

PENRESA FOCUS ON SEYCHELLES

DECEMBER 2019 / JANUARY 2020 EDITION

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Seychelles

Leading The Blue Economy



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H.E. Vincent Meriton
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Seychelles' dedication to environmental conservation is unleashing potential in every sector, transforming the country into a haven of research and investment opportunity while protecting the earth.



Showing The World The Possibilities That Blue Economy Can Bring



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This report is sponsored and produced by PENRESA and did not involve the reporting and editing staff of any third party.

We would like to thank **Amb. Barry J.J. Faure, Secretary Kenneth Racombo and Ms. Gabriel Mawess** for their guidance and assurance throughout this project.

THIS REPORT WAS POSSIBLE THANKS TO:



At the Blue Economy conference in Mozambique, Seychelles President Danny Faure gave a speech that focused on the importance of the world's nations coming together to conserve the ocean and protect our future. He said, "Our ocean is our most precious resource. We recognise not just its vast potential, but also the fragility of its ecosystems and the need to preserve it for future generations. The ocean is the beating blue heart of our planet."

Blue Economy is an economic initiative focused on best practices for business while ensuring sustainable utilisation of ocean and marine resources. Blue Economy permeates every sector in Seychelles, creating an entire economy that protects the ocean. Amb. Barry J.J. Faure, Secretary of State of Foreign Affairs and of the Blue Economy, states, "Blue Economy is the key: not only for island states and coastal states but for states that have waterways."

Seychelles has introduced a new financial tool to raise capital to finance ocean-based projects that have positive environmental, economic and climate benefits: the blue bond. Vice President of Seychelles, Vincent Meriton, says, "The blue

bond is one of the world's most innovative financial instruments in recent years. The bond, which raised USD\$15 million from international investors, demonstrates the potential for countries to harness capital markets for financing the Blue Economy." The blue bond is set to help the Seychelles' government save over USD\$8 million in interest charges over the next ten years.

Blue Economy has an impact on almost every sector: fisheries, agriculture, renewable and tidal energy, pharmaceutical, petroleum and gas. In addition, Seychelles has become an ideal place for research, not only in the sense of exploring the ocean and its riches but as an experimental market. For example, telecom company Airtel chose Seychelles for its first geographic expansion, implementing the country's submarine cable project and establishing international connections from Seychelles to the African continent.

Movements toward ocean conservation and sustainable development of sectors can have quick and positive results for the economy. Seychelles has positioned itself as a pioneer, demonstrating to the world that sustainable development is not just a dream--it can be a reality.

H.E. Danny Faure

President of Seychelles

A Fiercely Committed Champion Of The Blue Economy

With a pledge to protect the “beating blue heart of the planet,” President Faure’s administration has demonstrated constant dynamism to achieve the objectives of the Blue Economy for the benefit of the nation.

Danny Faure has been President of Seychelles since 2016, previously having served as the country’s vice president and finance minister. With a strong monetary policy supporting his administration, the enigmatic leader is guiding Seychelles through a time of growth while sustaining a harmonious balance between the country’s exquisite environment and its people. Penresa had the great opportunity to sit down with President Faure to discuss the nation and the Blue Economy.

You’ve recently stated, “Our ocean is our most precious resource. We recognise not just its vast potential, but also the fragility of its ecosystems and the need to preserve it for future generations.” How has the adoption of the Blue Economy inspired new business practices in Seychelles?

Over the last 40 years, we have been looking at developments in capital, production, land and services yet this huge ocean surrounds us. Our EEZ is 1.3 million square kilometres. The ocean is part of us, it is the beating blue heart of the planet. In economic terms, it represents the next frontier for development so it must be developed in a sustainable way. Engraining the concept of Blue Economy is what we need: we cannot make the mistakes of the past. We are the first country in the world to have a roadmap on how to develop the ocean. We know exactly what needs to be done. However, for the means to do that, we need partnerships. This is an opportunity for partnership and investment in areas where we can reap the benefits of what the Blue Economy represents for the country. In August, after piloting the first aquaculture marine, people will know that we will be able to harvest the species we have in our oceans. We need to manage what there is in the ocean and this will bring investment and new jobs. The Blue Economy is the next frontier of Seychelles development because it represents a new growth for the country. That signifies an inclusive growth that can benefit all of the people of Seychelles.

As for the Blue Bond, what type of partners would be most welcome to Seychelles?

For the Blue Economy, we need serious partners. It is an area whereby you need to take risks, but also be available to put your capital in. Business is also about taking risks. Venturing in projects that have a win-win solution is what we are looking for. We want win-win for the investor and for country. That is why we are looking for serious partners

whose philosophy is sustainable development. Now that there is a paradigm shift in development, you would rather go to a country whose government believes strongly in sustainable development. We are tuned to that language. We have a future, but it must be long term.

The African Continental Free Trade Agreement (AfCTA) has now come into force with Seychelles as one of the 10 African countries ranked among the top 100 most competitive countries in the world. How do you feel the AfCTA will enhance competitiveness in Seychelles’ industries to give competitive advantage within the continental market?

My presidency has given more importance to African relationships. As president, I attended all summits convened by regional blocks in Africa. I represented my country in all AU and SADC meetings. All these meetings were about trade: now we have seen an increase in the products coming from Kenya to Seychelles [agriculture]. We should not be thinking to take things elsewhere than our neighbours. Africa is a huge market. We just need to do it in the right way, by bilateral cooperation. No African government stands to lose if you do it in the right way. In this way, it will always be a win-win.

How has Seychelles advised the African continent and the rest of the world to focus more on global warming and the ocean?

As a country, well before leaders started talking about climate change, Seychelles had already started talking about it. However, we do things and we do not talk about it: that is part of us. We are humble in this regard; we have been doing a lot of things quietly. We are happy that now that has been recognised. However, we also took some risks. For example, I went down 124m in order to give a message. I wanted to use the modern technology of our time with an American co-pilot who has done 50 dives like that. We took a week preparing that speech, delivered on the 14th at 4 a.m. It is only in that moment that I told myself: “I am going down there.” We are living in a world whereby some leaders do not even believe in climate change. I had to prove to the world that we could go down and do that speech for that cause. That was the first live broadcast by a president underwater. Seychelles is the first to say that this is a human rights issue and that it is the right of

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every citizen to survive on this planet, our common home. We need to change the mindset. Climate change is a human right issue: the right of each and every human being, regardless of where or what you come from, to survive on planet earth.

International investment in Seychelles in the first quarter of 2018 reached USD\$35 million, the highest since 2016. What do you think has propelled investors' strong return confidence?

Personally, I think investors have looked at the way we have managed the economy. We made commitments to the IMF and World Bank and in a period of ten years, we constantly had a primary surplus of 4% of our GDP. My presidency has also given more weight to institutions that are always held accountable to the general population. This creates confidence and trust in the population. Seychelles is an open country with democracy, stability. All this is an indicator for people to come here.

Economic growth is projected to be 3.3% in 2019 and 2020, with the service sector remaining the primary driver of growth. What sectors are currently most appealing to invest in the nation's growing economy?

We are looking at the value chain now, even in tourism. Tourism is growing, there has been an 8.7% growth compared to the same period last year. There has been a 6% growth in tourism earning. That shows you the potential of tourism. The economic growth of the country last year was 3.6%. We forecast that we would be 3.4% so now we need to look at the value chain in tourism. In other words, we need to start

thinking where the food tourists are eating comes from since we import a lot. If aquaculture grows, it will feed the locals and tourism as well. Now, there is a leakage in terms of forex coming in because import costs are very high. The philosophy of the government is to try and see how we can reduce the number of outflows in terms of forex for you to pay for your high import bills. In order to do so, you have to produce. However, we do not have enough land. That is why we need to look at innovations in agriculture on how to optimise and maximise to produce more. Another issue is renewable energy. Now, we have taken a decision to make a switch to LNG, which presents a huge opportunity for investment. So, we welcome any investor, but it has to be a win-win for the state and for the investor. The country in general has robust policy to attract foreign investors.

As a diverse yet welcoming nation, why is NOW the best time to invest in Seychelles?

I can only say that I attribute our success story to one leader, former President France-Albert René. He told us one thing: regardless of our origins, we have one identity, we are Seychellois. Since then, we have built on that identity. We have given value to the human dimension of our identity. As for investment, where do you go when you want the best quality of air? Seychelles. What does it mean? It means that the economy is healthy, and your investment will be safe. Seychelles is a country where people come and invest because it is taking care of what you breathe, of itself. The economy is healthy and people are conscious of that. If you start killing this, you kill investors and the investment. 

H.E. Vincent Meriton

Vice President Of Seychelles

Setting Up A Business In Paradise

Seychelles Vice President Vincent Meriton highlights the importance of Blue Economy and how investors can set up a business in paradise.



“The government believes the only way forward for Seychelles is an economic development of the oceans that is both inclusive and environmentally sound.”

Thirty percent of Seychelles’ Exclusive Economic Zone (EEZ) is designated as a protected area to develop a comprehensive Marine Spatial Plan (MSP) to ensure the long-term protection of its marine species. How does this ensure economic opportunities?

Marine protections contribute to the resiliency of coastal ecosystems and the MSP ensures sustainable economic opportunities for fisheries and tourism, which are necessary to sustain livelihoods, food security, business certainty and development. The MSP improves management for species and habitats for fisheries and tourism and enhances understanding of the ocean environment through mapping and spatial planning tools.

How can Seychelles inspire the continent and the world to focus more on global warming and view the oceans as human civilisation’s most valuable asset?

Seychelles’ adaptive capacities to climate change are the laboratories of resilience. Our natural beauty, including the ocean, drives tourism and fisheries in Seychelles. The ocean makes up about 1.3 million square kilometres of the Seychelles’ EEZ. The world needs to understand our efforts in combating climate change to be inspired. The Seychellois people continuously search for ways to adapt and reduce their carbon footprint and vulnerability. In this way, our people build resilience to climate impacts.

In October 2018, Seychelles launched the world’s first sovereign blue bond, a financial instrument designed to support sustainable marine and fisheries projects. What does this signify for Seychelles’ financial sector?

The blue bond is one of the world’s most innovative financial instruments in recent years. The bond, which raised USD\$15 million from international investors, demonstrates the potential for countries to harness capital markets for financing the Blue Economy. Mobilising private finance is a major achievement, one that could be replicated in other African nations, allowing them to protect their environment while restructuring and transforming their economy.

International investment in the first quarter of 2018 reached USD\$35 million, the highest since 2016. What do you think has propelled investors’ strong confidence?

Seychelles’ strategic location, favourable time zone, excellent air and sea connectivity, growing infrastructure, political stability and GDP have made it attractive to investors. Data shows that investors are diversifying their portfolios into other sectors. This diversification is very important to fill demand gaps in the market and create new employment opportunities. An increase in FDI demonstrates a level of confidence foreign investors have in the Seychelles economy.

Economic growth is projected to be 3.3% in 2019 and 2020, with the service sector being the primary driver of growth. What other sectors are appealing to invest in the nation’s growing economy?

The Seychelles government is expanding the Seychelles International Airport and the Victoria Sea Port and phase two of the Submarine Fibre Optic Cable Project is underway, creating opportunities in the transport and ICT sectors. Other areas, such as agriculture and marine resources development have projects that support Seychelles’ Sustainable Development Goals. Seychelles is ideal for ecological and maritime-based universities and research centres. The financial sector has strong public/private sector partnerships to accommodate discerning investors and has made long-term financing possible with the award-winning finance mechanism called the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT).

Why is NOW the best time to invest in Seychelles?

We are a diverse nation with a stable economy. Investors can feel comfortable that their investments are safe. The Seychelles has made great strides in diversifying its economy. We not only have one of the highest GDP per capita in the continent, we have the highest level of transparency in Africa. Seychelles possesses extensive air connectivity to major hubs in the Middle East, Europe, Africa and Asia. If you are a business traveller, coming to Seychelles for a meeting is now a reality. You can set up your business in paradise and trade all over the world.

A Responsible Country With Plans For A Sustainable Future

With Amb. Barry J.J. Faure's education and experience, Seychelles is prepared to champion the Blue Economy initiative.

Can you tell us how Seychelles is championing the implementation of Blue Economy?

Blue Economy is a global issue and there is a need for Seychelles to pioneer the implementation of the Blue Economy in the world. In November 2018, Seychelles was recognised as the Champion for the Development of the Blue Economy in Africa. This is not a title; it is a responsibility which we are taking seriously. We are working strategically to make this happen in Africa. We have been interacting with the African Union Commission, SADC, COMESA and the Indian Ocean Commission to ensure that the Blue Economy has a framework to implement in all countries.

We are also taking it beyond Africa by working with the Commonwealth, ACP, the EU, the UN and the UN Economic Commission for Africa and the World Bank. We are working together to bring Blue Economy to the UN level. We have local, regional and global efforts to realise the Blue Economy.

How can Blue Economy be a benefit for other sectors?

Blue Economy has many sectors: tidal energy, pharmaceutical, petroleum and gas. It is a pioneering front in Seychelles. We have a company called Seaweed Seychelles. Our shores have seaweed and the tourism industry needed a solution. Seaweed Seychelles harvests and converts the seaweed into liquid fertiliser, which can accelerate agricultural growth by 50%. It is incredible. This is one fantastic example of how Blue Economy is directly linked to other sectors and can improve the economy.

Blue Economy is the key: not only for island states and coastal states, but for states that have water ways. These water bodies must be utilised in a sustainable manner to facilitate resource development. The ocean has long been considered as a place that you could overlook. That concept has changed as people are becoming educated, but there is more that must be done. If the world continues on its current course, by 2025 there will be more plastics than fish in the ocean. That is why

we took the decision to declare 30% of our exclusive economic zone as conserved.

How has adaptation to the Blue Economy inspired the private sector in the country?

We have seen how the private sector participates with Blue Economy products. The government recently decided to create a Blue Economy Stakeholders Forum, where people from the private sector, civil society and government will come together to create strategies and technical working groups which will report to the Blue Economy Council. The Council will formalise, endorse, or change it before sending it to the government. This structure enables the private sector to have a leading role in Blue Economy.

How do you see the African Continental Free Trade Agreement in general and how can it benefit the continent and Seychelles?

Free trade brings many benefits, but we must have multilateralism based on internationally respected rules, fairness and equitability. We need to create space for vulnerable, developing countries to have opportunities to develop infant industries or to have more flexibility if their economy depends on only one or two sectors. For example, Kenya has numerous economic sectors compared to Comoros. In creating these rules, there must be space for Comoros to be able to develop the sectors that it has. If you put Comoros on the same pedal of Kenya, they will not be able to benefit or properly integrate into the free trade system.

Can you give us a last message of confidence on why to invest in Seychelles?

We are a responsible country with plans for a sustainable future. In the next ten years with Blue Economy, Seychelles will be a different kind of country that the world will be happy to see. There may be challenges along the way, but we have taken the decision to make a difference, so we will do it. We welcome partners to help us along the way. This will be the country we are looking forward to.



“In November 2018, Seychelles was recognised as the Champion for the Development of the Blue Economy in Africa. This is not a title; it is a responsibility which we are taking seriously.”

Seychelles Tourism Board

Working Together To Share The Beauty Of The Seychelles Islands

Demonstrating Seychelles' Beauty To New Markets

Seychelles Tourism Board is diversifying their tourism base, strengthening their sector for all the world to see.

Prior to her leadership in the Seychelles Tourism Board (STB) as CEO, Sherin Francis was the Principal Secretary at the Department of Tourism within the Ministry of Tourism and Culture and has also headed the Seychelles Investment Board for four years. Francis holds a joint Bachelor of Arts with Honours in Business Studies and Economics and a masters in finance. Her work with the Seychelles Tourism Board has been instrumental in embracing the digital marketing strategies. Francis says, "Our prime responsibility is to plan and implement strategies with regards to marketing, and promoting Seychelles as the preferred destination. We also advocate to government agencies on matters related to tourism. We are the first point of contact on the field, receiving feedbacks on the destination, so we are well suited to advise."

The Seychelles' tourism industry continues to be the main driver of the country's economic performance, recording over USD\$520 million in earnings and welcoming 334,719 visitors to its shores in 2018. With Europe being traditionally one of Seychelles' main markets especially for the past six years, STB has implemented a diversification of their market strategy so that they may begin to invest in other markets outside Europe. As a result, the United Arab Emirates now stands between the 3rd and 4th in most popular arrivals to the country, as well as other visitors from South Africa, India and China. Although STB is working to expand and rely less on Europe as a singular marketing target, their impressive growth also stems from smaller emerging markets within the continent: "Our strategy is also to look at other small markets within Europe where we can grow. With new airlines coming in, this has reinforced our strategy, especially for Eastern and



"Our prime responsibility is to plan and implement strategies with regards to marketing and promoting Seychelles as the preferred destination."

**Sherin Francis,
CEO of Seychelles
Tourism Board**

Central Europe, which are today contributing to the whole market share," states Francis. The strategy has proven to be effective in growing the tourism sector and continues to diversify the market in and outside Europe.

Tourism creates employment at a scale of one job for every nine arrivals, according to the World Tourism Organisation, and the Seychelles Tourism Board is working to use a diverse market to create even more employment for the country. "We realised that in today's world, with so much competition, targeting only one

niche or market segment is not enough," says Francis. "That is why we have decided to market ourselves in terms of diverse interests. Nowadays, we are selling Seychelles as a destination not only for couples but also families, for nature lovers, for wellness and retreats, for MICE (meetings, incentives, conferences and events) and diving, just to name a few." With a varied range of opportunities for travellers, STB has grown their tourism base, which also helps to disperse the travel seasons more evenly for a more consistent flow of travellers and consequently, creates new job opportunities and secures employment for the dedicated Seychellois labour force.

As an island country, the future of tourism in Seychelles depends on the Blue Economy initiative. STB make it a point to always highlight the natural beauty and advantages of the Seychelles islands. "One of our main unique selling points is island hopping and promoting activities you can do in the sea. For example, snorkelling, sailing, paragliding, jet-skiing and fishing," explains Francis. "Now, we are bringing in conservation projects as part of the overall experience for tourists together with the various marine conservation initiatives." STB has built a tourism appeal on one of our biggest asset, our ocean, so that visitors can come and enjoy an uncorrupted environment of fish, live corals and marine ecosystems. "Seychelles stands out for the fact that we have the world's best sun, sea and sand, but we also spend time and energy in trying to keep it as pristine and unprocessed as possible," continues Francis. "This is why our Blue Economy has a lot of importance in our marketing, For us, our tourism is built on that."



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Mahé Design & Build, one of Seychelles' major construction companies, couples quality and cost-effectiveness.

Founded in early 2002, Mahé Design & Build quickly established itself as one of Seychelles' strongest players in the construction field due to its commitment to quality, professionalism and customer satisfaction. With less than two decades of activity, Mahé has built an invaluable team of dedicated and dynamic professionals with extensive skills and experience in the country's construction industry, and as such it is the dream partner for anyone willing to invest in Seychelles.

"Last year, we were elected best construction company in the country," says Gilbert Frichot, CEO of Mahé Design & Build. Frichot, a fourth generation Seychellois, cofounded Mahé with the intention of creating a company that could couple architectural and construction capabilities, streamlining the process. "I am motivated by challenges," he says. The company offers tailored services to its

clients, striving to assemble the right team for each project in order to meet their clients' budget and requests. "We develop good relationships with our partners. And we are always open to suggestions and requests by our clients."

"Seychelles has come a long way since we started this business," says Frichot. "We need to keep believing in our people, in ourselves." Part of Mahé's strength, he adds, lies in never being afraid of experimenting new things and expanding its horizons, acquiring new knowledge and learning new skills. The Seychellois government passed a moratorium on large hotels to support competition and foster the creation of smaller and widespread structures run by locals. Mahé, Frichot explains, welcomes such measures, which he feels will create employment and favour the construction of quality facilities that suit Seychelles' astonishing locations. "Mahé has done many things in tourism," says Frichot, "we have built guest houses, hotels, luxury housing and social housings, schools & factories, renovations of landmark buildings. We also offer mechanical, electrical and plumbing services." Tourism, adds Frichot, is one of the sectors in which Seychelles should keep investing, taking full advantage of the African Continental Free Trade Area (AfCTA). "Protectionism does not work. We need to concentrate on sectors that can be good for our economy."



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Since its inception in early 2002, **Mahé Design & Build** has gone from strength to strength, firmly establishing itself on the local construction scene with a solid reputation for professionalism, competence, quality workmanship and value for money to such a point that a great deal of its business growth has been on the basis of referrals from satisfied customers. The modular structure of **Mahé Design & Build** and its numerous capabilities dovetail to provide a full suite of integrated building options appropriate for turn-key projects as well as stand-alone solutions to accommodate clients' specific needs.

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Expertise And Handcrafted Care At The Service Of Seychelles' Infrastructure

Founded in Kenya in the early 1960s, construction group KRG is now a multisectoral juggernaut with operations in four different countries.

The group's relationship with Seychelles begins in 1980, when KRG built the country's international airport and contributed to the expansion of the Victoria Hospital. In the almost four decades elapsed since that inaugural project, KRG's contribution to the country's infrastructure landscape has been inestimable: completed projects include housing, hotels, public buildings and much more.

After ceasing all Kenya operations in 1982, KRG chose to concentrate on Seychelles, Mauritius, UK and India. Despite its impressive size and the many accomplishments the group has achieved along its history, current Chairman K.K. Patel stresses that KRG remains, at heart, a family-led business: "The group was founded by my father in Kenya and I began working at a very young age, straight after my high school certificate," he says. "I started as a driver in this company: I carried workers from the office to the site at 6:30 in the morning and then brought them back in the evening, and I also ran some additional errands. To climb up you have to start at the bottom, otherwise you would never know what happens down there."

K.K. Patel's impeccable hard-working mindset earned him the title of Mauritius' Grand Officer of the Order of the Star and Key of the Indian Ocean and proved providential in more than one occasion: "Once, we had to bring a lot of building material and equipment in a limited time," he recalls. "The drivers there used to make only one or two trips per day. I told them that they had to do more trips, but since they did not want to, I went with them and had them do four trips. Sometimes you have to show that you are not just a boss sitting in an office, but you know what your workers do. I think that my experience and the support of my family made me confident. Today, my brothers and my son are all on the board."

The strength of the group, according to K.K. Patel, lies in its absolute commitment to quality and professionalism: "We have a team of professional qualified engineers and the management

is very strict on quality and timing," he says. "Come whatever may, we have to deliver on time. The client must get the best of quality." In Mauritius, the group is currently investing MUR 400 million to promote the construction of a multistore carpark, for which KRG is the major shareholder. Other shareholders include Mauritius Commercial Bank, State Investment Corporation, Landscape Mauritius Limited, SICOM and others. The project is scheduled for completion in November 2019 and is poised to become operational in December. Another major on-going project is the construction of the new, MUR 1 billion-worth Indian Embassy complex in Mauritius. Once finished, it will be one of the biggest embassies on the continent. "To construct such buildings, it is important to have a good set of equipment, which we already have in place," adds K.K. Patel.

In recent years, KRG decided to exploit its immeasurable experience in the field of constructions to dive into new, bustling sectors: "We are in leisure hotels and property development," explains K.K. Patel. "Here in the Seychelles we own a chain of boutique hotels, "Le Relax". We have one in Mahé, one in Praslin and three in La Digue." Other projects down the line in Seychelles' hospitality sector include a brand new €70 million luxury hotel: "For that, we are currently finalising with financing institutions and one of the shareholders. We are also discussing with two potential management partners to decide which the best option is."

The UK branch of the group has been expanding in the care and nursing home business, and now owns over 90 rooms spread across two homes in the eastern part of England. "We would like to replicate that model here, we just need to secure support and funding from the government," says K.K. Patel. "As for India, we started investing there ten years ago; we concentrated on agriculture and now this investment has stabilised, we are also working on a property development hotel."

KRG

KURJIBHAI RAMJI GROUP

Mauritius - Rodrigues - Seychelles - India - UK

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1. Building & Civil Engineering Construction
2. Hotels
3. Real Estate
4. Property Development
5. Trading and Commerce
6. Care and Nursing Homes
7. Agro Investment
8. Offshore Unit

DOMESTIC AIRPORT
Seychelles



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Keshra V. Bhudia

Founder and Chairman of Shreeji Group

Dynamic Solutions Within A Variety of Sectors

For over 20 years, the Shreeji Group has constantly innovated its products and services to adapt to the ever-changing Seychellois marketplace.



“The Blue Economy has essentially inspired our corporate vision to ensure we preserve nature to create a sustainable future for our children and nation.”

Shreeji Group is celebrating its 23rd anniversary this year. How have you adapted to the changing business landscape during your growth?

In 1996, I decided to step out and start something on my own. I aspired to be an entrepreneur as a young civil engineer. My first business was Shreeji Construction, which started building activities at a small scale, Shreeji Investment followed and consisted in residential and commercial property developments, a sector with great demand at the moment at all levels of the national pyramid. Given Seychelles' diverse population, there is a vegetarian community predominantly in the construction industry. In 2004, we took the initiative to import selected essential foods to nourish that market. That is how GOPI came into existence. Moreover, we will be opening Seychelles' first vegetarian restaurant soon, stimulated by the global trend of becoming health-conscious. Based on the success of this, we then asked the question: "What are the difficulties this country is facing and what can we improve?" As end-users, we experience difficulties and change the weaknesses in the market as our strengths. We believe there is a demand for touristic developments that cater for different classes of tourists by providing a combination of self-catering and bed-and-breakfast facilities. Within a couple of months, construction is due to commence for our Epitome – Health & Wellness Family Resort in south of Mahé.

Ani Décor is our newly established furniture and furnishing enterprise, denoting our endeavour to create 'under one roof solution.' As a family business, we have diversified greatly by formulating growth strategies through calculated risks. This has enabled us to use our resources to provide our clients with quality-driven solutions in a simple and efficient manner. We are multitasking in introducing a brand of Seychelles through our company, Laxmi Trading, called K-LUX. These products will start with home appliances: fridges, cookers and televisions to small appliances. Our plan is to launch locally then go international. It is not an easy task, but as we have done over the years, we will continue to create our own path to

success. Growth mindset is the core value, hence we are creating a team with professionalism for sustainable development and disruptive innovation.

How has the adoption of the Blue Economy inspired new business practices in your organisation?

Blue Economy is an area that will bring us a greater return and can be extensively explored to generate a healthy economy, community and ocean. The Blue Economy has essentially inspired our corporate vision to ensure we preserve nature to create a sustainable future for our children and nation.

Which sectors would you say require special attention to in the coming years?

Healthcare has a dynamic scope for medical tourists. It is an unexplored area for foreign investors and we, as well, are working towards developing a Multi-Speciality Medical Centre. The education sector is empowering our future generation with the introduction of additional educational technology. Supplementary resources can offer our youth a highly stimulating and active learning process, which will eventually contribute towards the advancement of Seychelles' economy.

Why do you believe that NOW is the right time to invest in Seychelles?

First, policies and regulations are extremely important to attracting foreign investment and domestic investment. Secondly, smoothening the process of setting up businesses and policies and regulations that facilitate operation are critical for success in promoting inward investment. Over recent years, there has been much improvement in those areas in Seychelles. Being a small, resource-deficient country, Seychelles, has several areas where investments can be targeted. Examples of this are services, ICT and other infrastructure developments. Such areas, and others, are critical for improving the business environment that would not only attract inward investment, but that would also improve competitiveness so that Seychelles companies can compete internationally.



GROUP COMPANIES:



ABOUT US

Founded by Keshra V. Bhudia, the Shreeji Group is prominently diversifying since 1996, with a growing presence across Construction Industry, Property Development & Investment, Trading, Hospitality and Health Care (coming soon) within Seychelles.

OUR VISION

To build a global enterprise with disruptive innovation.



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**Your Satisfaction
is Our Asset.**

Blue Bond Round Table

Partnering In All Aspects Of Innovative Ocean Financing For Beneficial Outcomes

Bonding Over The Nation's Sustainable Future

The launch of the first ever Blue Bond in Seychelles in October 2018 is indicative of the nation's collaborative focus in supporting sustainable marine and fishery projects, while generating benefits for its future.

Penresa sat down with Patrick Payet, Secretary of State of Finance, Trade, Investment and Economic Planning, Brenda Bastienne, Chairperson of Development Bank of Seychelles and Angelique Pouponneau, CEO of Seychelles Conservation and Climate Adaptation Trust (SeyCCAT) to discuss the pioneering financial instrument that is the Blue Bond and its initiative in combining public and private investment to mobilise resources to sustain fisheries and safeguard the ocean.

What is the Blue Bond and what is your role in its development?

Payet: The Blue Bond is the first of its like in the world and is an instrument that makes fund available for the sustainable development of the marine sector. Recognising how critical the ocean and coastal spaces are to its future, Seychelles has refocused its development agenda around the Blue Economy concept. The country defines the Blue Economy as the array of economic activities that directly or indirectly take place in the ocean and coastal areas, use outputs from the ocean, and place goods and services into ocean's activities; as well as the contribution of these activities to economic growth and social, cultural and environmental wellbeing. The government of Seychelles has drafted a National Blue Economy Roadmap, which establishes overarching goals to diversify the economy, create high value jobs, ensure food security, and sustainably manage and protect the marine environment.

Bastienne: The Development Bank of Seychelles (DBS) manages the Blue Investment Fund through an agreement between the Government of Seychelles and the World Bank. DBS is already managing several funds on behalf of the Government of Seychelles and we were approached by the government to be involved in the Blue Bond. The adoption of the Blue Bond has inspired new and existing businesses to approach DBS for financing since the first call of proposal was launched in April 2019. Scope for financing ranges from SCR10-15 million and the majority of the businesses that have shown interest are in the value

addition category. As a bank we look at the financial aspect of the proposal and advise and cooperate with the other working groups under the agreement of the technical components of the proposal. This is the first time that this has happened in Seychelles and we are requesting proposals; we are going to learn from this first call, and we can then learn to make the second call better. The Blue Economy is not just about fishing, it's a lot broader than this as it encompasses everything that boosts economic growth via its oceans.

Pouponneau: At SeyCCAT we carry out assessments of the entrepreneurship ecosystem of the Blue Economy. We have found the Blue Economy to be both traditional and novel. Businesses can be traditional in the sense of fishery and tourism, but novel in the sense that you could also go towards something completely different, like biotech. As a result, this should provide us with a good basis for enhancing projects and programmes to improve the Blue Economy, including the Blue Bond. There's a component of the Blue Bond that looks predominantly at research and during its first cycle we have mainly financed research-oriented initiatives for the Blue Bond.

What, do you believe, will be the impact of the Blue Bond and Blue Economy upon Seychelles? What makes it attractive to investors?

Payet: The Blue Bond is not just a bond, there are other things attached to the concept. Of the 15-million-worth bonds we have issued, 12 million go to the Blue Investment Fund, administered by the Development Bank of Seychelles. For this reason, they are issuing loans to investors in the sustainable marine sector for up to 15 years at 4%. If you compare that interest rate of the commercial banks we have here in Seychelles, it is very attractive. The other thing that makes it attractive is that if it is for a large project with a very good business model, the loan can reach up to USD\$3 million dollars. Then, we have the Blue Grants Fund, administered by SeyCCAT, which will finance studies and technical assistance to improve the planning and decision-

Blue Bond Round Table

making mechanisms related to investments in the Blue Economy. It will, in particular, finance the different feasibility studies linked to activities eligible under the Blue Investment Fund under the Development Bank of Seychelles. To make it attractive, as well, we receive a Global Environmental Fund component of a five-million-dollar guarantee at 0.25% interest rate for the Blue Bond, as well as a World Bank Guarantee.

Bastienne: I think the Blue Economy is having an impact because people have realised that it is not just related to fishing. It requires a change of mindset; in the way we look at things. However, for this to happen, it also requires an education about this aspect because people might not necessarily see all the links. For example, if you only think of fishing, and you only focus on the fishing community, you start to realise that it impacts not just the people directly involved in the activity, but their families who are supported on the income from that activity. Now think of value added services. If you look at industry and manufacturing in Seychelles, it is not where it could potentially be. We have fisheries canning plants here but we could have more companies here doing various other processing and value addition services from the various resources that we have, since we arguably have the best fish and seafood in the Indian Ocean! It is about how you attract value from that fish. It is not just the fishing and canning, it is everything else that is related. All of this will develop along the way as well. There are even linkages, with other sectors of the economy. If you think of block chain for example, you would not immediately think of sustainability and fishing, however, such emerging technologies can be used to track a fish from 'bait to plate' and help provide better data for decision making and sustainable management. So, not only do the new opportunities with the loans available under the Blue Fund make it attractive to investors when compared with other products, the manner in which the investment could possibly be held, could also help, in the future, to make it more attractive and reach a wider population. There is a lot more to this, and a lot more that we can do as a jurisdiction. It is the right time for Seychelles to be looking at this and making some noise about it.

Poponneau: From the interactions that we've had with business, we see it as a new opportunity. One of the things that SeyCCAT prides itself with is its role as convener. One of the things that we do is have seminars with the private sector, for example. Some people see the Blue Economy as a business linked to the ocean. Our view is that the Blue Economy is a business that is profitable but has an environmental and social responsibility, because the ocean is affected by everything. The health of the land is as critical as the health of the reef. So, for us, when we are engaging with the private sector, that's a new opportunity, and it is: profit, planet, people. 



“The Blue Bond is the first of its kind in the world and is a debt instrument issued by government of Seychelles to raise capital from investors to finance ocean-based projects that have positive environmental, economic and climate benefits.”

Patrick Payet,
Secretary of State of the Ministry of Finance, Trade, Investment and Economic Planning



“The Blue Economy is not just about fishing, it's a lot broader than this as it encompasses everything that boosts economic growth via the oceans.”

Brenda Bastienne,
Chairperson of the Development Bank of Seychelles



“There's a component of the Blue Bond that looks predominantly at research and during its first cycle we have mainly financed research-oriented initiatives for the Blue Bond.”

Angelique Pouponneau,
CEO of Seychelles Conservation and Climate Adaptation Trust (SeyCCAT)

Christophe Edmond

First Deputy Governor of Central Bank of Seychelles

Promoting Price Stability And The Use Of Financial Services

The Central Bank is playing a pivotal role in boosting confidence in the country and attracting new investors.



“We expect tourism and fisheries to maintain positive growth and remain our economic pillars. Private sector activities across all sectors, including financial services, are also becoming very important.”

Christophe Edmond was appointed First Deputy Governor of the Central Bank of Seychelles in 2012. Penresa sat down with him to talk about the country's economy and discuss his vision for its future.

International investment in Seychelles reached USD\$35 million in the first quarter of 2018, a 26% growth compared to 2017. What do you think propelled investor confidence and what role did the Central Bank play?

Since Seychelles embarked on the IMF-supported reform programme in 2008, the authorities have implemented several macroeconomic policies and adhered to long-term targets. Authorities have maintained discipline, including on fiscal matters, working closely with each other, supported by the IMF and the World Bank. This has kept us on track in terms of meeting the set targets. Our primary objective as the Central Bank is to promote domestic price stability. Over the past ten years, inflation has been under control averaging around mid-single digits. The country's external reserves have grown significantly and we now have around four months of import cover. Furthermore, every quarter, the Central Bank informs the public on the monetary policy stance through press conferences and provides quarterly updates on financial stability issues. The Central Bank has been at the forefront with regards to the modernisation of the national payment system, which helps in providing investors with confidence that their payments will be done efficiently. Overall, this is what we have done over the past ten years and work is still ongoing. Being transparent and communicating about what the central bank is doing are things that investors take into consideration and our success in meeting our objectives have definitely increased investors' confidence.

The Central Bank recently discussed the implementation of a national strategy for financial technology. Do you feel this will transform Seychelles' financial industry?

We are working with the Financial Services Authority, the Ministry responsible for Finance and

all key stakeholders to put in place a national strategy for the country. This will ensure that Seychelles has an efficient, safe and sustainable financial system, while keeping pace with innovation. Fintech will help to further develop the financial sector: it can support SMEs in accessing finance, create alternative payment systems, bring additional services to the market, among other benefits.

In terms of financial inclusion, Seychelles leads in the SADC region with a 95% rate. How do you plan to improve products and services with a customer-centric focus?

From the results of a Financial Literacy Baseline Survey conducted in 2016, the National Financial Education Strategy was developed, designed to impact the whole population. We are looking at the youth, aiming to include certain topics in their school curricula. We are also targeting the adult population, educating them on the aspects of savings, budgeting and investment. Additionally, we are looking at how we can work with SMEs, as well as the socially and financially vulnerable group. The implementation started last year and will go on until 2020. There is a high-level steering committee, which is supported by various working groups.

Economic growth is projected to be 3.3% in 2019 and 2020, with the service sector remaining the primary driver of growth. What are, in your opinion, the most appealing sectors investment-wise?

We expect tourism and fisheries to maintain positive growth and remain our economic pillars. Private sector activities across all sectors, including financial services, are also becoming very important. Moreover, with new airlines coming in, this will boost our tourism industry. There are also improvements to the port services and other key infrastructure. The Fitch Ratings Agency recently revised the country's Long-Term Foreign-Currency Issuer Default Rating to 'BB', from 'BB-' with a stable outlook. Overall, Seychelles has a stable economy and our policy of active diplomacy makes conditions favourable for investment.

The Happiest Kind Of Blues: Supporting The Seychelles' Businesses

The Development Bank of Seychelles is looking for new interesting areas of activity to boost the country's economy.

Established in 1978, the Development Bank of Seychelles (DBS) has gathered over forty years of experience in the financial sector, supporting SMEs, issuing loans, assisting companies and business communities and managing funds on behalf of the government. The bank recently issued a USD\$4 billion call proposal to look for new interesting businesses to participate in. "There are some specific areas we are covering," says Daniel Gappy, CEO of DBS. "For example, people want to develop animal feed for fish from by-products. Another area of interest are factories processing fish into burgers or similar."

Seychelles has decided to invest a great deal on the Blue Economy, and two years ago the government turned to DBS for the management of a dedicated Blue Investment Fund (BIF). "They felt that DBS was the ideal bank to take care of it," says Gappy "We already manage three other funds: the Agriculture Development Fund, the Fisheries Development Fund and the Green Climate Development Fund. Through BIF, 15 million bonds have been issued for international investors, 12 million of which are assigned to DBS," adds Gappy. "There is a lot of space, but we need to raise awareness. We need to convince people that their business has to be sustainable. For instance, we are trying to increase fish consumption in the country because it is healthy, and we want to add value here because it is more sustainable than, say, sending fish abroad to be canned." There are plans to host an important roadshow in Seychelles, and recently DBS received a visit from an important group interested in their BIF. "You might have heard about the South West Indian Ocean Fisheries



"Equality is enshrined in our blood. Everybody here has equal opportunities, nobody is discriminated on class or skin colour. We are very proud of that."

**Daniel Gappy,
CEO of DBS**

Governance and Shared Growth Project (SWIOFish)," adds Gappy. "It is the third project of this kind, so we are trying to adapt its model to other realities. It is a pilot project not only for Seychelles but also for the rest of the West African coast. The ocean is this country's only natural resource, so we need to protect it and make sure that we learn to use it wisely: for instance, some fishes cannot be exported anymore."

Seychelles' foreign investment attractiveness is seemingly on the rise (this year, the country's FDI increased 35% compared to the previous year), and

Gappy is adamant that one of the main causes lies in the country's long-standing political stability and in the government's efforts towards openness and accountability: "When he took office in 2016, the president promoted transparency in the executive branch of the government. The boards of all parastatal organisations are chaired by the private sector, so the private sector has come in. We have to make sure that everything is in line, that there is transparency. We need to handle requests for loans and make sure all the money we deal with comes from trusted sources."

Indeed, the efforts seem to have paid off: Fitch recently gave Seychelles a positive B++ rating, which is poised to further increase investors' confidence in the country. Gappy, however, warns against resting on laurels and welcomes the Central Bank of Seychelles' recent vow to implement more financial technology in the country. New technologies, DBS' CEO says, could open new interesting possibilities for the fishing industry: "We could tag fish using blockchain, which would enable us to follow their path from the moment they are caught to the moment they get to the restaurant." Additionally, DBS will soon develop an app and a website to enable customers to check and pay their loans on mobile, without having to rely on physical branches: "Time is a precious resource for consumers," adds Gappy. "It is important to improve the speed of payments and the productivity, without having to spend time in line to pay your bills. In the next five years DBS will move in that direction." 



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Johan Van Schalkwyk

Managing Director of Absa, Seychelles

Breathing Life into Entrepreneurial Ideas and Reinventing a Sustainable Future

Barclays - part of Absa Group Limited - is embarking on a rebranding journey toward their goal of building a pan-African bank.



“If you have an opportunity to lead one of the biggest organisations in Seychelles, you have a responsibility to leave things better than you found them.”

Can you tell us about your personal career path?

I entered banking 40 years ago and spent some time in corporate, international and retail banking. I was COO for a major bank in South Africa where I was responsible for running major operational projects, after which I launched into consultancy in 2010. I joined Absa in 2013 on a contract with responsibility for the customer channels and the digital journey to make the bank more effective. During my time there, I was asked if I wanted to extend my contract with Absa, and since I did not want to retire, I was given an opportunity as the Managing Director for Barclays Bank (Seychelles) Limited which has been a phenomenal learning experience.

The bank has embarked on a rebranding journey, changing its name from Barclays to Absa. How is that going?

Absa acquired almost all Barclays operations on the continent, with the exception of Zimbabwe and Egypt in 2013 and formed the Barclays Africa Group Limited (BAGL) of which Barclays PLC was a majority shareholder. In 2017 Barclays PLC reduced its shareholdings to 14.9%, and as they were no longer the majority shareholder, we could no longer use the Barclays name. This led to the renaming of BAGL to the Absa Africa Group (AGL) and the rebranding exercise ongoing across the Barclays operations. That was not a divorce, simply a separation. Barclays did not sell its shareholdings because of not having good returns but rather because of changes in the regulatory environment in the UK. We still have the right to use the name Barclays until June 2020, when we will conclude the separation. Africa has massive growth opportunities for Absa and has just the right environment for relaunching this brand and taking destiny into our own hands, building a great pan-African bank. Ten years from now I'll be able to say I was there. The people who are part of this journey are acquiring valuable skills on this once in a lifetime journey.

What opportunities does digitising the banking system bring?

Digitising banks is critical. Fintechs can play a big role in payment systems, loans and regulatory environments, and there are phenomenal opportunities for us to become e-Seychelles, starting in government. For example, many government services can be delivered digitally. If you look at regulations, building links into databases is not difficult today. The real journey for Seychelles, however, is becoming an incubation hub where it's easy to experiment and get fintechs going. That will change the perception of Seychelles as simply a great place for a vacation to a great place for business too.

Can you tell us about Absa's stake in the Blue Economy and how it is connected to SMEs?

The Blue Economy encompasses many different areas; from managing resources on a sustainable basis to ensuring that we develop new capabilities in the industry that we do not have. If we start creating opportunities for us to add more value from what we reap in the ocean, it is an incredible thing for local ventures (and I am not referring specifically to fishing). It is important to support entrepreneurs who want to tap into these new opportunities. Last month, we opened our SME Centre, an advice-based environment bringing life to entrepreneurial ideas. Blue Economy is phenomenal and I'm proud to say that Seychelles is playing a significant role in demonstrating its knowledge and capabilities in that domain.

Can you give us one last message of confidence about Seychelles?

From my perspective, Seychelles is a must-visit place. There are very specific (yet massive) opportunities for the fintech sector. When this place got created, we were given an extra touch of beauty. It is an experience of a lifetime and I have learnt a lot from Seychelles. Seychelles has a stable economy and a lot of incredible people. After having been in business for 40 years, it is one of the best places I have had the privilege of working and playing a part in its development.

Dominating the Telecom Sector From The Ground Up

Intelvision has their sights set on 5G in 2020, proving that Seychelles is a competitive force in the telecom industry.

Mukesh Valabhji began his career in 1984, working for the government as General Manager of the Import Division of the Seychelles Marketing Board, which employed almost 7% of the working population and accounted for 25% of the country's GDP. He was also Economic Advisor to former President France-Albert René and chairman of the Public Utilities Corporation. In 2004, Valabhji founded Intelvision.

In addition to his work in the telecom sector, Intelvision also does direct investment through SoftBank where Valabhji serves on the advisory board. The company is also closely involved in hospitality and television, and they partially own the Six Senses Zil Pasyon on Félicité Island, which was awarded 2017 Best Resort in the World.

Valabhji says, "I am a 4th generation Seychellois. I started from zero with an international focus. I am very proud to have launched a Seychellois telecom company. Our technology will be up to date with the rest of the world even without having as many users."

Currently, Intelvision provides internet to almost 65% of residential and less than 5% of businesses in Seychelles. They offer fixed lines and television services, in which Intelvision dominates about 85% of the market. Valabhji reveals, "We are about to launch 5G mobile. If everything goes as planned, it will be operating by the middle of next year."

Seychelles is known for its dedication to the environment, especially with the Blue Economy initiative. "The young generation is protective of the



"Seychelles is a land of opportunities. For me, if you cannot make it in the Seychelles, you cannot make it anywhere in the world."
Mukesh Valabhji,
Chairman of Intelvision

environment," says Valabhji. "This is very good for Seychelles. Everyone is very conscious of Blue Economy. When we banned plastic straws and bags, there was no resistance. It is the same for the sea. Blue Economy started with former President James Michel and is continuing with current President Danny Faure. Seychelles is one of the most advanced nations for the environment."

The Seychelles islands have incredible potential for growth, as witnessed by the economic growth in

recent years, which has increased by 3.3%, with tourism as the biggest driver. "Tourism is here to stay, but I want to see more value-added services come in. The service industry is very important and has a lot of opportunities for expansion. The telecom industry is now domestic-focused. The banking sector has seen a lot of improvement, too. Banks today are a lot healthier and more money has been given out as financing. Five years ago, if we wanted to expand, we would have had to borrow overseas. Today, we can borrow in Seychelles."

The natural beauty of Seychelles is enough to bring anyone to its pristine beaches, but Valabhji says that its people are the real treasure. "Everybody is a sort of mixture of various populations, but our peace has to do with our socialist upbringing," he says. "Everybody is equal. I think the basic principles of socialism are still existent in Seychelles. We have free healthcare, free education and subsidised housing. The state looks after you until you can stand on your feet. That will continue for a very long time. This is why, regardless of the background, everyone goes to the same schools. You can even go overseas if you get the grades, even if you cannot afford it. The same goes for healthcare."

Seychelles has it all: a stable government with a strong legal system, laws that are respected and an independent judiciary system. Like many Seychellois, Valabhji is proud of his home. "We have good policies in place. Everything that has changed with the government over the years has made every Seychellois very proud of their country. Seychelles is a land of opportunities. For me, if you cannot make it in Seychelles, you cannot make it anywhere in the world. We have everything it takes."

Dr Steve Fanny

CEO of Financial Services Authority (FSA)

Enjoying The Perfect Climate Of Seychelles' Financial Sector

Financial Services Authority CEO Steve Fanny tells Penresa why practical solutions lead to a stronger sector.



“Leveraging on Blue Economy means we become a pioneer in environmental conservation.”

Can you talk about your personal career path?

I came to Financial Services Authority in 2007. Then I went to the Ministry of Finance in 2012, but I came back to the FSA two years ago. I am pragmatic. I want simple solutions that help everyone. For example, when I first came to FSA, the industry was coming up with legislation. It was quite large in 2007. I told the FSA staff that I would give the managers two years to get a master's degree and become more competent in the sector. So they studied and gained knowledge and insight about the industry. The FSA and its directors today are well versed in matters of the industry.

How would you describe the business environment for offshore companies in Seychelles?

Seychelles is no more offshore. We use the term 'International Business' or 'International Financial Services'. Seychelles has been recognised as compliant with the BEPS (Base Erosion and Profit Shifting) requirements. Now, Seychelles international business companies have their registered offices in Seychelles. They have a tax certificate and a tax identification number in Seychelles. This allows them to open overseas accounts.

As for funds and security, we have amended our legislation when it comes to beneficial owner information. It is kept in our registers and is not public. In the spirit of security, the National Assembly created the law that information should not be public, but will be disclosed to the relevant authorities if there is genuine reason.

What are the competitive advantages of the Seychellois Jurisdiction compared to competing countries such as Mauritius?

Our Corporate Service Providers work very fast. For example, we can create an IBC within 24 hours, thanks to the boost in infrastructure. The whole process costs USD\$115 dollars. This is one of our competitive advantages: we provide good services at a competitive price.

Seychelles has double tax agreements with many countries, including China and Indonesia. Within the region, we are unique. If we compare Seychelles to Mauritius, our business model is different. Seychelles and Mauritius complement each other because our products are not the same.

How has the adoption of the Blue Economy inspired new business practices in Seychelles? What about the concept of sustainable finance?

Seychelles has issued the Blue Bond. You subscribe to the bond and the government will keep certain parts of the ocean pristine. Seychelles is a country with a small land size; however, the sea areas are bigger than France. So it makes good sense to develop the economy of the ocean. This is where the Blue Economy strategy emerges: fishermen, tuna, farming. There are so many things you can do in the ocean. Leveraging on Blue Economy means we become a pioneer in environmental conservation. The government has also made it clear that they are thinking about preservation.

At FSA, we have been looking at Islamic finance and sustainable finance as new focus areas. They both believe in the same thing: the preservation of the environment. When we launch our sandbox and capital market strategy, we will leverage on the concept of sustainable finance. If we get our strategy well, we can get a lot of attraction to this area.

Why is NOW the best time to invest in Seychelles?

We are the gateway into Africa and we are compliant with international standards. We have double tax agreements with many countries, our CSPs are professional and the industry is booming. Funds and securities are among the fastest growing industries in the African market and the legislative process is flexible. Seychelles is the best jurisdiction, plus, there is sun all year long. What more could you possibly want?



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Al Salam Bank - Seychelles (ASBS) is an Islamic Bank headquartered in Seychelles and licensed and regulated by Central Bank of Seychelles. ASBS is a subsidiary of Al Salam Bank – Bahrain (ASBB), one of the pioneering Shari'a-compliant Banks based in the Kingdom of Bahrain. The bank is jointly owned by ASBB and Seychelles Pension Fund, with an ownership of 70% and 30% respectively.



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ASBS offers its customers a comprehensive range of innovative and unique Sharia-compliant financial products and services. The introduction of latest financial technologies and e-channels has made Al Salam one of the key players in Seychelles' banking ecosystem.

ASBS reshaped its entire infrastructure in 2018, adapting itself to a universal banking business model as an offshore-only bank. As a retail bank, ASBS now offers a full range of products and services for deposits, financing and investment. The bank has aggressively targeted corporate, SME and other productive sectors of the economy and its efforts are paying off; Al Salam is now one of Seychelles' favourite bank offering a one-stop solution to its customers.

According to CEO Asim Kumar, one of the bank's strongest attributes lies in its reasonably-priced service-charges and personalised and effective customer service. "People value time," says Kumar. The bank ensures that clients are well cared for and receive prompt and respectful assistance. Using Seychelles as the launching pad, ASBS aims to expand by penetrating the banking landscape of neighbouring countries and create a bridge between GCC and Indian Ocean Rim countries.

Al Salam Group is committed to its corporate social responsibility, not only by providing the best banking experience, but by also investing in the local community. ASBS underscores this commitment by supporting initiatives that contribute to the nation's social well-being and supporting development for future generations. The bank adopts internationally recognised standards and best practices in areas such as corporate governance, compliance and risk management, and operates with a high level of integrity, transparency and trust. Brand Al Salam, Kumar adds, is determined to become a strong Seychellois reality.

Conrad Benoiton

CEO of Seychelles Petroleum Company (SEYPEC)

Fuelling Seychelles Towards A Sustainable Future

Over the past three decades, SEYPEC has grown to become an important strategic entity behind the country's energy sector and economy.

SEYPEC has two activity arms: providing petroleum products, where there is not much room for competition, and the vessels. How do you generate revenue with your vessels?

My predecessor took the decision to invest in the vessels to solidify the capital strength of the company, to be able to invest our capitalised growth on its undertakings. With the first tanker, we reinvested for a second tanker, and now the company has increased its value. It has paid a significant dividend, and the major return of that, other than our balance sheet, is having 125 sea mariners from Seychelles working for us. We anticipate that in the next five years we will have almost 300 young sea mariners in our tanker fleet. In order to be efficient and progressive in our investment, we want to implement a replacement strategy every two years, commencing in 2020, in order to sustain the human resource capacity growth that we have generated.

You are a promoter of the Blue Economy. Can you elaborate on how SEYPEC is compliant with environmental standards?

SEYPEC has always complied with the strict environmental laws of this country, even though it has cost the company in terms of operations, discipline, training, to ensure that all our petrol stations are up to international standards. It costs more, however it is integral to the country, as we believe in the Blue Economy and in the environmental factors. We have taken significant measures to ensure that the elements of compliance from its operations are class one.

Following discussions with Mozambique, Seychelles is expected to have its first Liquefied Natural Gas (LNG) power station by 2023. How does this align with the country's sustainable vision while reducing the cost of electricity?

We are now in the midst of constant discussion with the power utility here about the role we play in supplying the LNG plant through LNG vessels. Mozambique is obviously



“In order to be efficient and progressive in our investment, we want to implement a replacement strategy every two years in order to sustain the human resource capacity growth that we've generated.”

our source in terms of energy, but they need four to five years before they start exporting. Up until that happens, the infrastructural capacity of receiving LNG is huge. The equation of our consumption value versus the capital is the big question now. So, the transition is yet to happen, and now we are asking ourselves how we can mitigate capital investment costs versus the operating costs of LNG. That is why our tankers will not come here: they are too big to supply Seychelles. Many things need to be established in our fiscal management process. I think it will take us up to five years, being tied up with the beginning of the Mozambique export strategy.

Could you give to the readers of FORBES AFRICA a message of confidence about Seychelles?

Anybody can come here since it's a visa-free country. The environment is secure and we are part of the commercial capacity of Africa as members of the AU, SADC and COMESA. The financial regulatory authority and the Central Bank are well poised, and will continue to have the confidence of international investors to go into Africa. I stayed here because I wanted to, I felt for my country. When I was tasked to set up something, I went the extra mile and I believed in the philosophy of what I wanted to do. That is gratifying for me.

Creating A New Pathway For The Future Of Seychelles And Upcoming Generations

Seychelles Ports Authority is developing the island's ports to aid Blue Economy, tourism, transportation and more.

Can you tell us about your personal career path?

In 1981, I graduated from the Naval Academy in the Soviet Union and returned to Seychelles to work for the navy. The navy was established in 1979, so I essentially had the opportunity to develop it from scratch. In 1992, I left the navy and joined the private sector. In 2003, I saw the need to increase service delivery in the car business so I focused my efforts there. We now represent two vehicle brands which represent 40% of the market share. We created subsidiaries associated to the after sales service of the business. For us, service delivery is very important.

How will the port expansion project strengthen the sector?

When I was offered the opportunity to take the Chairmanship of SPA, I initiated a final study for the expansion and rehabilitation of the port. The original port was built on piles in 1972 and the current load factor on the quay is above what it is designed for. We launched an international tender to realign the quay. It will be 40 metres further out to sea and will gain 2.4 hectares of land from the sea, which will improve the container congestion we are now experiencing. The project has already begun and the design was completed last month. The latest generation of cargo vessels will now be able to call to Port Victoria. These improvements will reduce cargo costs.

How are Seychelles' fisheries connected to Blue Economy?

We are an island state. All our proteins come from the sea. We need to modernise the industry and ensure that we do not overfish so the upcoming generations can continue with this economic activity. We need to encourage both long liners and purse seines to keep coming to Port Victoria. We should continue to encourage our stevedores to load and unload fish correctly, avoiding any damage to the fish. This is our business. We need to continuously train and encourage the SPA team to perform with dignity and excellence day and night.

In what ways is Seychelles Ports Authority working to improve the tourism sector?

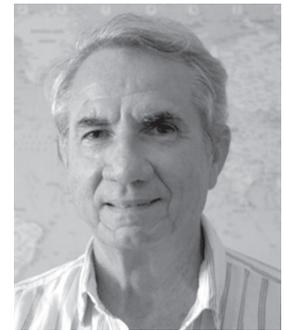
We are in discussion with a cruise company who wants to have one of its cruises departing from Port Victoria. The port is now investing in a new passenger walkway. It will facilitate arriving passengers from the airport to board their cruise ship in an orderly and safe manner. Likewise those leaving the cruise liner to the airport will enjoy their trip back home. It is only with the establishment of a cruise terminal that a smooth transit can be achieved.

When you imagine Seychelles in the next ten years, what do you see?

I see a bright future for the country. Seychelles has everything to succeed: human capital, knowledge, intellect. However, since our labour market is small, we will always import foreign labour, but there is nothing wrong with that. It is part of a healthy economy. From 2008, the peak of the economic downturn, to date, we have created the rules and regulations for the transformation of a more liberal economy. It is now appropriate for any form of investment in Seychelles. This is a beautiful country, I see no way we will not progressively develop and prosper.

How do you view the Seychellois creole culture and identity as an asset to the country?

My ancestors came here five generations ago. These generations have seen different races, cultures and languages intertwine and created the creole people. We have melted into a nation that will celebrate 250 years in one year's time. Ports have the attribute to link people of different races and cultures together. SPA is building a terminal on Praslin for passengers travelling between the islands. To commemorate the event, a small statute will be unveiled on the Praslin Passenger Terminal in memory of the seafarers who came here. We believe that people from everywhere in the world can come together and understand each other if they have endured the harsh elements and vast oceans together.



“I see a bright future for the country. Seychelles has everything to succeed: human capital, knowledge, intellect.”

Afreximbank Focus On Seychelles

Complementing The Blue Economy Strategy

Afreximbank is committed to supporting Seychelles' Blue Economy and is working towards increasing cooperation to finance SMEs and increase trade within the continent.

Seychelles' intention is to implement the Blue Economy concept at the national level as a framework to foster an integrated approach for sustainable development programmes. The Blue Economy has been embraced by the government of Seychelles as a mechanism to realise sustainable economic development as an ocean-based economy. As a result of this coordinated approach, Seychelles has achieved outstanding leadership on islands, climate, oceans and Blue Economy internationally through its commitment and engagement in international ocean and climate fora and active participation in global and regional partnerships. Progress is currently being made through the National Development Strategy 2018-2022, which aligns perfectly with the Blue Economy Strategic Framework and Roadmap.

One of the most pertinent issues affecting intra-African trade at the moment is the quality of maritime and logistic infrastructure across the continent. With the world's highest transportation and transaction costs, Afreximbank's President Dr Benedict Oramah points out that "only a few of the African countries with access to the sea had established the right infrastructure for marine transport even though marine transport accounted for 92% of Africa's external trade and 92% of the continent's imports were seaborne." He alludes to the fact that Africa currently handles only 6% of global seaborne traffic, out of which 50% of the volume was handled by Egypt and South Africa.

As the foremost pan-African multilateral financial institution, Afreximbank is working to encourage Seychelles to offer incentives that galvanise Seychellois businesses to support the development of local shipping lines and call for investment in national/domestic fleet through gradual and staggered vessel acquisition, terminal management, freight forwarding and logistics. Opportunities currently exist in inland waterways, cruise ship services, trans-shipment, container manufacturing and repairs, dry docking and

other value addition services, such as sorting, arranging, packaging/re-packaging, cold storage and distribution.

The Blue Economy represents a new frontier for Africa and for economies such as Seychelles that have very good links with the sea. Afreximbank believes intra-African trade will be the main driver for industrialising Africa, thus the emphasis is on improving investment channels for the 115-island archipelago. As a great supporter of the Blue Economy initiative in Seychelles, Afreximbank's major goals are to replicate the Seychellois spirit in other island nations across the continent. Dr Oramah points out Afreximbank's work in creating and financing the Eden Island project, currently contributing more than 20% of the Seychelles' GDP. In addition, Afreximbank is spearheading the extension of the nation's island airport and an ongoing tourism development project on Felicite Island to great results.

To continue along its support of Seychelles and its Blue Economy strategy, Afreximbank is assisting Seychelles through various programmes, including technical assistance and training as well as proposing mechanisms to boost entrepreneurship. "Right now the Seychelles economy is doing very well so we continue to look at several initiatives especially to work with the Ministry of Finance, the Central Bank of Seychelles and other agencies, to develop a Blue Economy strategy that would be directed at making Seychelles even more important globally as a financial centre to support the group of small and medium enterprises. The idea is to work to incubate SMEs so that they have access to finance," said Dr Oramah.

In line with its mandate to finance and promote intra- and extra-African trade, Afreximbank is completely aligned with President Faure's administration to ensure that the Blue Economy is streamlined to spur socio-economic development, protect the oceans and improve the welfare of all Seychellois.

Modernising Ports To Secure Its Place In A Modern World

The Seychelles Ports Authority (SPA) was established in October 2004 by the SPA Act, a government decision to align and separate operations and regulations with best international practice.

SPA's business-oriented approach is now focused on better management and provision of high quality service relating to all port activities. SPA's vision is to transform and sustain Port Victoria into a vibrant maritime hub. Its mission is to safeguard the maritime gateway to the Seychelles socio-economy by providing adequate and reliable port infrastructure and services in order to facilitate the achievements of the Blue Economy objectives of the country. Ronny Brutus, CEO of SPA says, "I know the challenges and the opportunities that we have and how to make advancements in terms of our development agenda, progress and contribution to the economy. We have synergies with all the departments of government. Our strategy is to turn challenges into opportunities."

Port Victoria remains one of the most important Industrial Fishing, Cruise & Super yachts port destinations in the southwest Indian Ocean, engaging the private sector in port-related developments and maintaining strong collaboration with other ports in the region by virtue of its membership of the Association of Ports of the Indian Ocean Islands as well as the Port Management Association for Eastern and Southern Africa. "When Port Victoria was inaugurated, cargo transportation, technology and the vessels were different," says Brutus. "In order to stay relevant in the current development, especially for the economy of Seychelles, we need to have a modern port, to offer better facilities. It will increase our visibility in the region, and with a new port we will have different port calls from different agents, because their vessels will be compatible with what we are offering."



"We have synergies with all the departments of government. Our strategy is to turn challenges into opportunities."

**Ronny Brutus,
CEO of Seychelles
Ports Authority (SPA)**

Other ports, such as Mahé Quay, also aid maritime connectivity of Seychelles to the rest of the world by facilitating international trade and cruise tourism. "The main driver of the economy is still tourism and will be for a long time," says Brutus. "Seychelles has recently won the "Indian Ocean's Leading Cruise Destination" World Travel Award and has previously won for five consecutive years." Procedures are ongoing for a major expansion of Seychelles main port terminal. The Inter-Island Quay also aids in tourism as the main maritime connectivity between the islands for both cargo and passenger traffic.

Additionally, Praslin is becoming an increasingly important link in the transportation chain between the inner islands. SPA is developing Praslin as a mini hub for islands such as La Digue, Denis Island and Fregate for cargo and passenger transfers. An efficient and integrated port terminal is being developed at Eve Island with the full separation of cargo and passenger traffic. The present passenger terminal at Baie Ste Anne jetty will be phased out and the facility will be redeveloped into a waterfront and leisure centre.

In having such an important role in Seychelles oceans and economy, the SPA is dedicated to Blue Economy. Brutus says, "The aspect of environmental protection is very important for us. It's a matter of preserving, keeping this place in better conditions than when you first found it, so that future generations can relate to the experience that you have gone through. There needs to be harmonisation between our economic development and the safeguard of our environment."

With a Board of Directors focused on accountability, efficiency, transparency and success; with a dedicated management team and a hardworking Seychellois workforce; with a number of projects and the procurement of modern and state-of-the-art equipment at various stages of planning, financing and implementation and with continually rising public expectations, SPA remains focused on the tasks at hand and on course to be one of the leading candidates for the most efficient and best public-owned companies in Seychelles delivering the best to its customers and to the Seychellois public and fully supporting the tourism as well as the tuna fishing industries.



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Closing article

Pioneers Of Environmental Conservation And Preservation

Blue Economy and conservation has permeated every aspect of the Seychelles economy, and now the island country offers investment opportunities to continue its mission toward progress and protection.

The Republic of Seychelles is an example that proves that the size of the country is of little importance when you have a dedicated and driven population and administration. The island country boasts breathtaking beaches, turquoise waters and abundant flora and fauna, including its wide variety of marine life. The waters of Seychelles have been named among the cleanest in the world and its natural beauty is the result of years of hard work to ensure that nature is maintained and that Seychelles remains a paradise for the upcoming generations.

Seychelles has demonstrated that Blue Economy is the key to sustaining the environment and the future markets of Seychelles. President Faure said, "Ingraining the concept of Blue Economy is what we need: we cannot make the mistakes of the past. We are the first country in the world to have a roadmap on how to develop the ocean."

Although these initiatives have recently gained traction on a global scale, it is important to note that Seychelles and its leaders have been leading the conservation movement for over two decades. "Even before thinking about developing the Blue Economy, we have already been engaging with the sea: fishermen, tourists, the beaches for the local people, which for us are space for recreation, space to do business, space to do conservation, to protect.

Photo credit:
©Torsten Dickmann



Now, going forward towards the future, the Blue Economy for us represents the future, it represents the new frontier for us. It is both wealth for prosperity and protection and conservation. This is what sustainable development means," says Wallace Cosgrow, Minister of Tourism.

Long before famous figures such as Leonardo DiCaprio and Al Gore highlighted the urgency to protect the earth, early initiatives from Seychelles have been taken in terms of environmental awareness. Environmental protection is not a passing fad; it is here to stay for the benefit of future generations. Seychelles' environmental Renaissance man Kantilal Jivan Shah, affectionately known as 'Kanti,' was a well-respected environmentalist and dedicated his life to ecotourism. His efforts resulted in the creation of the Ste. Anne Marine and Port Launay Marine National Park, the Protection of Shells Act; Animal and Bird Protection; Protection of Turtles; the Seychelles Marine Mammal Sanctuary; and more. Because of his hard work, locals and tourists alike enjoy these spaces and Seychelles' beauty today.

Another example is billionaire German industrialist Otto Happel, whose work to conserve Fregate Island saved it from destruction. The island was settled in the early 19th century where settlers grew coffee, vanilla and cinnamon which nearly destroyed the previously untouched forest. Happel bought the island in 1977 and preservation movements began in 1998. Due to these efforts of conservation, it is now a private "deserted" island that enjoys around 40 visitors a year. More than a luxurious getaway for lucky travellers, the island is a refuge for wildlife and continues to preserve Seychelles' natural beauty.

Those who have pressed forward with Blue Economy are visionaries—not followers. Even in 1992, the Earth Summit in Rio de Janeiro introduced Agenda 21, a blueprint to rethink economic growth, advance social equity and ensure environmental protection. Fast forward to present-day, Blue Economy is firmly in place, ensuring that the conservation of the marine life and oceans aids in the survival of global economies.

Seychelles itself stands out as a haven of opportunity with a clear plan. President Faure has said, "We know exactly what needs to be done. However, for the means to do that, we need partnerships. This is an opportunity for partnership and investment in areas where we can reap the benefits of what the Blue Economy represents for the country." Seychelles has all the steps in place to make a difference in its own economy and the health of our oceans. Joseph Albert, Chairman of Creole Travel Services echoes this need, saying, "As long as you create a conducive environment and make them find a local partner. The best sectors are hotels, maritime and the Blue Economy. With the Blue Economy, if you make money, the country makes money."



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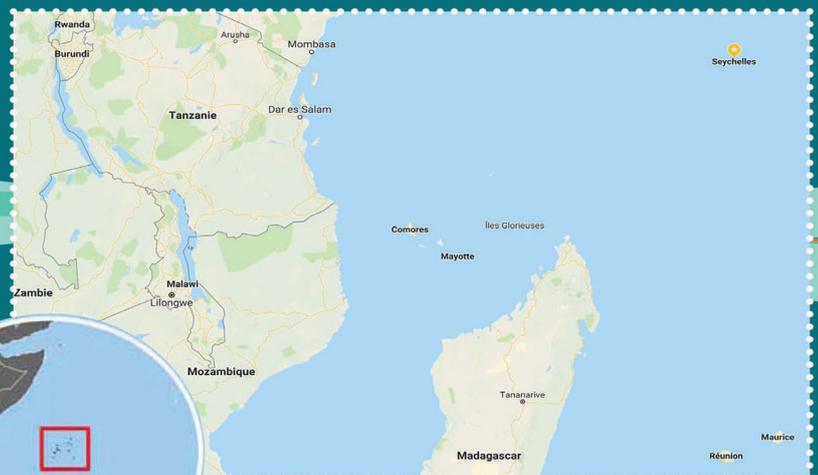
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