



**FCC**

FINANCIAL CRIMES  
COMMISSION  
MAURITIUS

**GUIDELINES ON LEGAL PERSONS ISSUED BY  
THE FINANCIAL CRIMES COMMISSION  
PURSUANT TO SECTION 52 OF THE FINANCIAL  
CRIMES COMMISSION ACT 2023**

*14 July 2025*

## A. Introduction

1. The Financial Crimes Commission (the “**Commission**”) is issuing the present guidelines on Legal Persons pursuant to section 52 (2) of the Financial Crimes Commission Act 2023 (“**FCCA**”). This document is intended to guide Legal Persons in putting up adequate procedures which are reasonably necessary to prevent it or any person<sup>1</sup> acting on its behalf from committing an offence under Part III of the FCCA. For the purposes of the guidelines, offences under Part III which include corruption offences, money laundering offences, fraud offences, financing of drug dealing offence and other offences under sub-part V are hereinafter referred to as “**Part III FCCA Offences**”.
2. These guidelines apply to a Legal Person which is defined under section 2 of the FCCA as “*any entity, including a private entity, other than a natural person*” (the “**Legal Person**”).
3. The guidelines:
  - (i) complement the existing legal requirements under any other legislation and any guideline issued by any relevant regulatory body; and
  - (ii) do not absolve the Legal Person from abiding with existing legal requirements purporting to their regulatory obligations or other statutory obligations.
4. These guidelines have been drafted based on five (5) principles [*please see paragraphs 10 to 29 below*] which a Legal Person or a person acting on its behalf should consider when implementing measures, procedures and controls in an effort to prevent it from being used as a conduit for the commission of Part III FCCA Offences. These guidelines have been prepared taking into consideration the best international practices.
5. The guidelines provided in this document are designed to be principle-based and for general application by any Legal Person of any size and industry. These guidelines are not intended to be prescriptive, and it should not be assumed that “one-size- fits-all”. They should be applied in practical proportion to the scale, nature, industry, risk, and complexity of the entity.
6. The aim of these guidelines is to foster the growth of a business environment which is free from corruption, money laundering, fraud and all other offences mentioned under the Part III of the FCCA and to encourage all Legal Persons to take the reasonable and proportionate measures to ensure their businesses do not participate in criminal activities for their advantage or benefit. It is recommended that these measures take the form of formal policies and procedures to ensure their effectiveness.

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<sup>1</sup> It is to be noted that “Person” has been defined under section 2 of the FCC Act as: “*person*” means a natural person or legal person;”

7. The provision of section 53 (1) under the FCCA provides that a Legal Person shall be guilty of an offence under Part III of the FCCA if any of its directors, senior managers or any other persons involved in its management, or any of its officers, agents or representatives having authority to act on its behalf, commits an offence under Part III of the FCCA for the benefit of the Legal Person.

## B. The adequate procedures based on the Five (5) Principles

8. Legal Persons are required to develop adequate procedures within their respective organisations based on the following principles:
- **Principle 1: Commitment at Top level Management**
  - **Principle 2: Conduct of risk assessment**
  - **Principle 3: Implementation of control measures**
  - **Principle 4: Systematic review, monitoring and enforcement**
  - **Principle 5: Training and communication**
9. The adequate procedures should:
- (i) Be universally applied: *to promote consistent and effective implementation throughout by the Legal Person at all levels;*
  - (ii) Be aligned to the Legal Person's culture and values: *to make them easier to communicate, understand and embed;*
  - (iii) Be proportionate to the Legal Person's size, resources and risk profile: *to ensure that higher risk areas are prioritised and addressed;*
  - (iv) Take account of existing and evolving industry or sector requirements or practices: *to ensure that the adequate procedures operate at or above the minimum standards already expected and on a sustainable basis;*
  - (v) Be documented and monitored: *to evidence that the adequate procedures operate in practice, not just in theory; and*
  - (vi) Encourage integrity, openness, transparency and accountability: *to provide an overriding sense of the 'right' behaviour to everyone acting for, or on behalf of, the Legal Person.*

## Principle 1: Commitment at top level management

10. The top-level management of a Legal Person, who is in the best position to foster a culture of integrity, must be committed to preventing Part III FCCA Offences by any person associated with it. They are encouraged to foster a culture within the Legal Person in which Part III FCCA Offences are not acceptable. For instance, one example would be organising mandatory ethics training for officers.
11. The top-level management is primarily responsible for ensuring that the Legal Person:
  - (i) practices the highest level of integrity and demonstrates ethical leadership;
  - (ii) complies fully with the applicable laws and regulatory requirements on Part III FCCA Offences; and
  - (iii) effectively manages the key risks the Legal Person may encounter with regard to Part III FCCA Offences.
12. The top-level management should provide assurance to its internal and external stakeholders that the Legal Person is operating in compliance with its policies and any applicable regulatory requirement as well as its statutory obligations. This may include establishing the Legal Person's *"tone from the top"* and spearheading the Legal Person's efforts to improve upon:
  - (i) the effectiveness of its governance framework;
  - (ii) internal control system; and
  - (iii) staff capacity building through training and communication;

in order to prevent it from being used for the commission of Part III FCCA Offences.
13. Accordingly, the Legal Person should ensure the following:
  - (i) the formulation of adequate and sufficient internal policies and procedures;
  - (ii) the raising of awareness amongst its staff about such procedures;
  - (iii) that it imposes disciplinary measures or other actions for violation of the code of conduct/ethics or for acts that could be qualified as Part III FCCA Offences;
  - (iv) that it establishes, maintains, and periodically reviews a compliance programme which includes clear policies and objectives that adequately address Part III FCCA Offence risks;
  - (v) that it appraises its clients (e.g. agents, vendors, contractors, and suppliers) that it has adequate procedures in place when dealing with them and the clients should abide by these;

- (vi) that it assigns and adequately resource a competent person to be responsible for all compliance matters, including provision of advice and guidance to personnel and business associates in relation to the Part III FCCA Offences;
- (vii) that it ensures that the lines of authority for personnel tasked with responsibility for overseeing compliance for the Financial Crime programme are appropriate and clearly defined; and
- (viii) that it ensures that the results of any audit, reviews of risk assessment, control measures and performance are reported to all top-level management, including the full Board of Directors, and acted upon.

## **Principle 2: Conduct of risk assessment**

14. A Part III FCCA Offence risk assessment by the Legal Person should form the basis of the fight against such an offence. As such, it is recommended that the Legal Person conduct and document any risk assessments at such intervals which is appropriate for the sector in which the Legal Person operates and, when there is a change in law or circumstance of the business, to identify, analyse, assess and prioritize its internal and external Part III FCCA Offence risks. This risk assessment is be used to establish appropriate measures, processes, systems, and controls approved by the top-level management to mitigate any risk of Part III FCCA Offence to which the Legal Person is exposed to.
15. For the purposes of the assessment, the following, which are not limitative, may be considered:
  - (i) opportunities for Part III FCCA Offences resulting from weaknesses in the Legal Person's governance framework and internal systems/procedures;
  - (ii) financial transactions that may disguise Part III FCCA Offences;
  - (iii) business activities in or with countries or sectors that pose a higher risk of Part III FCCA Offences,;
  - (iv) non-compliance of external parties acting on behalf of the Legal Person regarding legal and regulatory requirements related to Part III FCCA Offences; and
  - (v) relationships with third parties in its supply chain (e.g. agents, vendors, contractors, and suppliers) which are likely to expose the legal person to Part III FCCA Offences risk.
  - (vi) A risk assessment by a Legal Person may address:
    - Countries in which it operates;
    - Local business conditions and customs;
    - Business sectors including competitors' practices;

- Dependence on critical licences;
- Business practices of the company;
- Employees e.g., untrained or large numbers of new hires;
- Operational functions of the business e.g., marketing and sales;
- Processes e.g., time pressures, contract variations; and
- The form and nature of its local business relationships with agents, distributors, suppliers, joint venture and consortia partners and the extent of interaction with public officials, all of which can radically alter the company's risk profile.

### **Principle 3: Implementation of control measures**

16. It is recommended that the Legal Person puts in place the appropriate controls and contingency measures which are reasonable and proportionate to its nature and size, to address any risk of Part III FCCA Offences arising from weaknesses in the Legal Person's governance framework, processes and procedures. These should include the following items:

(a) Due diligence

17. The Legal Person should establish key considerations or criteria for conducting due diligence on any relevant parties or personnel (such as Board members, employees, licensees, agents, vendors, contractors, suppliers, consultants and senior public officials) prior to entering into any formalized relationships. Methods may include background checks on the person or entity, a document verification process, or conducting interviews with the person to be appointed to a key role where the risk of Part III FCCA Offences has been identified.

(b) Reporting channel

18. The Legal Person should:

- (i) establish an accessible and confidential trusted reporting channel (whistleblowing channel), which may be used anonymously, for internal and external parties<sup>2</sup> to raise concerns in relation to real or suspected incidents or inadequacies of adequate procedures;
- (ii) encourage persons to report, in good faith, any suspected, attempted or actual Part III FCCA Offence to the FCC;
- (iii) establish secure information management system to ensure the confidentiality of the whistleblower's identity and the information reported; and

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<sup>2</sup> Can include licensees, vendors, agents, consultants etc.

- (iv) prohibit retaliation against those making reports in good faith.

(c) Beneficial Ownership Transparency

19. The legal person may:

- (i) put in place policies for Beneficial Ownership Procedures aligned with FATF (Financial Action Task Force) recommendations especially for AML/CFT compliance.
- (ii) ensure that the procedures provide for control measures to identify, verify, and monitor the individuals who ultimately own or control the legal person.
- (iii) keep beneficial ownership information up to date by reviewing ownership details regularly and updating records whenever there is a change in shareholders.
- (iv) ensure that all beneficial ownership data are securely stored, readily available and filed accurately and timely to the Corporate and Business Registration Department.
- (v) keep trail and adequately document how and when beneficial ownership information was verified.

(d) Transaction Monitoring and Reporting

20. The legal person may :

- (i) implement systems to detect suspicious transactions that may indicate money laundering, fraud, or other financial crimes. These systems should use automated tools and algorithms to flag large transactions, unusual patterns, or transactions involving high-risk jurisdictions. For instance, where appropriate, depending on the nature and size of the sector in which the Legal Person operates, the latter may adopt machine-learning fraud analytics for transaction monitoring.
- (ii) ensure compliance with laws regarding the reporting of suspicious activities. This includes filing Suspicious Transaction Reports (STRs) with Financial Intelligence Unit, along with other obligations under the Financial Intelligence and Anti-Money Laundering Act 2002.
- (iii) maintain comprehensive records of all financial transactions, including the identity of the parties involved, the amounts, and the purpose and dates of the transaction. These records should be easily accessible for audits and investigations.

#### **Principle 4: Systematic review, monitoring and enforcement**

21. Top-level management should ensure that regular systematic reviews are conducted to assess the performance, efficiency and effectiveness of the adequate procedures, and ensure its application. Such reviews may take the form of a Part III FCCA risk assessment, an internal audit, or an audit carried out by a qualified third party.
22. The reviews should form the basis of any efforts to improve the existing adequate procedures in place in the Legal Person.
23. For this purpose, the Legal Person may consider the following:
  - (i) plan, establish, implement and maintain a monitoring programme, which covers the scope, frequency, and methods for review;
  - (ii) identify the competent person(s) and/or establish a compliance function to perform a Part III FCCA risk assessment, an internal audit, in relation to the Legal Person's adequate procedures;
  - (iii) conduct continual evaluations and improvements on the Legal Person's policies and procedures in relation to Part III FCCA Offences;
  - (iv) monitor the performance of personnel in relation to any adequate procedures to ensure their understanding and compliance with the Legal Person's stance in their respective roles and functions; and
  - (v) conduct disciplinary proceedings against personnel found to be non-compliant to the adequate procedures.

#### **Principle 5: Training and communication**

24. The Legal Person may consider developing and conducting internal and external training and disseminate communications relevant to the adequate procedures it has put in place, in proportion to its operations, covering the following areas: (i) policy; (ii) training; (iii) reporting channel; and (iv) consequences of non-compliance.
  - (a) Communication of Policies
25. The Legal Person's adequate procedures should be made publicly available and should also be appropriately communicated to all personnel and business associates.



26. When planning strategies for communicating the Legal Person's position on adequate procedures, the Legal Person may take into account what key points should be communicated, to whom they should be communicated, how they will be communicated, and the timeframe for conducting the communication plan. The Legal Person should also consider what languages the materials will be communicated in.
27. The communication of the Legal Person's policies may be conducted in a variety of formats and mediums. These may include but are not limited to: (i) messages on the Legal Person's intranet or website; (ii) emails, newsletters, posters; (iii) code of business conduct and employee's handbooks; and (iv) video seminars or messages.

(b) Training

28. The Legal Person should consider providing its employees and business associates with adequate training to ensure their thorough understanding of the Legal Person's adequate procedures, especially in relation to their role within or outside the Legal Person.
29. Training shall be provided to employees prior to them conducting any business on behalf of their employers. The training shall cover, inter alia, the reporting line, the hierarchy for approval of any transaction and any adequate procedures in place.

## C. Gifts, Hospitality & Promotional Expenditure Policy ("GHPE Policy")

30. The above 5 principles relate to principles a Legal Person or a person acting on its behalf should consider when implementing measures, procedures and controls in an effort to prevent it from being used as a conduit for the commission of any Part III FCCA Offences.
31. With regard to the remittance and acceptance of gifts, hospitality and promotional expenditures, the following policy should be considered by a Legal Person or a person acting on its behalf. The policy thus applies to anyone working in the Legal Person who may be at the receiving end of gifts, hospitality and promotional expenditure and to the Legal Person or person acting on its behalf as the giver of those gifts, hospitality and promotional expenditure. The policy should therefore apply to everyone who works in the Legal Person, including but not limited to, corporate officers, employees and occasional collaborators, such as temporary employees, interns and volunteers.
32. Gifts, hospitality and promotional expenditure used during the Legal Person's course of doing business may be seen or understood as a bribe. Therefore, gifts, hospitality and promotional expenditure should be reasonable, proportionate and made in good faith. Legal Persons are to ensure that the GHPE Policy is clear and accessible to all persons

working for the said Legal Persons. Ultimately, the test is whether the expenditure in question is a bribe or not (*see factors listed at paragraph 33 below*).

33. Accordingly, the Legal Person should consider putting in place adequate procedures and thresholds so as to prevent its system from being used as a conduit for the giving or receiving of bribes. The following criteria may be helpful in assisting the Legal Person in ensuring that any gifts, hospitality or promotional expenditure are not bribes:
- (i) Made for the right reason (*if a gift or hospitality, it should be given clearly as an act of appreciation, if promotional expenditure, then for a bona fide business purpose*);
  - (ii) No attached obligation or expectation of any favour in return (*the gift, hospitality or promotional expenditure does not place the recipient under any obligation*);
  - (iii) Made openly (*if made secretly and undocumented then the purpose of the gift or hospitality or promotional expenditure will be open to question*);
  - (iv) Documented (*the expense is fully documented including the purpose and approvals given and properly recorded in the books*); and
  - (v) Reported (*the gift, hospitality or promotional expenditure is recorded in a gift register and reported to management*).
  - (vi) Accords with stakeholder's perception (*the transaction would not be viewed unfavourably by stakeholders if it were to be made known to them*);
  - (vii) Reasonable value (*the size of the gift, hospitality or promotional expenditure is relative to the context in which the Legal Person Operates*);
  - (viii) Conforms to the recipient's rules (*The Legal Person should ensure that it has proper processes in place to ensure that any gift, hospitality or promotional expenditure is received by the person who is entitled to any such gift*);
  - (ix) Infrequent (*the giving or receiving of gifts or hospitality or promotional expenditure is not overly frequent between the giver and the recipient*);

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