



Bank of Mauritius

PRESS COMMUNIQUE

Meeting between the Bank of Mauritius and the Representatives of Consumer Associations

As part of an on-going dialogue with real sector stakeholders, a meeting was held today at the Bank of Mauritius with the Secretary General of the Association des Consommateurs de l'Ile Maurice (ACIM) and the Coordinator of the Institute for Consumer Protection (ICP) under the chairmanship of the Governor.

Views were exchanged on recent exchange rate developments stemming from the Euro crisis and the calls for a depreciation of the rupee from certain quarters. Representatives of the consumer associations expressed their strong objection to any policy that would reduce the purchasing power of consumers. They reiterated to the Governor their wish to be involved in the discussions at the level of the Joint Technical Working Group set up at the Ministry of Finance and Economic Development. They also expressed concern about the wide spreads on interest rates and foreign exchange transactions as well as high charges, fees and commissions applied by banks.

The Governor reassured the representatives of the consumer associations that the Bank is closely monitoring the situation on the international and domestic foreign exchange markets. He also mentioned that there was no case for Mauritius to follow the downward slide of the Euro. Given the low savings rate in Mauritius, the Governor also underlined the need to have a Repo Rate that ensures monetary and financial stability. Greater transparency has been achieved by the Bank by prescribing a standard template for banks on charges, fees and commissions that allows consumers to make informed decisions. The Governor also exhorted the representatives of the consumer associations to undertake more consumer education in terms of financial literacy. The issue of the appointment of an Ombudsman for the banking sector was also discussed.

In the conduct of its exchange rate policy, the Bank has to take into account the national interest of the country. The Bank remains committed to its mandate of maintaining price stability as well as to promoting orderly and balanced economic development.

26 May 2010

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