



BANK OF MAURITIUS

Website: <http://bom.intnet.mu>

COMMUNIQUÉ

BANK OF MAURITIUS SIGNS AN INVESTMENT MANAGEMENT AND CONSULTING AGREEMENT WITH THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Bank of Mauritius (the Bank) has, on 11 October 2010, signed an Investment Management and Consulting Agreement with the International Bank for Reconstruction and Development (IBRD) for the management of part of its foreign exchange reserves.

The above-mentioned Agreement is the culmination of consultations which the Bank has had with the Sovereign Investment Partnerships (SIP) Department of the World Bank since 2008 with a view to enhancing the return on its foreign exchange reserves. The SIP pools funds from various central banks and Government bodies and manages them together with the World Bank's Treasury own funds. Some 33 central banks across the world and 11 other international financial institutions have entrusted funds to the SIP to be managed on their behalf. The SIP manages around US\$ 90 billion worth of assets.

The IBRD will, under the Agreement, provide the Bank with technical advisory services and keep under investment supervision and management certain assets of the Bank. The IBRD will also support the Bank's objectives for upgrading its investment management operations through the Reserves Advisory and Management Program (RAMP) which it offers to certain eligible institutions. The funds entrusted to the IBRD will be managed in accordance with agreed investment guidelines.

The IBRD will provide the Bank with technical advisory services which cover actual investment management operations as well as supporting functions such as information technology, accounting, legal advisory, operational risk and internal audit. The Bank will further benefit from capacity building activities under the Agreement, including the Bank's participation in the RAMP workshop program, consulting and technical assistance and specialised financial training by third party institutions.

Bank of Mauritius

19 October 2010