, serious fraud, and major financial transaction and transnational crimes, ensuring specialized focus and greater operational efficiency.

> **By taking the lead, Mauritius can become a reference point for excellence in governance, financial services, and regulation.**

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A key objective is to make the MNCA a truly independent body, free from political or administrative influence. In this regard, we are reviewing the current system of government-appointed commissioners, as this approach will no longer apply. The two main challenges lie in having to find the system by which the appointments, for example that of the Director General, will be made, and the qualifications that the post will require.

Will the MNCA be a truly independent institution?

Ultimately, we are creating an independent institution that no one will be able to alter or change. Of course, we cannot tie the hands of another government if it wants to change the laws one day, but the MNCA will be a solid institution, and it will be independent.

On the question of who is going to appoint who, we are a sovereign country, and we decide who we are going to appoint, even if we can have people with a lot of experience to help us appoint somebody.

Will the enactment of the MNCA make Mauritius more attractive for investors?

There are multiple aims here as, first of all, we want transparency, independence and efficiency. I must point out that efficiency is at the top of the agenda because we have witnessed criticism from people against the FCC because many investigations are ongoing, but few cases have reached court. These inquiries are highly complex, and the FCC is not yet staffed with enough experts in order to carry out enquiries in a swift manner. Capacity is what the FCC lacks. In order to be efficient, capacity building is important.

The MNCA addresses these challenges by prioritizing capacity building, providing additional resources, and streamlining processes to ensure faster and more effective enforcement.

So, by enhancing the efficiency and credibility of investigations, the MNCA will improve investor confidence and demonstrate Mauritius' commitment to robust governance standards. In the long term, this initiative is designed to create a regulatory environment that is not only transparent but also efficient and reliable, reinforcing Mauritius's position as a secure and trustworthy destination for domestic and international investment.

You mentioned in your speech that Mauritius should not just comply with regulations, but aim to lead. Could you elaborate on that?

The message is that in order for Mauritius to remain where it is, or achieve better, we need to take the lead and not just ensure that we are ticking the boxes. We have to take the lead on everything we do so that we become the reference in terms of the financial sector, regulatory services and effective policing of economic crime.

By taking the lead, Mauritius can become a reference point for excellence in governance, financial services, and regulation, inspiring confidence among investors, international partners, and stakeholders.

Can you provide a brief statement regarding Mauritius' preparation for the ESAAMLG (Eastern and Southern Africa Anti-Money Laundering Group) assessment?

> **The FCC will disappear with the enactment of the National Crime Agency**

Mauritius is taking a proactive and comprehensive approach in preparing for the ESAAMLG assessment, with leadership from the Ministry of Financial Services and support from our Office. We recognize that the assessment will go beyond mere compliance checklists and will focus on the effectiveness of frameworks and measures in practice.

Thus, our efforts are focused on ensuring that regulatory and governance standards are not only met but demonstrably effective. By reviewing current systems, identifying areas for improvement, and implementing targeted enhancements, we are positioning Mauritius to meet the evolving expectations of the ESAAMLG.

RASHID AHMINE,
DIRECTOR OF PUBLIC PROSECUTIONS

"We need courts and judges who hear cases back-to-back and dispose of them within one month"

- **"Investigations alone mean nothing! What really counts is when you bring a case before court and secure a conviction"**
- **"Why is it that at the Office of the DPP, we don't have so many financial crimes cases to prosecute?"**
- **"Institutions like the FCC, the Police Department and the MRA cannot be at the beck and call of government"**
- **"Every morning, we see headlines with details of investigations that are not supposed to be public"**

The Director of Public Prosecutions, Rashid Ahmine, offered an unflinching assessment of Mauritius' fight against financial crime. Speaking before an audience of compliance professionals at the Financial Crime Conference 2025 – a two-day event organised by Comsure in collaboration with The Axis Academy – he questioned the country's record of enforcement. His message was pointed: laws and frameworks are meaningless without conviction, ethics, and the courage to act.

RUDY VEERAMUNDAR

"We talk a lot about compliance and all those different types of legislation in Mauritius, but what is important is the end result." At the Hilton Mauritius Resort & Spa, before an audience of compliance professionals and financial sector specialists gathered for the Comsure Financial Crime Conference 2025, the Director of Public Prosecutions, Rashid Ahmine, delivered an address that was as reflective as it was unsettling. His tone was neither accusatory nor complacent. Instead, it was that of a prosecutor accustomed to looking at facts and asking uncomfortable questions.

Rashid Ahmine, who has built a reputation for his interest in financial crime and asset recovery, admitted that in his experience, Mauritius has seen few major financial crime prosecutions. *"We have had few big cases of financial crimes in Mauritius going to court. I always ask the question: why is it so? Is it because we have few criminals? Is compliance ineffective? Or are there challenges with investigatory authorities doing their job?"*

The DPP's remarks framed a paradox: a jurisdiction with sophisticated laws, trained professionals, and international recognition, yet with a striking absence of major convictions. The question that hovered in the room was whether the machinery built to protect the integrity of Mauritius's financial system is functioning as it should.

He reminded the audience that they were not

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mere bystanders in this process. Compliance officers, he argued, are *"gatekeepers"* whose role extends beyond fulfilling legal obligations. *"You are part of the process. You are supposed, therefore, to help in crime prevention and crime detection to make the fight against financial crime more efficient in Mauritius. Do you do compliance because you have to do it under the law?"* he asked, *"or because you believe Mauritius should remain a clean jurisdiction, an international financial centre of repute? You are in a very good position to determine whether people try to use different kinds of structures to launder money. You are the gate keepers. You are supposed to close the door to money laundering. What you must understand is that you are part of the process of fighting financial crime."*

For Rashid Ahmine, genuine compliance stems from conviction, not compulsion. *"It's not a victimless crime,"* he said, urging professionals to see themselves as part of a broader effort to uphold the nation's integrity rather than as participants in a regulatory checklist. *"You need to do your job, not only because the law says that if you don't do it, sanctions may be imposed, but because you are against financial crime, and you want to see Mauritius as a clean jurisdiction. You want to see Mauritius as an international financial centre of repute. This is the most important point!"* he stressed.

Turning to the National Risk Assessment (NRA) report, the DPP drew attention to its stark conclusions. Mauritius, he said, *"has a robust financial sector, but the external money laundering threat is high compared to the internal one."* He pointed to cases where in *"suspected frauds, proceeds from overseas were received for local GBCs,"* and to findings suggesting that the island *"is considered a platform for laundering proceeds of corruption using corporate structures."* The remarks were pointed but factual. They reflected an unease familiar to many; an awareness that risk assessments and compliance rhetoric sometimes fail to translate into enforcement outcomes.

The DPP listed drug trafficking, illegal bookmaking, and tax crimes as enduring threats. The overlap between tax evasion and drug money, he said, is well established. Yet, despite the existence of extensive legislation and a range of supervisory bodies, *"we have had few big cases of financial crimes going to court."* He asked whether the issue lay in compliance, supervision, or investigation. *"Why is it that at the Office of the DPP, we don't have so many financial crimes cases to prosecute?"*

His tone softened as he turned to ethics. *"We need to talk about ethics much more than rules,"* he said. A culture of integrity, in his view, is what separates formal compliance from meaningful enforcement. Only when people understand the moral dimension of financial integrity, he suggested, can prosecution and prevention work effectively.

But his address was not limited to moral appeals. Rashid Ahmine spoke with concern about the structural and institutional weaknesses that, in his view, continue to undermine enforcement. He cited the independence of investigative bodies as a central challenge. *"Institutions like the FCC, the Police Department and the MRA cannot be at the beck and call of government. It's not that if the government gives a license and says, 'go investigate these cases,' you start an investigation, and if the government says, 'no, please don't investigate these cases,' then you don't investigate. It doesn't work like this! It's only when we had a new government, about one year ago, that we started hearing about major cases being investigated. The independence of institutions is very important,"* he said. *"It's not because of the FATF assessment coming in 2027 that we must act. We must do well, every year, to show that Mauritius is a serious jurisdiction."*

Rashid Ahmine also criticised the tendency of ongoing investigations to find their way into newspapers. *"Every morning, we see headlines with details of investigations that are not supposed to be public,"* he said. *"The public is supposed to know that an investigation is ongoing, but not its details before trial."* For him, such leaks are more than ethical breaches. They signal a system where independence is porous and discipline fragile.

On the subject of intelligence, he was equally frank. Financial institutions, he said, often claim to have filed numerous suspicious transaction reports (STRs), while the Financial Intelligence Unit (FIU) complains that *"these reports are hopeless."* The deeper issue, he argued, lies in the failure to transform intelligence into evidence. *"Until and unless we talk to each other, we won't know what happened. The challenge is what use we make of that intelligence to convert it into evidence."*

While he acknowledged that the Financial Crimes Commission (FCC) now seems more active, the DPP noted its limits in handling complex transnational cases. *"When it comes to money moved to other jurisdictions, there is a big issue,"* he said. *"Even if we need to get foreigners to assist locals, we should have these people."* Too often, he added, by the time the DPP's office is informed, *"the money has already left Mauritius and landed in another jurisdiction."*

The most pressing example, he said, remains drug trafficking. *"We don't arrest drug traffickers. We only arrest small fish; the foreigner paid to bring drugs, and the locals who collect them. What about those behind the trafficking? Unheard of!"* He linked this failure to the broader question of financial flows. *"Drug traffickers have bank accounts. Their proceeds are mingled with legitimate businesses. People need to be trained to detect suspicious transactions. It's not just about ticking the box,"* he argued.

Mauritius, he noted, has legislation enabling asset recovery and unexplained wealth orders, but *"hardly any cases have led to confiscation."* The vehicles parked outside the FCC, seized under restraining orders, may make headlines, but mean little in legal terms. *"Investigations alone mean nothing,"* he said. *"What really counts is when you bring a case before court and secure a conviction. We cannot win the fight against financial crime if we are not able to seize the proceeds of criminals. If we don't confiscate the proceeds of crime, we fail in our duty."*

Rashid Ahmine advocated for what he called a prosecution-led investigation, where prosecutors work with investigators from the outset. *"We know what evidence we need to present in court. The burden is on us, and we need to be involved from day one,"* he explained. Such collaboration, he argued, is not about overstepping roles but about ensuring that cases are built to withstand judicial scrutiny. Without this alignment, he

We need to get foreigners to assist locals in investigations

warned, complex cases risk collapsing under procedural or evidentiary gaps.

The DPP's message was clear. Legislation, compliance programs, and assessments mean little without institutional independence, ethical conviction, and practical coordination. The fight against financial crime, he suggested, is not a matter of rankings but of collective resolve. *"We are all in this,"* he said. *"We have to sit down and work together."*

Then came the sharpest of his critiques. *"We have an archaic system of justice in Mauritius,"* he said. *"Can you believe that a high-profile case is called only three times a year? A single point in law is enough to postpone a case by six months, and cases go on for years."* His frustration was not theatrical; it reflected the view of a prosecutor bound by processes that slow justice to a crawl. *"You need judges who hear cases every day, back-to-back. However complex cases are, you can dispose of them within a month if people work seriously."*

In a room filled with compliance officers, the DPP's words carried the weight of an insider's challenge: that the reputation of Mauritius as a financial centre will not rest on how many laws it passes, but on how many truths it is willing to confront.

MATHEW BEALE,
CEO OF COMSURE COMPLIANCE LTD

"Ensuring Mauritius never faces another FATF grey listing"

Mauritius is stepping up its commitment to combat financial crime, with a renewed focus on accountability, collaboration, and innovation. Speaking at the Comsure Financial Crime Conference, Mathew Beale, CEO of Comsure Compliance Ltd, emphasized Mauritiusdetermination to maintain its position as a trusted and transparent international financial centre.

What are the key takeaways from the Attorney General's speech?

I think the key takeaway from the Attorney General's speech was that the Mauritian legislation to enact further financial crime legislation for the jurisdiction to function effectively and to the satisfaction of the international community, such as FATF. He also highlighted that while progress has been made, there's still more work ahead.

We also had the privilege of hearing from the current Director of Public Prosecutions (DPP) in Mauritius, Mr Rashid Ahmine. His key message resonated deeply: everyone in the financial industry must first and foremost be good corporate citizens, adhering to the law to combat money laundering and other financial crimes. Mr Rashid Ahmine then emphasised his commitment to using the courts of justice without fear or favour, and to taking the necessary action against those who have committed crimes. It was a powerful reminder of our collective responsibility in the fight against financial crime. Together, we must uphold integrity and ensure accountability in our industry.

What stood out to me is the focus on accountability — suggesting that moving forward, we will likely see stronger enforcement and more prosecutions for wrongdoing where, in the past, there may have been leniency.

I personally think there will be challenges ahead for those who find themselves on the wrong side of the law. In the past, some issues may have been overlooked, but going forward, I believe we will see a stronger focus on accountability and more prosecutions for wrongdoing.

What is the inspiration behind this year's theme which is "Guardians of Paradise: Outsmarting Financial Crime", and how does it reflect the journey of Mauritius as a financial centre?

The theme "Guardians of Paradise: Outsmarting Financial Crime" reflects both the responsibility and resilience of Mauritius as a reputable international financial centre. The idea of being "guardians" speaks to our collective duty to protect this island's hard-earned reputation — a paradise not just in its natural beauty, but in its integrity, governance, and commitment to high standards.

Having been involved with Mauritius for the past twenty years, I have seen first-hand the country's remarkable progress and the determination to strengthen its position globally. My passion lies in ensuring that Mauritius never faces another grey listing and continues to be recognized as a trusted and transparent jurisdiction.

The fact that global partners including the United States which is currently building an embassy here have such confidence in Mauritius demonstrates that the world values its commitment to compliance and good governance.

However, with that recognition comes responsibility. We must remain vigilant and ensure that we consistently stay on the right side of both local and international laws. The theme serves as a timely reminder that safeguarding our financial paradise requires intelligence, integrity, and continuous effort to outsmart financial crime.

You have spoken about the importance of collaboration among regulators, law enforcement, and the private sector. How can such cooperation make the idea of being "guardians" a practical reality?

Collaboration among regulators, law enforcement, and the private sector is essential because it saves time, reduces duplication, and promotes consistency. At the moment, each industry sector produces its own guidance and interpretations of the same laws, which results in confusion and inefficiency, along with an uneven playing field in the application of the law. Instead of having multiple handbooks that essentially say the same thing in slightly different ways, we should aim for one well-crafted, comprehensive document developed collaboratively and agreed upon by all relevant parties.

Such a centralised approach would not only streamline compliance efforts but also build trust and understanding across sectors. It would allow each industry to contribute its specific expertise under a unified framework, ensuring both consistency and practicality. In this way, collaboration makes the idea of being "guardians" a reality.

Mauritius positions itself as a trusted and transparent jurisdiction. How do events like the Comsure Financial Crime Conference reinforce that reputation on the international level?

Events like the Comsure Financial Crime Conference play a key role in reinforcing Mauritius's reputation as a trusted and transparent jurisdiction. Such platforms demonstrate the country's commitment to upholding high standards of integrity and compliance.

When leading professionals such as the Accountant General, Director of Public Prosecutions (DPP), lawyers, senior financial service practitioners and accountants are actively engaged in discussions about financial crime prevention and best practices, it sends a strong signal internationally that Mauritius takes its responsibilities seriously.

Moreover, transparency and ethical conduct are qualities that attract reputable investors and regulated businesses. In a world where financial crime remains a trillion-dollar concern, most investors prefer to operate in well-regulated environments with robust governance and credible financial institutions. By fostering dialogue on "doing the right thing," conferences like this one help strengthen Mauritius's image as a reliable, responsible, and forward-looking financial centre.

The title of your session which is "Effectiveness or Exhaustion" poses a stark question. From your experience, are compliance frameworks today delivering real results, or simply overwhelming institutions?

Reading between the lines of my presentation, there is clearly a sense of exhaustion in the system. Many compliance frameworks today have become overstretched and overburdened largely because we have drifted into a tick-box approach to regulation.

What we need now is a shift from mere compliance to collaboration. Institutions, regulators, and stakeholders must work more closely together and provide clearer guidance. Without that, the entire framework risks failing in its purpose.

Ultimately, we have to step back and remind ourselves of our true objective: stopping financial crime. If we keep that goal at the centre, then the regulator's role in checks and balances and in holding non-compliant institutions accountable becomes part of a system that delivers real results, not just more paperwork.

What are your views about the laws that govern the system?

In Mauritius, many existing laws and regulatory

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guidance are outdated and have been amended repeatedly to reflect modern contexts. Instead of continuously patching old rules, it may be time to draft a new, comprehensive legal framework that reflects the realities and needs of today's society and economy.

And in drafting a new, comprehensive legal framework, ensure clarity of the rules. Currently, there is an issue with the rules that laws lie in the tension between two main legal and regulatory approaches: bright-line regulation and principle-based rules.

Bright-line often seen in systems like that of the United States, provides clear and specific rules. Practitioners tend to prefer this approach because it gives certainty as they know exactly what is permitted or prohibited. However, it can also hinder innovation, as strict rules leave little room for flexibility or interpretation.

On the other hand, principle-based rules, as found in systems such as English Civil Law, focuses on broader principles rather than detailed rules. This approach works best for well-governed firms that are committed to ethical conduct and willing to develop their own compliant frameworks. It allows for adaptability and innovation but also requires a high degree of integrity and professional judgment.

The ongoing debate between these two philosophies, bright-line regulation and principle-based rules remains a significant challenge for lawmakers and regulators. However, in drafting a new, comprehensive legal framework, these philosophies must be addressed because a purely bright-line approach risks creating rigid rules that foster regulatory arbitrage, encourage box-ticking compliance over genuine risk management, and quickly become obsolete amid rapid financial innovation. Conversely, an exclusively principle-based system invites inconsistent enforcement, subjective interpretations by regulators, and heightened legal uncertainty for firms, potentially stifling innovation and cross-border competition. A hybrid framework is essential to balance certainty with flexibility, ensuring robust consumer protection, systemic stability, and adaptability to emerging technologies like DeFi and AI-driven trading, while minimising compliance costs that disproportionately burden smaller institutions.

Do you believe global AML/CFT/CPF systems are producing meaningful deterrence, or are we witnessing diminishing returns from excessive regulation?

I believe that while the global AML/CFT/CPF systems have historically leaned toward excessive rule-making, we are now beginning to see a shift toward meaningful implementation and measurable deterrence. The FATF's statement in 2013 about testing the effectiveness of their rules was a key turning point, thus, signalling a move from simply having frameworks in place to ensuring they actually work in practice.

In Mauritius, we can clearly observe this evolution. For instance, something as symbolic as the car park at the FCC Building illustrates that enforcement bodies are active and engaged towards effectiveness in action rather than on paper. Also, many bad actors have been charged with financial crime through 2025. Moreover, the Attorney General's recent comments about introducing more laws to make the fight against financial crime more effective and the DPP comments about using the courts of justice without fear or favour, and taking the necessary action against those who have committed crimes show that the focus is no longer just on quantity of regulation, but on the quality and application of these measures.

It seems the pendulum is indeed beginning to swing toward balance — moving away from endless rule-writing toward refining and actively using the rules that already exist. This shift suggests that global AML/CFT/CPF efforts may finally be delivering meaningful deterrence rather than diminishing returns.

In Mauritius' context, how can institutions move from a form-based approach to a substance-based one that truly mitigates risk?

The transition from a form-based to a substance-based approach in Mauritius requires a concerted effort from both regulators and regulated entities. Regulators must lead through clear guidance, education, and consistent supervision, while institutions must internalize the principles of risk-based compliance and embed them into their culture and operations.

Only through such a coordinated and informed approach can the Mauritian financial system achieve a truly effective and sustainable framework for risk mitigation and regulatory compliance.

So, I would like the risk-based approach to be adopted and followed properly by all actors of the industry. And, that can only happen where there is education from the regulator in regards to a consistent approach to mitigate risk.

What is the right balance between international compliance expectations and operational realities of smaller jurisdictions?

You cannot be half pregnant? Compliance cannot be selective; jurisdictions cannot be "half-compliant." For Mauritius, the path to effective implementation lies in proportionate, risk-based measures, capacity building, and international collaboration.

By balancing these elements, Mauritius meets international standards, mitigates financial crime, and reinforces its position as a credible financial centre.

The journey that the FATF wants is that everybody has to be equal. Unless you have a global level playing field, that will certainly stop the criminals finding the gaps in the global system.

With RegTech and AI tools transforming compliance, do you think technology will restore effectiveness or further contribute to exhaustion?

In reality, it is likely to do both. In the early years, technology may contribute more to exhaustion because AI will not always deliver accurate or useful outcomes largely because our skills in using AI are still developing. As we become more proficient at understanding how AI manipulates data and interpreting its outputs, it has the potential to become a highly effective tool.

At present, many people are using AI in a "clunky" way, which can produce poor results. Therefore, it's crucial that we approach these tools with caution and invest in learning how to use them properly.

As you close the conference, what message do you hope participants will take away regarding the next phase of AML/CFT/CPF evolution?

Firstly, I hope participants will recognize and appreciate the knowledge they already have. We are not introducing unfamiliar concepts, rather, we are reinforcing what they know and offering new ways to communicate the risks we discussed back in their offices.

The Attorney General's speech was particularly powerful, as was that of the Director of Public Prosecutions (DPP), Mr Rashid Ahmine, and, I would even turn the messages into a poster to hang on the wall, not to remind us of where we are, but to inspire us about where we are heading in the next phase of AML/CFT/CPF evolution.

SHAMMEEMKHAN ABDOOLAKHAN,

DIRECTOR OF TALENT & TECHNICAL DEVELOPMENT – AXIS ERUDITIO LTD

"Protecting our good repute is a shared national responsibility"

In the fight against financial crime, fiduciaries, directors, and professionals are more than service providers – they are custodians of the nation's reputation. In this interview, Shammeemkhan Abdoolakhan, Director of Talent & Technical Development at Axis Eruditio Ltd, explains how Mauritius is leveraging education, proactive regulation, and international collaboration to safeguard trust, uphold ethical standards, and position itself as a resilient and credible financial hub.

As a partner to this conference, how do you see initiatives like the Comsure Financial Crime Conference strengthening Mauritius' standing as a credible international financial centre?

This conference has two key dimensions. The first is the educational aspect, which is being driven in partnership with the Axis Academy. The Academy plays a vital role in providing high-quality training and up-to-date information to industry practitioners. Through this collaboration, the conference brings together compliance officers and financial services professionals under one roof to stay informed about the latest developments in financial crime, risk management, and regulatory frameworks, while also exploring practical solutions collectively.

The second dimension is its international engagement. As an annual event, it attracts global experts and speakers who share their insights and experiences with local stakeholders. This exchange of knowledge not only strengthens the technical capacity of our professionals but also enhances Mauritius' reputation as a proactive and well-regulated international financial centre.

As a growing and increasingly mature jurisdiction, Mauritius must continue to host and encourage such initiatives regularly. They demonstrate our commitment to international best practices, continuous learning, and collaboration.

The theme "Guardians of Paradise" suggests that fiduciaries, directors and professionals are not just service providers, but also custodians of the country's reputation. How do you interpret this responsibility?

The first line of defence in the fight against financial crime, money laundering, and other risks lies within the institutions themselves. Professionals working in governance, risk, compliance, and financial crime prevention carry a critical responsibility as they are the ones who ensure that systems, controls, and ethical standards are upheld.

To truly fulfil this role, practitioners must stay well-informed and up to date with evolving legislation, regulations, and international best practices. But beyond that, they must also move away from a mere "tick-box" approach to compliance. Compliance should not be about simply meeting the minimum requirements, but rather about understanding the spirit of the law and applying it practically and effectively.

In that sense, the theme "Guardians of Paradise" is very fitting. As fiduciaries, directors, and professionals, we are not just service providers but also the custodians of Mauritius' reputation. Each of us stands as a knight in armour, defending the integrity and credibility of our jurisdiction. Protecting our good repute is not just a professional duty; it is a shared national responsibility.

How well equipped is Mauritius – from a legal, regulatory and institutional standpoint – to maintain this delicate balance between compliance stringency and business competitiveness?

Mauritius is generally well equipped. In fact, some even argue that Mauritius is over-regulated. The country has established a robust framework composed of multiple institutions – including the Financial Services Commission (FSC), the Financial Intelligence Unit (FIU), and more recently, the Financial Crimes Commission (FCC) – in addition to the regular police force. Each of these bodies is empowered and equipped to combat financial crime and money laundering.

Having said that, regulation in itself is not a disadvantage. It is, as we often say in French, "un mal nécessaire." Stringent regulations are essential not only to meet international standards, but also to preserve the integrity and credibility of Mauritius as a financial centre. The key, however, lies in effective enforcement. It is not enough to have sound laws and institutions; what truly matters is how effectively these laws are applied and enforced.

In recent years, we have observed a positive trend in this regard. The FCC has been particularly proactive in tackling financial crime, supported in the background by the FIU and the FSC, which continue to play their roles as vigilant regulators.

Despite these regulatory layers, Mauritius remains a highly competitive jurisdiction. Our competitiveness stems not from light regulation, but from trust and reputation. Mauritius has built a name as a well-regulated, transparent, and credible jurisdiction – a reputation that gives investors and clients confidence. As a small jurisdiction, comparable in some respects to Luxembourg or Jersey, our strength lies precisely in this balance between robust oversight and a pro-business environment.

Finally, maintaining this reputation is crucial. Since Mauritius successfully exited the FATF grey list in 2021, the authorities have been determined to ensure that the country does not regress. Continued vigilance, effective enforcement, and commitment to best international practices are what allow Mauritius to preserve both its regulatory integrity and its attractiveness as a global business hub.

What role do collaborative initiatives between regulators, private firms and associations play in enabling Mauritius to outsmart financial crime rather than simply react to it?

These initiatives play a crucial role. Today, there exists a strong and constructive working relationship between regulators and operators within the financial services ecosystem. Industry associations such as Mauritius Finance act as key platforms for dialogue, ensuring that the private sector maintains an open and direct line of communication with regulators, particularly the FSC and other oversight bodies.

This collaborative framework facilitates early detection and reporting of suspicious activities.

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Mechanisms are in place that enable firms to share intelligence and report suspicious transactions efficiently, allowing the authorities to respond swiftly and strategically. Such cooperation ensures that the fight against financial crime is not confined to enforcement alone, but extends to prevention and anticipation.

Importantly, regulators themselves have become increasingly proactive. The FSC, for example, has demonstrated a firm commitment to leading investigations and taking decisive action, even in cases involving high-profile individuals. This reflects a significant shift in mindset and capability.

I think that if we compare the current landscape in 2025 to a decade ago, Mauritius is now far more equipped to tackle financial crime. The collaborative culture between the public and private sectors is a major reason for this progress, transforming the country's approach from reactive compliance to proactive intelligence-led enforcement.

The new offence of fraud by abuse of position is a significant step in corporate accountability. What practical impact do you foresee for directors and fiduciaries operating in Mauritius?

This provision is quite similar to legislation already in force in the United Kingdom, and its inclusion in our legal framework sends a strong signal about the country's commitment to ethical conduct and good governance.

From my perspective, this law will have a strong deterrent effect. The offence is drafted in broad terms, which means it covers a wide range of potential misconduct. At the heart of this provision lies a fundamental concept, which is trust. As fiduciaries, directors, and trustees, we are entrusted with clients' assets and are expected to act with utmost integrity, loyalty, and care. Our entire business model is built on that foundation of trust.

A breach of this trust, whether through the mishandling of client funds or the abuse of fiduciary authority, would now clearly fall under the scope of this offence. It reinforces the idea that those in positions of responsibility must not only comply with the law, but also uphold the highest ethical standards in their dealings.

In practical terms, directors and fiduciaries operating in Mauritius will need to exercise even greater diligence and transparency in decision-making, governance, and client relations. This new provision essentially serves as a wide safety net, ensuring that any abuse of entrusted power is met with appropriate legal consequences.

Ultimately, once trust is broken, everything else collapses. This law therefore serves as both a deterrent and a reminder of the critical importance of maintaining integrity in every fiduciary relationship.

Could you elaborate on the types of conduct or governance lapses that might trigger liability under this offence?

As I said, this new offence covers a wide range of positions. When we talk about fraud by abuse of position, it is not limited to one specific role. You could be acting as a director, a board member, a trustee, or even as part of a subsidiary company. Essentially, it applies to any situation where you are entrusted with information, authority, or assets belonging to others.

If you misuse that trust or abuse the power that

> **Stringent regulations are essential not only to meet international standards but also to preserve the integrity and credibility of Mauritius as a financial centre. The key, however, lies in effective enforcement.**

comes with your position, you could fall under the scope of this offence. And the implications are serious. Directors, for example, carry personal liability, which means they can be held personally accountable for any wrongdoing. The penalties can extend far beyond just the value of the transaction involved. There could be further escalation, including civil litigation or criminal prosecution, depending on the gravity of the breach.

At the core of all this is trust. Again, once that trust is broken, especially in a fiduciary or corporate setting, it undermines not only the relationship with the client but also the integrity of the wider financial system. So, this law serves as both a deterrent and a reminder that those in positions of authority must exercise that power responsibly, transparently, and in good faith.

Do you see this legislative change aligning Mauritius more closely with international governance standards, or does it go a step further in imposing personal accountability?

I would say this legislative change primarily brings Mauritius in line with other reputable international jurisdictions. It reflects our ongoing commitment to upholding the same high standards of governance and accountability seen in well-regulated financial centres around the world.

This is certainly not a setback for Mauritius. On the contrary, it strengthens our regulatory framework and reinforces the country's reputation as a trusted and transparent jurisdiction. The new provision will also serve as a strong deterrent, encouraging fiduciaries and directors to think twice before engaging in – or even inadvertently committing – acts that could be construed as fraudulent or as an abuse of position.

In that sense, the law promotes greater caution, diligence, and personal responsibility among professionals. It reminds us to handle entrusted duties with the utmost care and integrity. Ultimately, this change not only aligns us with international best practices but also reinforces investor confidence and trust in Mauritius as a jurisdiction that values accountability and good governance.

What are the main safeguards fiduciary professionals should implement to ensure compliance and avoid inadvertent exposure?

What immediately comes to mind is that fiduciary professionals must always operate with the highest level of ethics and integrity. That is the starting point. Beyond technical compliance, it is really about maintaining a strong ethical compass in every decision.

In practical terms, there are already several codes and frameworks in place, such as the Code of Corporate Governance and the various guidelines issued by the FSC. Professionals should ensure they are fully familiar with these standards and adhere to them rigorously.

It is also important to foster a culture of continuous compliance and professional diligence within firms. That means regular training, robust internal controls, and clear reporting lines to detect and prevent potential breaches early on.

Ultimately, compliance is not just about ticking boxes; it is about protecting trust – trust between fiduciaries and clients, and trust in Mauritius as a reputable financial centre. By upholding high ethical and professional standards, fiduciary professionals not only protect themselves from inadvertent exposure but also contribute to the integrity and sustainability of the entire sector.

How can this new legal framework shape a stronger ethical culture across boards and fiduciary structures?

The new legal framework can do so by reinforcing accountability, transparency, and integrity in governance practices. However, its effectiveness depends on being interpreted and applied in conjunction with other relevant provisions and complementary legislation. When these legal instruments operate together, they create a comprehensive regulatory environment that not only deters financial misconduct but also promotes proactive ethical behaviour.

By aligning fiduciary duties with broader legal and ethical standards, the framework encourages directors and board members to go beyond mere compliance and to embed ethical considerations into decision-making processes. Over time, this integrated approach can foster a culture where ethical conduct is not just a legal requirement but a fundamental organizational value.

Finally, do you believe enforcement will be complemented by education and guidance to help professionals in Africa?

Absolutely. I strongly believe that enforcement must be complemented by education and guidance to ensure professionals across Africa are well-equipped to uphold high standards. Training and continuous professional development are crucial for Mauritius and other jurisdictions to build a reputation for integrity and excellence.

Much like the CPD (Continuing Professional Development) requirements for compliance officers and money laundering reporting officers, ongoing education ensures that professionals remain up to date with evolving regulatory standards, emerging risks, and best practices in compliance, risk management, and anti-money laundering.

As regulatory expectations continue to rise, staying informed is essential for maintaining credibility and fostering a culture of ethical compliance.

In essence, education and guidance are not just complementary to enforcement; they are central to creating a sustainable and respected financial jurisdiction.

INNOVATIVE SOLUTIONS FOR REGULATORY COMPLIANCE

New compliance firm Acrion introduces pioneering whistle-blowing services

As Mauritius continues to strengthen its regulatory framework following its FATF grey listing in 2020 and subsequent removal from the list in 2021, businesses are facing increasing compliance challenges. Enter Acrion, a new advisory firm offering comprehensive solutions ranging from AML audits to whistle-blowing systems to help organizations navigate this complex landscape with confidence and integrity.

Mauritius has officially welcomed its first full-service whistle-blowing provider with Acrion. This newly established compliance advisory firm was officially launched on the first day of the Financial Crime Conference organized by Comsure at the Hilton Mauritius Resort & Spa. The launch comes at a pivotal moment, as financial institutions and professionals in Mauritius seek guidance to navigate increasingly complex regulations.

Acrion positions itself as a one-stop solution for all compliance needs. The firm offers a wide range of services, including AML audits, due diligence, screening, risk assessments, file reviews, and outsourcing.

A standout offering is Acrion's whistle-blowing service, one of the first of its kind in Mauritius. Whistle-blowing systems are widely recognized as critical tools for promoting transparency, integrity, and good governance within organizations. They allow employees and stakeholders to confidentially report misconduct, corruption, or unethical practices, while providing strong protections against retaliation.

"Our process includes anonymous and confidential reporting channels, secure data handling, objective review and escalation, and full protection for whistle-blowers," said Ameer Caunhye, Chief Executive Officer of Acrion. "We are here to support any organization looking to implement a whistle-blowing system professionally and securely."

The launch aligns with the Financial Crimes Commission's 2025 guidelines, which highlight the importance of whistle-blowing systems as a way to comply with Section 52 of the Financial Crimes Commission Act (FCCA). Many organizations may lack the resources or expertise to establish such systems on their own, making Acrion's services particularly timely.

With its broad range of compliance solutions and pioneering whistle-blowing services, Acrion is set to play a crucial role in helping Mauritian businesses uphold regulatory standards, integrity, and transparency.

"We are very proud to be one of the first companies in Mauritius to actually launch a whistle-blowing service and offer it to all financial institutions," CEO Ameer Caunhye stated in his speech at the launching ceremony.

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Ameer Caunhye at a glance

With over 15 years of professional experience in compliance and risk, Ameer Caunhye has built a career at the forefront of AML/CFT advisory, regulatory strategy and corporate governance. He began his career at Axis Fiduciary Ltd, one of Mauritius's leading management companies, where he rose to lead the compliance department, acting as Compliance Officer, MLRO, and Deputy MLRO across a diverse portfolio of entities including investment funds, insurance companies, investment dealers, leasing businesses, and corporate service providers. He later served as Associate Director – Compliance and Risk, where he also oversaw international operations in Seychelles, India and Dubai.
Ameer Caunhye's expertise spans the full compliance spectrum from building and leading high-performing compliance teams to drafting and implementing AML/CFT policies, conducting risk assessments across sectors, advising on client onboarding frameworks and guiding businesses through complex regulatory challenges. He has attended and successfully navigated more than a hundred onsite regulatory inspections from supervisory authorities, earning a reputation for diligence, precision and results. Notably, he also assisted one of Mauritius's leading banks in reviewing and drafting its client onboarding policies, reflecting his capacity to deliver solutions in highly regulated and complex environments.
Holding an LLB (Hons) from the University of Northumbria and a Postgraduate Diploma in Financial Crime Compliance, Ameer Caunhye combines legal training with specialist knowledge of financial crime regulation.
Today, he is extending his practice into whistle-blowing services, reflecting his commitment to strengthening governance and fostering a culture of integrity within businesses.

DUAL USE GOODS

The next compliance frontier for Mauritius

In his presentation entitled "Understanding Dual Use Goods: Compliance Challenges and Enforcement Trends," Ameer Caunhye, Chief Executive Officer of Acrion, highlights the importance, challenges and future direction of regulating Dual Use Goods in Mauritius. The expert warns that Mauritius risks falling behind in the global fight against proliferation financing if a clear framework to regulate these goods is not established.

By definition, they are items that can be used for both civilian and military purposes. That is why Dual Use Goods (DUGs) pose such a challenge. As Ameer Caunhye explained in his presentation on day 2 of the Conference, DUGs, which include pumps, electronics, and microchips, *"while they may appear harmless, can be diverted for use in Weapons of Mass Destruction (WMD) programs."*

Understanding the end use and the end users of such goods is therefore critical in preventing proliferation financing, which is the funding of activities linked to the spread of nuclear, chemical, or biological weapons.

Regulatory and control mechanisms in Mauritius

For the Chief Executive Officer of Acrion, talking about this subject is timely because Mauritius will be assessed by the Financial Action Task Force (FATF) in 2027 on its efforts to combat proliferation financing.

"Currently, DUGs are not explicitly covered under Mauritian law. The Financial Intelligence and Anti-Money Laundering Act (FIAMLA) and the United Nations Sanctions Act 2019 define proliferation financing, but do not mention DUGs specifically," Mr Caunhye shared with the audience. He explained that, as such, local compliance officers rely on FATF guidance and international frameworks to deal with proliferation financing.

He also pointed out that updates to domestic laws are expected to introduce clearer definitions and controls for DUGs, especially following the country's National Risk Assessment (NRA) on proliferation financing.

Awareness among Mauritian companies

According to Ameer Caunhye, awareness of DUG-related obligations remains very limited in Mauritius due to the absence of a dedicated framework. He anticipates that awareness and compliance measures will improve once the NRA findings are implemented and new regulations introduced.

Talking about the identification of red flags in transactions involving DUGs, the compliance expert pointed out that banks and trade finance institutions can mitigate risks by maintaining a comprehensive list of DUG items for reference.

"They can also assess the jurisdictions involved, especially if they are high-risk, sanctioned, or even conducting an enhanced due diligence to ensure transactions align with the client's known business activities," Mr Caunhye stated.

Any unusual trade routes, inconsistent product descriptions, or dual-use items shipped to sensitive regions should also trigger red flags.

The role of international cooperation

The Chief Executive Officer of Acrion also stressed that Mauritius cannot act in isolation. Referring to the Wassenaar Arrangement, an international export control regime that maintains a consolidated list of DUGs, he explained that *"the European Union and Switzerland have already aligned their frameworks with Wassenaar's standards — an approach Mauritius may need to emulate through international cooperation and intelligence sharing."*

As for the use of AI, which could potentially be useful for tracking and monitoring DUG-related trade, Ameer Caunhye stressed that a legal and regulatory foundation must come first. *"Only then can these technologies be effectively integrated into compliance systems,"* he said.

A call for urgency

Concluding his presentation, Ameer Caunhye stressed that DUGs represent a critical blind spot in global compliance – one that Mauritius must address swiftly to align with international best practices and protect its reputation as a trusted financial centre. *"Mauritius has taken initial steps by defining proliferation financing and conducting its first national assessment, but there is an urgent need for explicit DUG controls,"* Ameer Caunhye stated.

LEE-ANNE KOTZE,

HEAD OF AFRICA – FINANCIAL CRIME COMPLIANCE, LEXISNEXIS RISK SOLUTIONS

"The tick box approach didn't keep up with the trends of illicit activities"

There are "blind spots" in due diligence. As Lee-Anne Kotze, Head of Africa – Financial Crime Compliance at LexisNexis Risk Solutions, explains, these are the gaps that arise when traditional Know Your Customer (KYC) processes fail to keep pace with evolving financial crime risks. While most financial institutions across Africa follow standard due diligence frameworks, limitations such as incomplete data, outdated compliance approaches, and lack of access to beneficial ownership information continue to create vulnerabilities. These blind spots are particularly prevalent in African markets, where data availability remains uneven despite positive reforms. Innovation, regional expertise, and enhanced due diligence can address these weaknesses, especially in emerging high-risk sectors such as cryptocurrency and online gambling.

What do you mean by "blind spots" in due diligence, and where do you see them most frequently across African markets?

There is a normal due diligence process that is put in place by every single entity, whether they are a financial institution or a bank. And they mostly follow the same principles. It's KYC (Know Your Customer). However, in following that normal process of due diligence, there often are blind spots that we miss. And it may be that the tick box approach or the policies and processes that have been put in place for us to follow as responsible and reporting institutions didn't keep up with the trends of illicit activities. But it can also be that information is just not available for us to use, thus creating a blind spot.

Is this a purely African concern, or is it a global one?

In some countries more than in others, there is a lack of information, including across the whole of Africa in general. But some countries have evolved more quickly than others. South Africa now has the regulation from the Companies and Intellectual Property Commission (CIPC) to enhance information on ultimate beneficial ownership. Ghana has digitized its identity cards. We are continuously evolving as a continent, but it is definitely an Africa trend to not have a lot of information available on individuals when you're screening.

You mentioned that access to beneficial ownership data is sometimes difficult. How does this affect regional AML efforts?

There are tools available, but they are sometimes heavily focused on regions where information is available. Europe, being one of those regions where information is readily available, would make it easy for a Money Laundering Reporting officer (MLRO) to do due diligence. But where the regions are not really providing information on ultimate beneficial ownership, the onus is on the entity or the individual to enhance that process. They need to think outside the box and look to other sources of data such as adverse media or perhaps even outsource this function to an individual with language expertise or even region-specific expertise.

Which sectors beyond banking are now showing the most exposure to financial crime risk because of due diligence weaknesses?

We are really seeing African regulators in the market holding hands and working more closely together. And I think those initiatives will ensure that there is collaboration when there are new regulations.

I would say it's probably crypto, virtual assets or industries, and then online gambling. The crypto and gambling sectors are both very new with virtual assets. A lot of banks in Africa were shying away from allowing for virtual assets. They have large exposures to financial crime and fraud activities purely because of the nature of them being online.

What can compliance teams do to ensure that reliance on technology doesn't create a false sense of security or new blind spots?

We need to move away from the tick box activity. We spoke about it yesterday (Editor's note: The first day of the Conference). The keynote address was about being the guardians of paradise. I think that's the mindset we need to take. We must remember that financial crime is not a victimless crime. Every financial crime activity out there has an impact. And when you think of that and not just tick boxes, then you may want to innovate processes in your organisation, adopt new technology practices or even expand your teams and make sure that they are upskilled and receive enough learning to be able to handle any curveball there might be.

Could you share examples where enhanced due diligence measures successfully prevented a major compliance breach or financial crime?

There was an example in South Africa quite recently, a scandal which revealed that public funds were constantly stolen at the expense of a hospital and used for personal gain. I think the enhanced due diligence process followed by the bank has uncovered quite a bit of information there.

What lessons should regulators and policymakers draw from countries that have improved transparency through open data initiatives?

The regulators and the African market are starting to work much more closely together. Whether it is through working groups of the global coalition or whether it is through initiatives like the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), there are a lot of working groups where the industry in Africa and the regulators are holding hands rather than fighting.

There is a saying which I heard at one event that when the house is burning down, both the cat and the mouse have got the same goal, and that is to get out. So, we are really seeing African regulators in the market holding hands and working more closely together. And I think those initiatives will ensure that there is collaboration when there are new regulations.

They listen to the market, they hear them out and they listen to the technology constraints, so that when there are new regulations, the industry really understands where it's coming from and why.

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Due Diligence Blind Spots in Africa: Emerging Risks and Compliance Lessons

In her insightful presentation on 'Due Diligence Blind Spots in Africa: Emerging Risks and Compliance Lessons,' Lee-Anne Kotze, Head of Africa – Financial Crime Compliance at LexisNexis Risk Solutions, delved into the pressing challenges faced by organizations in conducting effective due diligence, particularly within African markets. She also emphasized the importance of understanding emerging trends in anti-money laundering (AML) and compliance strategies. LexisNexis Risk Solutions, the organization she represents, has a network of researchers who help build and expand data services, and therefore plays a critical role in providing data for compliance activities in challenging regions where there is a lack of accurate or available information.

Speaking on the theme of 'Due Diligence Blind Spots in Africa: Emerging Risks and Compliance Lessons,' Lee-Anne Kotze addressed key issues in the field of compliance and due diligence, specifically within the context of Africa. The main focus was on identifying and discussing the blind spots in anti-money laundering (AML) processes, the challenges faced in the region, and the role of technology and collaboration in mitigating these issues.

Due Diligence and AML Customer Risk Assessments

The speaker described the typical AML customer risk assessment processes used to evaluate risks associated with customers, including checks for sanctions, PEPs, adverse media, and country-specific risks. Despite the use of these risk assessment tools, there are persistent blind spots in the process, particularly when criminals are evolving faster than compliance processes:

- Beneficial Ownership (UBO): One of the major challenges in Africa is tracking ultimate beneficial ownership, particularly due to outdated registries, especially in countries like South Africa.
- Lack of Information: Information availability in some African countries remains limited or unreliable, making it difficult to perform thorough due diligence. This includes the challenges of identifying UBOs and verifying identities.
- Global Databases Dependence: Over-reliance on global databases is another issue. For instance, using outdated or incomplete sanctions lists is a blind spot in the compliance process.
- Identity Verification: In many African countries, the process of identity verification is complicated by unreliable or inconsistent identity documents, such as in Namibia, where one's identity document is often a single paper document for life.

Impact of COVID-19 on Compliance and Risk

Lee-Anne Kotze reflected on the impact of COVID-19 on the compliance landscape, particularly the increase in sanctioned records and identity fraud during the pandemic. Compliance processes, she said, must evolve to address these changes. The need for a more dynamic approach was also emphasized, as the world of financial crime is evolving rapidly, especially with the rise of digital fraud techniques.

Emerging Fraud and Scam Trends

- *Identity Fraud*: There is a significant rise in fraud related to mobile channels and the gaming sector, with bots faking identities. These fraudulent activities are exploiting gaps in identity verification processes.
- *Scams:* A number of scams were highlighted, including romance scams, malicious misdirection, and job scams, which often involve people being trafficked or scammed out of money.

The speaker emphasized that these new forms of fraud are often linked to the increased financial inclusion of unbanked populations, which opens new opportunities for fraudsters.

Technology's Role in Addressing Compliance Challenges

Lee-Anne Kotze advocated for the use of technology in compliance and AML practices, particularly to address the increasing complexity of fraud and risk. She described how compliance officers are increasingly adopting technology-driven approaches to address risks, particularly in the absence of legacy systems in Africa.

The example of M-Pesa, in Kenya, was mentioned as a case where rapid technology adoption and regulatory adaptation helped bridge gaps in financial inclusion.

Collaboration Between Regulators and Financial Institutions

Lee-Anne Kotze stressed the importance of collaboration between the financial sector, regulators, and service providers, which is crucial to addressing the regulatory and compliance challenges faced by the industry.

She also highlighted the working groups in South Africa, where banks and regulators collaborate to solve challenges, and mentioned regulatory sandboxes such as those in Mauritius and Kenya as tools to test new technologies and regulations in a controlled environment.

Conclusion

Lee-Anne Kotze concluded by urging the industry to move beyond traditional tick-box compliance and to embrace a more holistic, technology-driven approach to due diligence. She stressed the importance of collaboration, innovation, and adaptation to stay ahead of emerging risks, such as fraud and scams, particularly in the context of Africa's rapidly evolving regulatory and financial environment. The key takeaway is that effective compliance requires more than just following regulations – it requires active collaboration and the intelligent use of technology to address the complex challenges of financial crime and risk management.

Abu Baker Mehtar,
Senior Customer Success Manager, LSEG

"People in this role should not be compliance officers, but investigators."

'Compliance' isn't the right word in Abu Baker Mehtar's mind. Indeed, the Senior Customer Success Manager at London Stock Exchange Group (LSEG), professes his hate for it, as it often boils down to a box-ticking exercise. For him, fighting financial crimes is not just about cash, money laundering and tax evasion; it is about preventing people's lives from being destroyed. To reach that goal, awareness must be raised about financial crimes like human trafficking – where the sums involved are more modest, but the suffering tremendous – so that financial institutions start paying attention to them.

Mauritius sits at the crossroads of Africa and Asia, with trade as its focal point. What do you think of the vulnerabilities and opportunities in the region?

I think that one of the biggest challenges Mauritius is facing is narcotics trafficking. It is that gateway of drugs flowing from Asia to Africa and vice versa. Narcotics trafficking is, I think, something that Mauritius should still focus very much on, making sure that when something is coming from another country, we know what it is, where it is going, and who's the end recipient. I find narcotics trafficking to be a very big trend in Mauritius because of the fact that, like you said, it's a gateway between these regions.

Do you think that enough intelligence is being shared between all stakeholders?

I do not think it is enough. In fact, we have a lot of laws around data privacy, nowadays, that put more complexity into sharing this information. But I think more needs to be done. In the conference, for example, we saw a lot of regulators and financial institutions. But where was law enforcement? Where's the non-profit organisations? They play a critical part in this. I think there has to be a lot more collaboration between law enforcement and the financial institutions. Removing the middleman sometimes makes arrests faster.

In the example I gave, where there was a case of human trafficking, a bank in London did the right thing when they could have just gone and filed a suspicious report with the regulator. They did not. They phoned the authorities, and they said, 'we have got a hot tip that in this house, there are people.' They went the extra mile. They worked with law enforcement over and above the FIU to be able to make those arrests and to free those five captive women.

So, I think there is a lot of collaboration between regulators and financial institutions, but law enforcement is lacking. We need their input into this all the time.

How are digital assets like crypto and cross-border fintech channels being exploited by sophisticated criminals?

A lot of people say that this is happening, that crypto is being used to move illicit funds. But I am yet to see a place where you can go with a bag

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A compliance person needs to change their mindset that his or her job is only to tick boxes. Their job is to save lives. That's where the mindset needs to go to.

of cash and buy crypto. You cannot. You have to open a bank account. You have to transfer money from your account into your crypto wallet and then you buy the crypto. So, at the end of the day, wherever you're going to place the money, it still has to be in the financial system. As long as the financial institutions are doing what they have to do, they will still be able to pick up these things.

What does outsmarting financial crime look like in practice? And how can we move from reactive compliance to proactive intelligence?

I think it starts with a mindset change in individuals. I hate the word compliance, because compliance means that you are only worried about your job. Your company must be compliant. You must tick all the boxes. And when you have an internal or external audit, you must pass. That's what compliance is, right? I would love that to change. People in this role should not be compliance officers. They should be investigators. They should be, like I said, the superheroes, the ones that are going to bring actual evidence to fight financial crime. So again, it is about going beyond compliance, beyond the tick boxes.

Like the example I gave, any compliance check on human trafficking is going to see small amounts, and it is not going to raise a red flag. So, it's about the person applying themselves and saying, 'Oh, this guy is actually traveling there quite often, booking the same hotels.' It requires a different type of investigation. So, for me, the main thing is that a compliance person needs to change their mindset that his or her job is only to tick boxes. Their job is to save lives. That's where the mindset needs to go to.

Do you think there needs to be more scrutiny?

Much more scrutiny, especially in cases where it is not obvious. If I'm dealing with big amounts, it is obvious. I can see it is flagging. But the smaller stuff, you need to feed in new thinking into the typologies in which you monitor them.

Your old thinking, what you were doing two years ago, is not going to be relevant now. So, every year, compliance officials need to upskill themselves with the new typologies coming out of the crime world and make sure that they are able to identify those when they're looking at scenarios in their organisation. That's why I say that law enforcement is so critical to this. Without them, we don't know what new kinds of crimes are happening.

Reporting on financial crimes is quite risky. Do you think compliance officers and journalists should be better protected?

I think that compliance professionals have some anonymity because they are sitting in what we call the third line of defense. So, most of the time, the client is dealing with the first or second lines, while the person doing the real investigation work is the third line. They will never speak to a customer, who will never know who they are. But they are critical to the investigation.

But journalists, I agree, need a lot more protection. We see all over the world that when journalists try to bring to light the bad stuff, they are targeted. Especially if they are reporting on a politically exposed person, that person has the power to have them killed. So, they need better protection.

During the conference, you spoke at length about sexual exploitation and human trafficking. What is the real impact of these issues in terms of money laundering and financial crimes?

It's something that is not very easy to detect because it normally involves smaller amounts. When organisations build their technologies to flag for money laundering, narcotics trafficking, or arms dealing, it normally involves big amounts of money. But for human trafficking and child sexual exploitation, these are not things that people would spend millions on at a time. Small amounts, something as simple as frequent hotel bookings, or frequent travel to a certain region, is going to be your tip as to what is happening there. The typical technology setups in most financial institutions are flagging big risks instead of these smaller risks, where the amounts are small, but the impact is great.

Have stakeholders established a sort of hierarchy of financial crimes?

I think so, because everyone is looking for that big news. I want to be able to go to the newspaper and say that I stopped so many billions. But there are emerging risks. This has really been growing over the last couple of years, and I think organisations are just not geared up for this. It is these stuff that are not your typical scenarios that are not spoken enough about.

My goal at the conference was really to create awareness. We need to say that these are the crimes that are happening, and they do have a financial motive behind them, so the right place for them to be tackled is in the financial institutions.

People know the basics, the common ones, money laundering, narcotics, arms, etc. But it is the smaller ones that we do not always know about, because again, the amounts are not so big. That is why it is our responsibility to create awareness, to speak more about these topics, so that financial institutions start paying attention to these types of crimes as well.

How can we make politicians and government officials understand that the economy cannot be based on an illegal trade like human trafficking, even if some communities are economically benefitting from it.

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We need to bring the victim's voice out. We let them tell their story. That is going to open people's eyes that there is a victim there. It is a loving person who is being used in a terrible way. The voice of the victim needs to be heard, not my voice. Me standing up here can achieve a lot, but if we can get law enforcement to protect victims and bring them out to tell their stories, it will hit home with politicians and everyone else that this is a real person whose life was terribly affected by this, and we need to stop that.

Do you believe that compliance and reporting officers need training on such financial crimes?

They need training, and the training should not come from the typical places. You cannot expect the Central Bank or the FIU to train. You need police to train. You need to speak to law enforcement. They should be delivering these trainings. They should come to you with real victims to tell their stories. Understanding their stories helps organisations themselves speak about what they are dealing with.

NGOs end up taking these girls in, saving them from this life that they were stuck in. So, working with these NGOs and law enforcement is critical in training staff on the new crimes that are coming up.

How is LSEG's World-Check viewed in the business world when inclusion on your list can tarnish reputations?

If you are a legitimate business, World-Check is viewed as your shield. It is going to shield you from bad people entering your business. If you are a bad guy and you are on World-Check, there is probably a reason for you to be there. Where there is smoke, there is fire. We are very strict in how we go about putting people on World-Check. It is not just any allegation out there. It has to come from good sources. And once you are on there, there is nothing you can do about it because this is stuff that the world needs to know about.

But I think we are mostly viewed, on the market, as safeguarding organizations.

Is there a legal process in place where one can query one's inclusion on World-Check?

You provide us the evidence. We evaluate it and see if we need to take you off. Or alternatively, we will provide you our evidence as to why you need to stay on the list. A lot of times, unfortunately, these things do end up in court. But that is a fair system. It is going through the justice system to make sure that we have not treated you unfairly.

We are not just putting anyone on World-Check for any reason. We follow very strict inclusion criteria. In fact, sometimes, we are so strict that our clients will say, 'You know, there is an allegation about this guy on Google, why it is not on World-Check?' But if it's just an allegation on Google, that is not from a really good source.

Our criteria, the way we have set it up, the methodology behind World-Check and how we put the data together is so strict. And we have been doing it for the last 25 years, longer than any of our competitors in the market. We know what we are doing, and we have built this methodology so robustly to make sure that we do not unnecessarily put someone in. When we put someone in, we are sure that they should be there.

I heard that you have even been threatened...

We are threatened almost every day. Sometimes it is quite intimidating. These high-profile individuals will come with security guards, with some sort of arms on them. So, it is intimidating for our staff when this happens. But we have to push back. We have to stand our ground and not be bullied. Because the minute we are bullied, that questions the integrity of our data.

We cannot have our data integrity questioned at any time. So, we have to stick to our guns. We sometimes have to call in security to remove these individuals. There is also a team at World Check just to deal with threats coming in, saying, 'If you do not take us off World Check, we are going to sue you. We are going to do this, that, and the other.'

At the end of the day, we will not bend to anyone's intimidation to take them off. We will stick to our criteria.

In the era of Artificial Intelligence, who is using it more to their advantage, the criminals or law enforcement agencies?

I think it goes both ways. Criminals are already using it. We see a lot of scamming going on that is from AI. But I think where it comes to play into our favour is that it allows us to go to market with the intelligence faster. So, if someone is doing something bad or is on a sanctions list, instead of us taking 12 or 24 hours to show that to a bank, now, with AI, we can do that within an hour. We can update our database much quicker with the use of AI, so that organisations can stop an onboarding or a transaction before it is too late. Before you are reading about it in the news, you can stop it as and when it is happening. So, AI has really helped us in the speed of our updates to our clients. But like you said, criminals are using it as well. And I think we need to stay on top of AI so that we use it to our benefit and make sure that we close the gap on where criminals can use it.

Lerato Lamola,
Partner, Webber Wentzel

"One of the biggest misconceptions about sanctions is that every country imposes them"

In this interview, Lerato Lamola discusses the growing complexities surrounding sanctions compliance, particularly for African financial institutions navigating a rapidly evolving global landscape. The key challenges identified include the risk of non-compliance with FATF (Financial Action Task Force) requirements, the difficulties posed by conflicting sanctions regimes across jurisdictions, and the operational and reputational risks of dealing with clients who appear on international sanctions lists. She also explores the importance of enhanced due diligence, especially in mitigating exposure to sanctions, and the need for African institutions to maintain strong oversight when relying on third-party vendors for compliance functions.

Sanctions compliance has become a minefield for financial institutions. What do you see as the most significant current risks facing African banks?

I think the main risk for most African countries is complying with their FATF requirements. And depending on whether a country is under evaluation from the FATF, and facing grey listing, that would impact how they respond from a sanctions' perspective. So, if you are a country that is either currently grey listed or under evaluation, you will be quite anxious to ensure that you're implementing the UN sanctions regime. At the same time, you will also be making the decision about how you need to implement your own domestic sanctions regime. And that's a jurisdiction-by-jurisdiction decision, depending on the risk and the location of the country.

How do conflicting sanctions regimes – between the Western powers and emerging blocs – affect institutions operating across multiple jurisdictions?

Global institutions, or rather global financial institutions, must balance the domestic law of their country, which is the law that they have to comply with, and domestic sanctions, which are not law in their country. Then they must balance the risk. What happens if they do not comply with the global sanctions? What does that mean for them? Are they willing to take on the reputational risk that they could face if they are found to have clients who appear on these international sanctions lists and they never dealt with it?

There is also a business operational risk. If a particular financial institution is plugged into your international financial infrastructure, there's the risk that if they are found to have a client who sits on these international lists, they might be excluded from those international infrastructures. If it actually turns out that your financial institution has been dealing with a sanctioned person, even if the person does not appear on your domestic sanctions list, you've got to manage that.

Could you share a case or example where ambiguity in sanctions interpretation caused operational or

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Global institutions, or rather global financial institutions, must balance the domestic law of their country, which is the law that they have to comply with, and domestic sanctions, which are not law in their country.

reputational challenges?

We do have a case where a South African bank decided to end a relationship with its client because the latter appeared on an international sanctions list. However, the client did not appear on the South African domestic list. Nevertheless, they chose to end the relationship. That client sued the bank and asked, "Why are you ending the banking relationship when I am not even sanctioned in our country? When we look at the strict letter of the law, you do not have to follow other sanctions lists."
What our courts have said, at least in the South African context, and particularly with banks, is that they are allowed, from a reputational risk point of view, to take into consideration whether or not they want to end a relationship with a client if they appear on an international list, since the risk of them being excluded from the international financial market is too great.

What role does enhanced due diligence play in mitigating sanctions exposure?

We often talk about Know Your Client (KYC) happening at the onboarding stage. But enhanced due diligence is where, on an annual basis, you are again going back and verifying that the information that you have on your client is up to date. And as we know, sanctions lists are also updated on a periodic basis. Therefore, in that process, you want to continuously be checking who is on the list, but also who has been taken off the list.

Are these lists easily available?

Yes, all these are easily available. Depending on the organizational skills of your domestic regulators, your domestic sanctions list should be easily available. And the UN sanctions list can obviously be sourced directly from the UN. The organizations that run the international sanctions list are actually quite organized and they are easily accessible. However, there are tools that financial institutions should sign up for, which will alert them when these lists are changing.

Many African institutions rely on third-party vendors for sanctions screening. How can they ensure accountability and oversight in outsourced compliance functions?

That is where you need to make sure that your service level agreements cover what you actually require. Specifically, you need to be clear about certain points, for instance which sanctions lists the provider is providing you with, how often those lists are updated, where they are sourcing the data from... It's almost like doing due diligence on your service providers to ensure that you're getting the information that you actually need to meet your own obligations.

What are the biggest misconceptions about sanctions compliance that you encounter among board members and senior executives?

According to me, one of the biggest misconceptions about sanctions is that every country imposes them. That is not true. It really is important to find out – when you are operating in certain jurisdictions or you have clients who are from other jurisdictions that you may not be familiar with – what the sanctions regime is, and the implications for you as a business. Because, as I said, not every jurisdiction actually imposes sanctions.

From your regional experience, how do South African and Mauritian financial institutions compare in terms of readiness and resilience to global sanctions risks?

I think that because both Mauritius and South Africa have been through a grey listing with the FATF – I mean that hopefully, South Africa will get off the grey list – we are acutely aware of the requirements that FATF has for us in that area. I think that both jurisdictions have done a good job of being clear what their domestic sanctions requirements are and what the reporting requirements are in terms of their sanctions regime. From a legal point of view, both have done a good job in closing that gap.

Lastly, how do you foresee geopolitical tensions influencing the direction of sanctions regimes in the next few years?

Unfortunately, sanctions are directly impacted by geopolitics. So, who ends up on the sanctions list and who gets removed from the sanctions list is directly impacted by what's going on in the world. I guess we will just have to see how the world develops. But these are concerning times. I haven't touched on all of the politics of why and how people get on international sanctions lists, because we know there's a lot of politics in how entities end up there. But the crux, at the end of the day, is that you have to comply with your domestic law.

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PRACTICAL CHALLENGES IN SANCTIONS COMPLIANCE

"Three different disciplines – law, risk, and compliance – are competing with each other"

In her presentation entitled 'Sanctions Compliance in a Fragmented World: Practical Challenges for Financial Institutions', Lerato Lamola, a Partner at Webber Wentzel, talked about how, in recent years, we have witnessed a fundamental shift in how countries approach Anti-Money Laundering (AML) regulation. In South Africa, that shift was largely triggered by the country's grey listing by the Financial Action Task Force (FATF) in 2020. But the lessons learned from that experience go far beyond South Africa – they reveal how financial institutions across Africa can strengthen their risk management frameworks, balance regulatory compliance with operational realities, and better prepare for the growing complexity of sanctions compliance.

Before 2023, South Africa viewed AML regulation primarily as a financial-sector issue. That limited scope left gaps in oversight of designated non-financial professions and businesses – one of the main reasons for its FATF grey listing.

A key reform, since then, has been the embedding of a risk-based approach directly into its AML legislation. Terms such as risk management and compliance program are now part of the law itself, reflecting a recognition that AML effectiveness depends on balancing three professional disciplines – law, risk, and compliance.

"*We find ourselves in a world – and I suspect that Mauritius has the same challenges – where you have three different disciplines that are competing with each other. You have the discipline of law, you have the discipline of risk, and you have the discipline of compliance. And these three disciplines are not the same,*" Lerato Lamola, a Partner at Webber Wentzel, said during her presentation.

These disciplines often intersect, but are not the same. Lawyers focus on legal definitions, risk professionals assess exposure and controls, and compliance teams translate those findings into policies and procedures. In larger organizations, these roles are distinct; in smaller ones, a single person may wear all three hats, which often leads to confusion and ineffective AML programs.

Understanding AML Risk vs Compliance Risk

This distinction is crucial.

- AML risk asks: *What is the risk that my business will be used to facilitate money laundering?*
- Compliance risk asks: *What is the risk of failing to comply with AML laws and regulations?*

These are not the same question. Yet, many institutions conflate them. The result is AML programs that look comprehensive on paper but fail to deliver effectiveness in practice. If you focus solely on compliance risk, you might achieve technical compliance but miss the substance of preventing financial crime.

International Sources of Sanctions Law

When approaching sanctions from a legal perspective, there are two main international sources:

1. The Financial Action Task Force (FATF) – particularly Recommendations 6 and 7, which address targeted financial sanctions related to terrorism and proliferation financing (not money laundering).
2. The United Nations Security Council (UNSC) – especially Article 41, which authorizes measures such as diplomatic, trade, and financial sanctions.

In South Africa, these international standards have been domesticated into national law. However, the way regulators interpret and enforce them has evolved significantly. Following criticism from the FATF about weak supervision, South African regulators have become more assertive, imposing large administrative fines – up to R15 million (approximately USD 2.8 million) – for non-compliance.

This new environment has encouraged financial institutions to challenge regulatory interpretations and align their compliance frameworks more closely with FATF principles.

Sanctions Lists and Extraterritorial Reach

South Africa, for example, implements only the UN sanctions list and does not maintain a domestic sanctions regime. Mauritius, by contrast, has both.

However, financial institutions often *"consider"* other major lists, such as those maintained by the U.S. Office of Foreign Assets Control (OFAC), the UK, and the EU, particularly because OFAC's jurisdiction is extraterritorial. Even a non-U.S. entity can fall under OFAC's scope if it has a U.S. subsidiary or handles goods originating in the U.S.

That's why one of the first things to ask clients for is a global corporate organogram, to identify any U.S. connection that might expose the group to OFAC obligations.

Building Effective AML and Sanctions Frameworks
Key interventions to strengthen compliance include:

- Comprehensive sanction screening policies and procedures.
- A robust Risk Management and Compliance Program (RMCP) that integrates legal, risk, and compliance perspectives.
- Regular business risk assessments to ensure policies are linked to real risks.
- Sanctions disclaimers and clauses in contracts and client documents, allowing organizations to screen clients against international lists and terminate relationships where necessary.

Importantly, where legislation is silent, contract law can be used to fill gaps and ensure that compliance obligations are enforceable across jurisdictions.

The Role of Non-Financial Professionals

Finally, for lawyers and other non-financial professionals, AML obligations now extend beyond banks. Each firm must assess the risk of their practice being used to facilitate money laundering. A criminal law firm faces inherently higher risk than a corporate one, and its controls should reflect that. Effectiveness in AML depends on tailoring controls to the specific risk profile of each business area.

Conclusion

The world of AML and sanctions compliance is fragmented and fast evolving. Yet, the path to effectiveness remains clear:

- Understand the difference between legal, risk, and compliance disciplines.
- Ground every policy in a business risk assessment.
- Recognize that compliance without effectiveness is no longer enough.

Whether in South Africa, Mauritius, or beyond, the challenge is not just to comply, but to build systems that genuinely prevent abuse of the financial system while remaining practical and adaptable in an interconnected world.

Saleem Abdullatiff,

Associate Director Governance, Risk & Compliance at Hawksford (Mauritius) Ltd

"We have to maintain our whitelisted status"

With the FATF assessment scheduled for 2027, it is critical that we focus on both strengthening our AML infrastructure and documenting effectiveness, says Saleem Abdullatiff, Associate Director Governance, Risk &Compliance at Hawksford (Mauritius) Ltd. In this interview, he talks about the shift from procedural compliance to demonstrable impact and shares his insights on the evolution of money laundering laws, the practical difficulties of enforcement, the role of compliance and legal collaboration, and the future direction of AML policy in Mauritius. He also explores the importance of whistle-blower protections.

How has the offence of money laundering evolved in Mauritian legislation and case law, reflecting an evolutive approach to the law?

The offence of money laundering in Mauritius has evolved significantly through legislative amendments and judicial interpretation. Initially, under the Financial Intelligence and Anti-Money Laundering Act (FIAMLA), it was necessary to prove a predicate offence—an underlying crime such as fraud, corruption, or drug trafficking—from which the illicit funds originated. This made prosecution difficult, as direct evidence of the underlying offence was often hard to obtain. However, recent developments, influenced by comparative jurisprudence such as decisions from the United Kingdom and other Commonwealth countries, have adopted a more flexible approach.

Therefore, Mauritian courts now accept that money laundering can be proven through circumstantial evidence (the "irresistible inference approach"), without the need to identify a specific predicate crime and the effect is that Money Laundering has now become a primary offence in its own right. What matters is demonstrating that the accused's behaviour or financial dealings strongly suggest that the funds are proceeds of unlawful/criminal activity. This evolution enhances the adaptability and effectiveness of anti-money laundering

"The next phase of AML evolution will likely focus on demonstrating real effectiveness rather than just compliance"

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enforcement in Mauritius.

Predicate crime was useful at the time money laundering was limited to laundering of big amount of cash mostly from drug cartels. The criminal world has changed a lot with more modern money laundering techniques where an offence can be committed in a millisecond or just a click away.

From your point of view, what are the pros and cons in prosecuting money laundering without a corresponding predicate offence having been established?

Prosecuting an accused person without having proved a specific predicate crime may well be argued to be unfair to the accused's right to be informed in detail of the offence and undermining the presumption of innocence in line with section 10(2)(b) of the Mauritius Constitution. This was the decision of the Mauritius Supreme Court in DPP v Bholah [2011] which decision was reversed by the Privy Council stating that while the prosecution is not required to specify the exact offence, the accused must however be adequately informed of the nature of the criminal activity alleged. This approach was recently approved in the case of FCC v Patel [2025].

It is generally accepted that the benefits outweigh the challenges in that this new approach is adapted to the prosecution of modern money laundering schemes involving crypto assets, gaming/gambling platform or cybercrimes like ransomware whereby requiring a predicate crime would be futile as the offence would already have happened. Requiring a predicate crime may also weaken the objective of financial crime laws which are to address situations where the source of criminal proceeds is hidden.

Some critics argue that compliance obligations are becoming overly burdensome for smaller financial institutions. What is your perspective on proportionality in the Mauritian anti-money laundering regime?

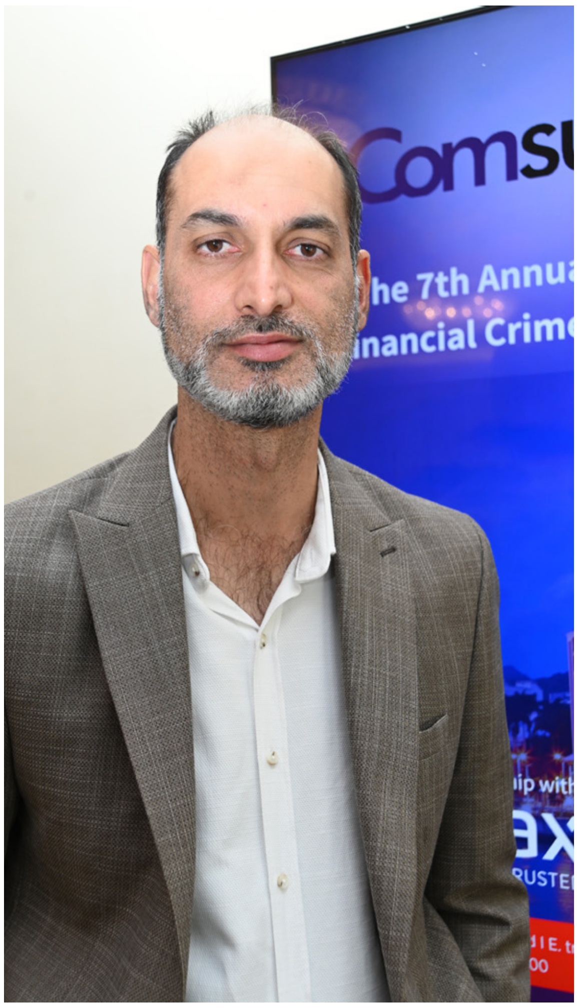
Compliance obligations under the Mauritian Financial Crime Compliance regime can indeed be burdensome, particularly for smaller financial institutions. There is a wide range of laws, regulations, and guidelines that institutions are required to follow, which can be challenging for organizations with limited resources.

However, regardless of size, all institutions must comply with these obligations to ensure Mauritius remains compliant with international standards and stays whitelisted. Non-compliance is not an option, as it could have serious reputational and operational consequences.

That said, there is a need for greater proportionality and simplification in the regulatory framework. Consolidation of laws, rules, and guidelines, as well as clearer application procedures, could help reduce the compliance burden for smaller institutions while maintaining the effectiveness of the Anti-Money Laundering regime.

How can lawyers and compliance professionals work together more effectively to prevent regulatory breaches before they escalate into criminal cases?

To effectively prevent regulatory breaches from escalating into criminal cases, collaboration



between lawyers compliance professionals but also regulators is essential. All relevant stakeholders must recognize that compliance is a collective responsibility. In essence, everyone within the organization is a compliance officer. This shared mindset ensures that all relevant stakeholders work hand in hand to meet regulatory obligations by the sharing of sharing expertise and the integration of unified efforts into a proactive, transparent risk and compliance program.

Effective prevention starts with early identification of red flags and suspicious transactions. Lawyers bring a deep understanding of regulatory frameworks and potential legal implications, while compliance professionals provide practical insights into internal controls and monitoring systems. By working together, they can create a proactive environment that detects and addresses risks before they develop into serious breaches.

Additionally, continuous training and awareness across all levels of the organization are critical. Employees should be equipped to recognize, escalate, and properly report suspicious activities. This not only strengthens the compliance culture but also enhances the organization's ability to respond swiftly and appropriately.

Finally, once a suspicious transaction is reported, collaboration across institutions and departments is vital. Open communication and coordinated action among legal, compliance, and operational teams including regulators have to ensure that potential breaches are handled effectively and transparently.

What role do you think whistle-blowers play in promoting transparency and accountability, and how important is it to have legal protections for them?

I believe whistle-blowers play a crucial and indispensable role in promoting transparency and accountability within organizations. They help uncover unethical practices, corruption, or violations that might otherwise remain hidden. Protecting whistle-blowers legally is essential because it encourages individuals to come forward without fear of retaliation, ensuring that wrongdoing can be addressed promptly.

Finally, what does the next phase of AML evolution look like to you – both in terms of policy direction and enforcement practice?

The next phase of AML evolution will likely focus on demonstrating real effectiveness rather than just compliance. Policy direction is moving toward more risk-based, outcome-focused frameworks, where countries and institutions are expected not only to have laws and processes in place but also to prove that these measures work in practice.

From an enforcement perspective, we can expect more data-driven monitoring, cross-border collaboration, and targeted interventions. Regulators will increasingly look for tangible results, such as the number of high-risk cases detected, investigated, and successfully prosecuted.

With the FATF assessment scheduled for 2027, it is critical that we focus on both strengthening our AML infrastructure and documenting effectiveness. This means ensuring that our reporting systems, compliance programs, and risk mitigation measures are not only robust but also demonstrably working. The goal is to maintain our whitelisted status and show the global community that we are an effective, credible, and proactive AML jurisdiction.

In short, the next phase is about moving from box-ticking to proof of impact, with policies and enforcement working hand-in-hand to deliver measurable results.

The goal is to maintain our whitelisted status and show the global community that we are an effective, credible, and proactive AML jurisdiction

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