



COMMUNIQUE

THE CHEQUE TRUNCATION SYSTEM OF MAURITIUS GOES LIVE

The Bank of Mauritius (the 'Bank') is pleased to announce the official launch today, of the Cheque Truncation System by Dr the Honourable Navinchandra Ramgoolam, GCSK, FRCP, Prime Minister. A commemorative plaque was unveiled by the Honourable Prime Minister on this occasion, in the presence of the Honourable Xavier-Luc Duval, Vice-Prime Minister, Minister of Finance and Economic Development, Chairmen and Chief Executive Officers of banks, representatives of the financial and business community as well as other stakeholders.

The Cheque Truncation System (CTS) – the process by which physical cheques presented for payment are converted to electronic form and the image transmitted electronically to the clearing house for processing and eventual payment – is a joint initiative of the Bank of Mauritius and the Mauritius Bankers Association (MBA) and is part of the strategic vision of modernising the national payment system whilst meeting fundamental objectives of safety, efficiency and effectiveness. The new system replaces the cumbersome process of physically transferring cheques from banks nationwide to the Port Louis Automated Clearing House. It enables the significant reduction in the float time and makes funds available faster.

In his opening remarks, Governor Rundheersing Bheenick stated that *"the system of payments and settlement is the backbone of any economy; it forms the arteries for conducting trade, commerce and indeed all economic activities in a country; creating the momentum for economic growth, prosperity and welfare. It is an essential feature of the modern state."*

Governor Bheenick emphasised that the Bank has always viewed its statutory obligations relating to the clearing house and the payments system as a shared responsibility, to be discharged in conjunction with commercial banks. *"The Cheque Truncation System that we are launching today exemplifies that approach very well"*, he added.

Honourable Xavier-Luc Duval, Vice-Prime Minister, Minister of Finance and Economic Development observed on the occasion that the banking sector is modernising to remain at the forefront of protecting customers and added that he looks forward to the public and organizations enjoying a faster and more secure clearing system.

The Chairman of the MBA, Ravin Rao Dajee, CSK, on his part, added that *"this new project reflects on the continuous drive towards the modernisation of our existing financial infrastructure, systems and processes which is deemed to be an essential component within an overall strategy of competition in an increasingly challenging global environment."*

The first cheque cleared by the new system representing a contribution of Rs1 million from the Bank of Mauritius to the Prime Minister's Relief Fund was presented by the Governor to the Honourable Prime Minister at the close of the ceremony.

At a Pre-Launch Event held on 22 July 2011, the Bank and the MBA jointly triggered a Cheque Truncation Awareness Campaign to sensitise the public and create awareness of the new system.

Information on the Cheque Truncation System is available on the websites of the Bank of Mauritius, <http://bom.intnet.mu>, and the Mauritius Bankers Association, www.mba.mu. A helpdesk has been set up at the Bank of Mauritius and at individual banks to attend to related queries. Members of the public may also call on **206 5678** or forward queries by email on cts@bom.intnet.mu.

6 September 2011