Dear Learned members of the Legal Profession
Colleagues of the Attorney General’s Office
Ladies and Gentlemen

I am indeed very pleased to be addressing you this afternoon. It’s been some time already that I have been thinking of receiving all law firms registered with my office. When I refer to law firms, I am of course including the local offices of foreign law firms, joint law ventures and foreign lawyers practising in Mauritius.

I do not propose to be very long, as the primary objective of our meeting today is to rather hear from you, about your experiences up to now, as well as your expectations, any suggestions and proposals which you may have.

As you know, the Law Practitioners Act was amended in 2008, making provision for registration of law firms, foreign law firms, foreign lawyers and joint law ventures.

You will recall that in his report on the structure and operation of the judicial system and legal profession in Mauritius, Lord Mackay highlighted the importance for lawyers to group themselves, to be able to meet a variety of clients’ needs and the fact that it is becoming more and more difficult for a single practitioner to provide a general service. In fact, ladies and gentlemen, the economic argument for law practitioners to constitute a firm can be quite compelling. We now have a bar of over 500 constituents and running a modern legal office, with a team of supporting staff, IT system, a website and
access to online resources can reveal to be a major financial constraint for a young law practitioner seeking to establish his or her sole practice.

You would convene that there are significant economies of scale to be achieved when a firm is constituted. Lord Mackay has himself emphasized that “the provision of libraries and other services is now so expensive that common services for a number of practitioners is vital if their practice is to be carried on in a reasonably economically viable fashion.” Unquote. He also, and very rightly so, stressed on the fact that within a firm the valuable experience acquired by senior members of the profession can be transmitted to the more junior members in a more practical and effective way.

Dear friends, you know very well that we have a Bar of more than two centuries old, dating back to the French colonial days and over the years the practice of Law in Mauritius has evolved tremendously. There is a growing demand for legal services and skilled lawyers in varied areas such as corporate finance, capital markets, mergers and acquisitions, project finance, private client business, commercial arbitration and dispute resolution. Indeed the amendments, which were brought to the Law Practitioners Act to allow for the setting up of law firms and to allow foreign law firms and lawyers to operate from Mauritius, were decisive steps towards the liberalisation of the profession and in meeting the challenges in the legal services area.

During these difficult times the world economy is going through, we cannot ignore the legitimate ambition of Mauritius into becoming a gateway for investment in Asia and Africa. As we open up our economy, liberalise trade, create an attractive climate for investment, we shall need the legal input and support of our lawyers to realise those objectives.

Ladies and Gentlemen, we cannot, also minimize the contribution of the legal services industry to the economy. By way of example the output of legal services in terms of
gross domestic product (GDP) has more than doubled in the last decade in the United Kingdom to reach £23.1 billion or 1.8% of the UK’s GDP, and taken together, available figures indicate a total of nearly 320,000 people employed in the legal services in UK. I am not saying we have to reach that sort of figures but only emphasizing the potential lying ahead.

As you know, several pieces of innovative legislation have already been enacted, such as the International Arbitration Act, Limited Partnerships Act and we are coming forward in the near future with a Foundations Bill, as well as legislation which would introduce legal process outsourcing in Mauritius.

We are open to suggestions on how to improve the actual legal framework, so as to make Mauritius a more investor-friendly destination. But there are challenges ahead as well. The financial landscape has been subject to transitions and even permutations from the aftermath of the financial crisis and we have seen increased demand for compliance by international standard setters, and institutions such as the OECD and the FATF, especially on the AML/CFT aspects.

I have to inform you that in the context of a project funded by the IMF on the AML/CFT framework of Mauritius, we have received technical assistance with the objective of developing policy recommendations with respect to a new legal and regulatory framework for Designated non Financial Businesses and Professions (DNFBP’s), which as you know, includes the legal profession.

No doubt Law Practitioners are subject to the Professional membership and Code of Ethics of the Law Society or the Mauritius Bar Association. But it is also true that neither professional body monitors, supervises, or ensures, compliance with the requirements under the FIAMLA, regarding lawyers obligations to file STRs.

The IMF technical mission has recommended, after consultation with the Bar Council, Law Society and the Chamber of Notaries that probably no supervisory authority would
be required for Barristers, as Barristers are not involved in any transactional operations being primarily involved in providing legal advice.

The Law Society and the Chamber of Notaries could probably be designated as AML/CFT supervisory authority for attorneys and notaries respectively. In addition, the Attorney General’s Office has been recommended as AML/CFT supervisor for law firms, foreign law firms, joint law ventures and foreign lawyers.

Although, I must hasten to add, that Mauritius has however, according to the OECD peer review report, over the years developed a sound legal and regulatory framework, being categorized as a jurisdiction which has a trusted, transparent and well-established International Financial Centre.

But we must ensure that Mauritius retains its good repute as a jurisdiction and continues to meet international norms and standards, which could contribute to continue upgrading our ranking on the international scene. To achieve this we need to maintain a close collaboration and encourage dialogue between the legal industry and the regulator.

Dear friends, I thank you for your kind attention.