AUGUST 2026

MAURITIUS COMPLIANCE, AML/CFT & REGULATORY UPDATES

This memorandum summarises selected compliance, anti-money laundering (AML), combatting the financing of terrorism (CFT) and countering proliferation financing (CPF) developments relevant to the Mauritius global business industry. It covers the FSC Guidelines on the Frequency of Customer Due Diligence, selected AML/CFT legislative developments, and the Financial Intelligence Unit (FIU) AML/CFT/CPF Insights publication issued in 2026. The underlying legislation, guidelines and publications should be reviewed in conjunction with the specific circumstances of each entity before any action is taken.

AT A GLANCE

AREA	KEY DEVELOPMENT	PRIMARY RELEVANCE
CDD REVIEW FREQUENCY	Minimum periodic review frequencies and trigger-based reviews.	Reporting persons and administered entities.
RISK-BASED APPROACH	Documented consideration of money laundering (ML), terrorist financing (TF) and proliferation financing (PF) risks.	Boards, compliance and risk functions.
BENEFICIAL OWNERSHIP	Control may extend beyond shareholding to voting rights, influence or other mechanisms.	Corporate and fiduciary administration.
LEGAL ARRANGEMENTS	More granular identification of parties connected with trusts and similar structures.	Trust and fiduciary structures.
SUSPICIOUS TRANSACTIONS	Enhanced transaction-suspension and regulatory-response expectations.	Compliance Officers, MLROs and operations.
EMERGING TYPOLOGIES	FIU observations on scams, virtual assets, money mules, business email compromise and trade-based money laundering (TBML).	Compliance, MLRO and client-facing teams.
STR QUALITY	Focus on complete, timely and well-supported reporting.	Compliance Officers and MLROs.

FSC GUIDELINES ON FREQUENCY OF CUSTOMER DUE DILIGENCE REVIEWS

Minimum Periodic Review Frequencies

Regulatory Development

The Financial Services Commission issued the Guidelines on the Frequency of Customer Due Diligence on 5 June 2026, with effect from 8 June 2026. The Guidelines establish minimum periodic review requirements for existing customers based on a risk-based approach and as follows

> High-risk customers: annual review

> Medium-risk customers: review every three (3) years

> Low-risk customers: review every four (4) years

The following trigger events (non-exhaustive) also require immediate review:

> Changes in ownership or management
> Entry of a Politically Exposed Person
> Jurisdictional risk changes
> Adverse information or data inconsistencies
> Requests for higher-risk products

An initial review of all clients must be performed by 7 June 2027.

Impact

Reporting persons may need to revise CDD review calendars and prioritise existing customer files according to documented risk ratings. The minimum frequencies do not replace the requirement to keep CDD and beneficial ownership information accurate and current.

Suggested Actions

> Initiate initial review to meet the June 2027 deadline
> Map the existing client population by current risk rating and next review date
> Compare current review cycles against the FSC minimum frequencies
> Validate and document customer risk ratings during each review
> Track overdue reviews, remediation items and material findings through the appropriate governance channels
> Put necessary processes to capture trigger events for immediate review

UPDATES FROM THE ANTI-MONEY LAUNDERING, COMBATTING THE FINANCING OF TERRORISM AND COUNTERING PROLIFERATION FINANCING (MISCELLANEOUS PROVISIONS) ACT 2026 (AML/CFT MISCELLANEOUS ACT)

Proliferation Financing and the Risk-Based Approach

Regulatory Development

The AML/CFT Miscellaneous Act requires proliferation financing risk to be considered alongside money laundering and terrorism financing risk. It also reinforces the need for a documented understanding of ML, TF and PF risks.

> Screening should include proliferation-related sanctions lists.
> Transactions involving high-risk jurisdictions require enhanced scrutiny.
> Client risk profiles should be regularly updated.
> Higher-risk clients require enhanced monitoring.

Impact

Business-wide and customer-level risk assessments, sanctions screening and monitoring controls may require revision so that proliferation financing is addressed distinctly and evidenced in the control framework.

Suggested Actions

> Update relevant risk assessments to address ML, TF and PF risks.
> Confirm that sanctions screening includes relevant proliferation-financing designations.
> Review escalation procedures for sanctions alerts and higher-risk jurisdiction exposure.
> Document enhanced monitoring applied to higher-risk clients.

Beneficial Ownership and Control

Regulatory Development

The AML/CFT Miscellaneous Act describes an expanded beneficial owner concept that includes control through voting rights, influence or other mechanisms beyond shareholding. They also emphasise transparency of nominee arrangements and the need to maintain detailed and current ownership and control structures.

Impact

Existing records may need to demonstrate how control was assessed across shareholding, voting rights, influence, nominee arrangements and other control mechanisms.

Suggested Actions

> Review beneficial ownership identification procedures and forms to capture all relevant means of control.

> Maintain current ownership and control charts and supporting evidence.

> Ensure nominee arrangements are identified and transparently documented.

> Reassess existing files where the analysis and beneficial ownership identification captures the broadened definition.

Trusts and Similar Legal Arrangements

Regulatory Development

The AML/CFT Miscellaneous Act requires more granular identification for parties to trusts and similar structures, including settlors, trustees, beneficiaries and controllers.

Impact

Trust and fiduciary records may require more complete party identification and clearer documentation of the persons exercising control. Incomplete structure information may affect onboarding, continued review and adherence to law requirements.

Suggested Actions

> Review onboarding and periodic-review checklists for trusts and similar arrangements.

> Confirm that relevant settlors, trustees, beneficiaries and controllers are identified.

> Maintain supporting records and an up-to-date structure representation.

> Escalate incomplete or inconsistent structures for remediation.

Suspicious Transactions and Regulatory Response Readiness

Regulatory Development

The FIU has the authority to suspend suspicious transactions pending verification, together with shortened periods for specified regulatory information requests. They also reinforce the prohibition on tipping off and wider authority access to electronic records.

Impact

Operations, compliance and record owners may need procedures that allow immediate escalation, controlled implementation of a transaction suspension, confidentiality, and prompt retrieval of complete customer, account and transaction records.

Suggested Actions

> Update suspicious-transaction escalation and transaction-suspension procedures.

> Reinforce tipping-off restrictions and need-to-know access.

> Identify accountable owners for urgent regulatory requests.

> Test whether complete CDD, account and transaction records can be retrieved promptly.

> Verify exact statutory time periods and requirements against the enacted provisions before relying on them.

FIU AML/CFT/CPF INSIGHTS PUBLICATION

Suspicious Transaction Reporting Trends

Regulatory Development
The FIU AML/CFT/CPF Insights publication covering January to May 2026 reports 1,341 suspicious transaction reports during the period, representing an increase of approximately 8.6% compared with the same period in 2025.

The publication identifies recurring circumstances leading to suspicion, including:

> Transactions inconsistent with customer profiles
> Unclear source of funds
> Adverse media findings
> Missing supporting documentation
> Transactions lacking an identifiable economic purpose

Impact
Customer monitoring and review procedures should remain capable of identifying activity that is inconsistent with the known customer profile and should support timely escalation where evidence is missing, inconsistent or does not establish an economic purpose.

Suggested Actions
> Reinforce comparison of transactions with the customer profile and above other findings.
> Review source-of-funds and source-of-wealth evidence for higher-risk relationships and unusual transactions.
> Ensure missing or inconsistent supporting records are followed up and escalated appropriately.

Emerging Typologies

Regulatory Development
The FIU publication highlights prominent typologies including scams, cryptocurrency-related activity, money mule arrangements, business email compromise and money laundering schemes. It also highlights risks associated with virtual assets, stablecoins, chain-hopping and cross-chain transactions. Trade-Based Money Laundering remains an area of concern, with structural, transactional and documentary red flags identified.

Impact
Staff awareness, customer risk assessments and transaction-monitoring reviews may need to reflect evolving fraud, cybercrime, virtual-asset and trade-based money-laundering typologies relevant to the entity’s activities and customer base.

Suggested Actions
> Incorporate relevant FIU typologies into staff awareness and monitoring reviews.
> Refresh red flags covering scams, money mules and business email compromise.
> Assess virtual-asset exposure, including stablecoin and cross-chain activity, where relevant.
> Review structural, transactional and documentary indicators of trade-based money laundering.

Quality and Timeliness of Suspicious Transaction Reports (STR)

Regulatory Development
The FIU reiterates the importance of high-quality suspicious transaction reports and identifies recurring deficiencies including inadequate articulation of suspicion, missing beneficial ownership information, insufficient supporting documentation and delayed reporting.

Impact
Weak narratives or incomplete supporting information may reduce the quality and usefulness of an STR. Internal escalation and reporting procedures should support timely, complete and well-documented submissions where suspicion is established.

Suggested Actions

> Review internal escalation timelines and decision records.
> Ensure STR narratives clearly explain the grounds and context for suspicion.
> Include relevant beneficial ownership information and supporting documentation.
> Reinforce timely reporting once suspicion is established.

IMPORTANT NOTES AND LIMITATIONS

> The application of the developments summarised in this memorandum will depend on the entity’s legal and licensing status, activities, customer base, risk profile and appointed AML/CFT officers.
> The AML/CFT developments and FIU observations should be assessed having regard to each entity’s particular circumstances.
> Responsibilities should be allocated through the entity’s approved governance arrangements and should not be assumed to rest with a service provider unless this forms part of its formal appointment and agreed scope.
> This memorandum is a high-level summary and is not a substitute for legislation, regulations, FSC guidelines, FIU publications or professional advice.
> Exact statutory powers, response periods, commencement provisions and transitional arrangements should be verified against the enacted legislation and official instruments before action is taken.

HOW WE CAN ASSIST

For more information, please contact your usual Trident Trust representative or our office at mauritius@tridenttrust.com.