

4. Financial System Infrastructure

One of the statutory obligations of the Bank is to maintain a sound, efficient, reliable and secure payment system which is critical to the stability of the country's financial system. The two main payment system infrastructures of the country owned and operated by the Bank, namely, the MACSS and the PLACH, did not register any operational failure which might have impacted on financial stability during the second half of 2013.

During the second semester of 2013, the MACSS settled 296,252 transactions for a total value of Rs1.3 trillion, representing an increase of 15.0 per cent in volume terms and 16.4 per cent in value terms compared to the same period in 2012 (Chart 4.1). Despite an increase in usage, MACSS operated smoothly without any major disruption, indicating that MACSS is robust enough to cater for high volumes of transactions.

4.1 Bulk Clearing System and Cheque Truncation

The number of cheques cleared fell by 2.3 per cent but increased by 0.5 per cent in value terms during the second semester of 2013 compared with the corresponding period of 2012.

The Bulk Clearing System processed more than 1.6 million EFT for a total value of Rs42.4 billion, which represented 30.5 per cent of the value of cheques cleared. The network infrastructure supporting cheque and EFT clearing has proved to be robust enough to handle the volume of cheques and their data contents and the system performed well even during peak periods.

The number of returned cheques constituted of 0.6 per cent of total cheques presented for clearing during the second semester of 2013 compared 2.7 per cent a year earlier. The lower number of returned cheques may be attributed to the implementation of the new PLACH Rules which allow only cheques returned due to lack of funds in the drawers' accounts to be presented again. The low percentage of returned cheques also indicates that risks associated with cheques are minimal.

4.2 Mauritius Credit Information Bureau

The MCIB contributes in maintaining financial stability by enabling lenders to better evaluate risks. To further enhance the efficiency of the MCIB, Section 52 of the Bank of Mauritius Act was amended through The Economic and Financial Measures (Miscellaneous Provisions) Act in December 2013. This extended the scope of the MCIB in terms of the range of information it can collect and the purpose for which it can disseminate information. The MCIB is now empowered to maintain a database on recipients of credit facilities, guarantors and such other information that may reasonably assist in ensuring the soundness of the credit information system with the objective of providing lenders with as complete a picture as possible on a person's behaviour towards debts.

In the quest to align the services provided by the MCIB with international best practice, the amended legal framework provides for imparting of information for purposes other than the creditworthiness assessment of applicants for credit and with institutions other than participants of the MCIB. The rules of confidentiality of information will, however, be strictly observed. Information will be disseminated in such cases only upon written consent of the data subject.

During the second half of 2013, one new participant joined the MCIB which currently has 43 participants comprising banks, non-bank financial institutions and utility service providers. Concurrently, the number of entities registered in the MCIB Database increased from 653,058 at end-June 2013 to 674,070 at end-December 2013. Procedures are on-going for the inclusion of new participants. The MCIB is scheduled to include cooperative credit unions, telecommunication and internet service providers and private commercial enterprises by end-June 2014.

Chart 4.1: Transactions on MACSS

