

**FOR
INFORMATION**

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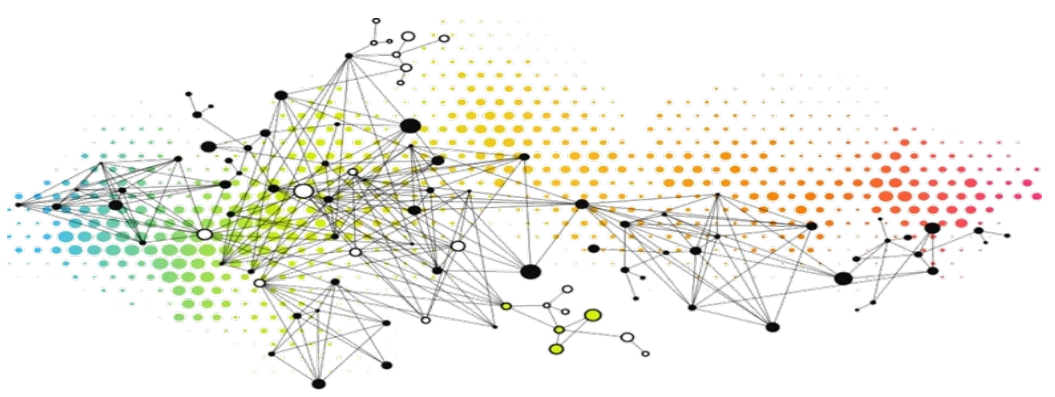
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SEYCHELLES

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REPORT ON EXTERNAL SECTOR STATISTICS MISSION (OCTOBER 4–13, 2021)

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Glossary

CBS	Central Bank of Seychelles
CSL	Company Special License
CSP	Corporate Service Provider
ESS	External Sector Statistics
FSA	Financial Services Authority
FX	Foreign exchange
IBC	International Business Company
IIP	international investment position
IMF's SPE Survey	IMF's survey "Resident Special Purpose Entities: Cross Border Flows and Positions"
MOU	Memorandum of Understanding
NBS	National Bureau of Statistics
RD	Registration Division
SPE	Special Purpose Entity
SRC	Seychelles Revenue Commission
STA	IMF's Statistics Department
TA	Technical assistance

SUMMARY OF MISSION OUTCOMES AND PRIORITY RECOMMENDATIONS

- 1. A remote external sector statistics (ESS) technical assistance (TA) was provided to the Central Bank of Seychelles (CBS) during October 4–13, 2021.** The main objectives of the mission were to (i) assist the authorities in improving the quality of ESS by focusing on actions undertaken by the CBS for collecting data from corporate service providers (CSPs) and their inclusion in the balance of payments and international investment position (IIP) statistics; (ii) assess the data reported by the CSPs and their fit into the ESS framework; (iii) prepare the basis for Seychelles' participation in the IMF's survey "Resident Special Purpose Entities: Cross Border Flows and Positions" (IMF's SPEs Survey); and (iv) review and assess the adequacy of estimated travel services.
- 2. The offshore activity in Seychelles is significant and continues growing.** The CBS and Financial Services Authority (FSA) adopted a two-phased approach to collect the data. Phase one covered collecting data on Companies Special License (CSLs), and phase two plans to expand the survey coverage to International Business Companies (IBCs). In 2021, amendments have been introduced to the regulatory acts related to the offshore entities that may facilitate the availability of financial data for the IBCs. In medium term, the CBS should develop a strategy and initiate the survey of IBCs. Further TA may be required for this purpose.
- 3. While positive progress has been registered in the cooperation between the CBS, FSA, and the CSPs, the growing number of offshore companies in Seychelles pose further challenges to ESS compilers.** There is need in strengthening the FSA efforts for imposing timely submission of financial statements by CSPs. Also, the CBS needs to be given direct access to reporting CSPs for providing timely feedback on identified inconsistencies, mistakes, or omissions in reported data. The collection and compilation of accurate, timely, with improved coverage, data on offshore entities can be only based on common CBS and FSA efforts.
- 4. Seychelles expressed interest to participate in the IMF's SPEs Survey for data to be submitted by the end of 2021; however, the coverage will be limited only to those SPEs for which data are available (e.g., CSLs).** The mission familiarized the compilers with the main elements of the operational guidance for the implementation of this survey focusing particularly on the statistical definition of SPEs and the application of the decision tree (as per the "*Special Purpose Entities: Guidelines for a Data Template*") for deciding which offshore entity meets the SPE definition. It was concluded that all of the offshore entities in Seychelles fit the statistical definition of SPEs. The CSPs Survey covers all indicators requested in the IMF's SPEs Survey.
- 5. The mission assisted the CBS to prepare for the submission of the IMF's SPEs Survey.** The mission analyzed the data collected through the CSPs Survey and discussed with the FSA identified inconsistencies. The mission aggregated the results and mapped them with the indicators requested in the IMF's SPEs Survey. For finalizing the data before the deadline for the

SPEs survey, compilers should (i) request the CSPs addressing the identified issues; (ii) adjust the aggregated SPEs data based on changes to the CSPs reports; (iii) revise balance of payments and IIP for 2020 (and 2019) by replacing the estimated indicators for SPEs with the reported data; and (iv) fill in the IMF's SPEs Survey with adjusted data.

6. The data on travel services—the main component of Seychelles current account—are deemed to be considerably underestimated. The CBS has been estimating the travel services based on foreign exchange (FX) transactions, but they are significantly underestimated as tours booked outside the country in foreign currencies are not captured. The CBS has developed a new estimation model based on statistics on number of visitors, hotels occupancy, and other expenses made by foreigners. The mission assessed that the new estimation model has a sufficient quality and recommended using the new estimates for the travel services beginning with balance of payments for Q1 2022, with backward adjustments from 2016. The use of new estimates of travel services would reduce the current account deficit significantly and will have a positive impact on GDP (Table 3 shows the estimated increase in travel receipts for 2013–18).

7. The staff resources allocated to the compilation of the ESS need to be enhanced. Currently, the staff in charge of the compilation of balance of payments, IIP, and external debt perform also other functions, which reduces the time they can devote to ESS data collection, validation, and compilation. The CBS should consider reducing their involvement in other tasks so that they are able to improve the quality of collected data. They also should take the online course on Balance of Payments and IIP Statistics launched by the IMF in 2021.

Table 1. Seychelles: Top Priority Recommendations

Target Date	Recommendation	Responsible Institution
November 2021	<i>Revise the balance of payments, IIP, and external debt data for 2019–20 incorporating the adjusted SPEs data</i>	CBS
December 2021	<i>Fill in the IMF SPEs Survey based on the revised balance of payments and IIP data for 2020</i>	CBS
December 2021	<i>Submit to STA the SPEs Survey for 2020</i>	CBS

8. Further details on the priority recommendations and the related actions/milestones can be found in the action plan under Detailed Technical Assessment and Recommendations.

9. The mission wishes to thank all the staff of the CBS for all the time and effort they put into making the mission a success, as well as all officials with whom the mission met. A list of officials met is included in Appendix I of this report.

DETAILED TECHNICAL ASSESSMENT AND RECOMMENDATIONS ACTION PLAN

10. The below action plan includes steps to accomplish milestones as well as the target completion dates. Considering the limitations due to its remote delivery of the mission and its short duration, a condensed action plan is recommended that includes a limited number of actions focused on issues derived from the restricted mission's tasks. Actions are prioritized as high (H), medium (M), low (L).

Priority	Action/Milestone	Target Completion Date
Outcome: Source data are adequate for the compilation of ESS		
H	Follow up with CSPs for addressing the identified issues in reported data (e.g., misclassifications, inconsistencies between assets and liabilities, missing data, etc.)	October 2021
H	Adjust the 2019–2020 CSPs Survey results for addressing mistakes and inconsistencies based on updates from CSPs, applying checks and validation procedures discussed during the mission	November 2021
H	Revise the balance of payments, IIP, and external debt data for 2019–2020 for incorporating the adjusted SPEs data	November 2021
M	Fill in the IMF SPEs Survey based on the revised balance of payments and IIP data for 2020	December 2021
H	Adjust the CSPs survey form based on the mission's recommendations for the 2022 round of the CSPs survey	January 2022
H	Compile the data on travel services applying the new estimation model	Starting with data for Q1 2022
H	Revise backward data on travel services based on new estimation model	March 2022
H	Amend returns C1 Deposits by Residency, Institutional Units, Economic Sectors & Currency of Denomination based on mission's recommendations	January 2022
M	Initiate the preparatory work for expanding the coverage of CSPs survey to IBCs	2023
Outcome: Resources are adequate for compiling and/or disseminating macroeconomic and financial statistics		
M	Consider reducing the assignment of balance of payments and IIP compilers to tasks not related to ESS	Ongoing
Outcome: Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination.		
H	Assign the CBS ESS compilers to take the online course on Balance of Payments and IIP Statistics	January 2022

Priority	Action/Milestone	Target Completion Date
<i>Outcome: Data access to the public has improved through better formatting/framework presentations and/or assistance to users.</i>		
H	Submit to STA the IMF's SPEs Survey for 2020	December 2021

A. Collection and Compilation of Statistics on Offshore Activities

11. The offshore activity in Seychelles is significant and continues growing. According to the FSA, the number of offshore entities exceeds 200,000 in 2021; however, only about 25 percent are active (in good standing).¹ The work for covering the offshore activities in ESS started in 2012 and comprises two phases. The first phase covers collecting data on specific type of offshore entities—the CSL—created for the purpose of avoiding double taxation.² The surveyed population are CSPs that are CSLs financial records keepers and report on behalf of their CSLs clients. The CSPs survey was launched in 2014 (for data for 2012 and 2013) and is carried out through the FSA—the regulatory body of the offshore activity in the country—who then submits the reports to the CBS without executing any validation/checks. The CSPs survey results are consolidated with the balance of payments, IIP, and external debt for the rest of the country and the three consolidated datasets are disseminated. The CBS disseminates the balance of payments and IIP in two formats—including and excluding data on offshore entities.

12. Collecting data on offshore activities in Seychelles remains challenging and requires joint efforts of all stakeholders. Since 2017 TA mission, the authorities made some progress in improving the data on offshore activities in ESS. It included adjusting the CSPs survey form by (i) requesting the number of new CSLs covered in the report; (ii) adding additional breakdowns needed for a better integration of data in the balance of payments and IIP; and (iii) adjusting the title for some components to better aligned them to reporters' terminology.

13. The mission assessed the results of the CSPs' survey conducted in 2021 covering data for 2019 and 2020. The data have been reported by CSPs aggregated for all covered CSLs with the indication of number of total CSLs in their portfolio, of those covered in the report, including the number of new CSLs. General check of the consistency and adequacy of the reported data for 2019 and 2020 have been conducted, and, when needed, in comparison with data for the previous years. The mission noticed improvements have been noticed in the quality of reported data. Inconsistencies between positions at the end of the previous period and

¹ The offshore entities pay annual fee to the Government. If the annual fee is not paid, the entity is considered dormant but is kept in the register for seven years. During this period, they can reactivate by paying the fee. After seven years of being dormant, they are excluded from the register.

² According to the Seychelles Companies (Special License) Act 2003 terms, CSLs are low-tax companies that are able to access and use the international Double Taxation Avoidance Treaties (DTAs) concluded by Seychelles with other countries. CSLs is formally considered tax-resident in Seychelles; therefore, they are requested to keep balance sheet records and to provide annual financial statements to FSA.

position data at the beginning of next period have been eliminated, and misclassifications have been observed only in a few instances. However, there are still some irregularities yet to be addressed.

14. A challenge in conducting the CSPs survey faced by ESS compilers is the liaison with reporters. The CBS compilers do not have direct access to reporters for data verification and for following up on identified inconsistencies as the collection of CSPs data is still done with FSA intermediation. As the FSA staff has no expertise in the ESS methodology they are not able to exercise an adequate follow up with the CSPs on inconsistencies. The previous ESS mission stressed the need of allowing the CBS to contact directly the CSPs for follow up; however, this recommendation has not been implemented. To facilitate the direct follow up with the CSPs by the CBS staff, the mission agreed with the FSA representatives that the FSA would inform CSPs that the CBS could contact them to request clarifications on the 2019/2020 report.

15. For cross-checking and validating data reporting by the CSPs, access to the financial statements of CSLs covered by the survey is the most recommended tool. According to existing regulatory acts, CSPs are obliged to submit to the FSA the financial statements of CSLs by end-June of the following year. However, in many instances the financial statements are submitted to FSA with considerable delay. During the 2017 mission, the FSA committed to provide the CBS with the CSLs' financial statements, but this commitment has not been fulfilled because the financial statements were not available timely. Also, starting from 2017, the FSA was expected to implement more aggressive strategy to collect financial statements from CSPs timely, applying penalties for non or late submission. However, no actions have been undertaken in this regard due the absence of a strong regulation that would support the application of penalties.

16. The following immediate actions were agreed with the FSA and the CBS to wrap-up the processing of data from the CSPs survey for 2019–2020 and prepare for the participation in the IMF's SPEs Survey:

- (i) the FSA sending the feedback questions to the CSPs with the deadline to answer the questions by November 19 (October 15, 2021);
- (ii) the CBS reaching out the CSPs directly for non-response and inconsistencies in reported data (by end-November 2021);
- (iii) the CBS updating the balance of payments and IIP for 2019–2020 by replacing the estimated offshore data with the reported ones (by December 15, 2021).

17. New amendments to the offshore activity regulatory act have been introduced in 2021 that could result in two important implications for the Seychelles' offshore activities statistics. According to the amendments, the CSLs that are created for taking advantage of tax concessions offered by the Double Taxation Avoidance Treaties will be taxed applying the domestic rates. This may result in the majority, if not all CSLs, leaving Seychelles given that they

will no longer be able to take advantage of tax concessions. As of other types of offshore entities—IBCs—starting from 2021, they are obliged to keep in Seychelles their financial records for the last seven years. This could facilitate their survey for the balance of payments purpose. Taking advantage of this change related to IBCs, the CBS should consider initiating the second phase of the project on covering offshore activities in ESS. For this purpose, the CBS together with FSA should develop a strategy for collecting the IBCs data. This would require a careful stratification of IBCs to be included in the survey population;³ further TA may be required for this purpose.

18. The return C(viii) has been replaced by return C1 Deposits by Residency, Institutional Units, Economic Sectors & Currency of Denomination to identify asset and liability positions of offshore entities, introducing recommended amendments by the 2017 mission. A few further changes need to be made before the first collection of the return in 2022, including providing a clearer definition of SPEs in the instruction to the form.

Recommendations:

- Follow up with CSPs to address the identified issues in reported data (e.g., misclassifications, inconsistencies between assets and liabilities, missing data, etc.);
- Adjust the 2019–2020 CSPs Survey results by addressing mistakes and inconsistencies based on updates from CSPs, applying checks and validation procedures discussed during the mission;
- Adjust the CSPs survey form based on the mission’s recommendations (to be used for the 2022 round of the CSPs survey);
- Initiate the preparatory work for expanding the coverage of CSPs survey to IBCs;
- amend returns C1 Deposits by Residency, Institutional Units, Economic Sectors & Currency of Denomination based on mission’s recommendations.

B. Participation in the IMF Survey on SPEs

19. In early 2021, the IMF launched the survey “Resident Special Purpose Entities: Cross Border Flows and Positions” and Seychelles expressed interest to participate in it. The mission discussed with compilers the template for reporting the data as well as the main elements of the operational guidance for the implementation of the survey. The focus was on the statistical definition of SPEs and the application of the decision tree (as per the *“Special Purpose Entities: Guidelines for a Data Template”*) for deciding if offshore entities incorporated in Seychelles meet the SPE definition. Analyzing the characteristics of offshore entities incorporated

³ In 2021, there are about 54,000 active IBCs in Seychelles.

in Seychelles following the decision tree, it was concluded that all of them fit the statistical definition of SPEs.⁴

20. The assessment of the report form used by the CBS for collecting data from CSLs confirmed that they contain all main components requested for the IMF survey. In addition, as the CBS compiles and disseminates the consolidated balance of payments and IIP that include data for onshore and offshore entities, the available data allows to fill in all required components of the IMF’s SPE Survey: (i) the totals to be drawn from balance of payments and IIP, and (ii) “of which” data for SPEs by indicator.

21. The mission assisted the CBS in preparing for the submission of the IMF’s SPEs Survey. Thus, the data collected through the CSPs Survey for 2019 and 2020 have been aggregated recognizing that they are row data that will be updated when the CSPs address the identified inconsistencies (Appendix II). Further, the aggregated indicators have been mapped with the indicators requested in the IMF’s SPEs Survey (Appendix III). For finalizing the data before the deadline for the submission of the survey to the IMF, compilers should (i) reach out to the CSPs for clarifications/changes regarding the identified issues in reported data; (ii) adjust the aggregated SPEs data based on changes to the CSPs reports; (iii) revise balance of payments and IIP for 2020 (and 2019) by replacing the estimated indicators for SPEs with the reported ones; and (iv) fill in the IMF’s SPEs Survey with adjusted data.

Recommendations:

- Revise the balance of payments, IIP, and external debt data for 2019–2020 by incorporating the adjusted SPEs data;
- Fill in the IMF SPEs Survey based on the revised balance of payments and IIP data for 2020;
- Submit to STA the IMF’s SPEs Survey for 2020.

C. Compiling Data on Travel Services

22. The data on travel services—the main component of Seychelles current account—included in the balance of payments are deemed to be considerably underestimated. The CBS has been estimating the travel based on data on FX transactions, after the switch from the goods and services taxes paid by services providers to value added taxes and the discontinuation of the provision of data on tourism sales by the Seychelles Revenue Commission (SRC). The method to estimate travel services based on FX transactions data is causing a significant

⁴ The formation, tax benefits and general structure of a Seychelles IBC is regulated by the *International Business Companies Act*, 2016. The main requirement is that a Seychelles IBC should not pursue business within the territory of the Seychelles (it may enter into business with any other Seychelles IBC’s). A Seychelles offshore company may not, among others: (i) carry on business in Seychelles; (ii) own real estate in Seychelles; (iii) do banking, insurance, and registered agent business without special license; (iv) carry on securities business in Seychelles.

underestimation of tourism services exports as tours booked outside the country in foreign currencies are not covered in the estimation method.

23. The CBS has developed a new estimation model based on available statistics. It sums earnings generated from tourism in the four areas: accommodation, extra expenses, domestic ferry, and domestic flights (all international flights are operated by nonresident airlines). Accommodation revenue is estimated as number of beds occupied multiplied by bed rate and by number of visitors. The data are gathered from the National Bureau of Statistics (NBS), internet, and Immigration and Civile Status Department, respectively. Assumptions are made on what proportion of tourists would be residing in the different establishment types. Extra expenses are calculated by multiplying the total number of visitors by expenditure per visitor. The latter is estimated considering past years trends and is taken at level of 11 percent of accommodations. Tourist spending on ferry and domestic flights are estimated based on NBS statistics on number of visitors assuming that one-fourth of them visit Pralin of which half uses ferry and another half takes domestic flights. The comparison of estimates based on new model and current balance of payments data for travel services is presented in Table 3.

Table 2. Seychelles: Travel Services Based on New Estimation Model (mil. USD)

Year	Estimates based on new model					Current balance of payments data		
	Q1	Q2	Q3	Q4	Annual total	BOP	Difference	Ratio in data from new model
2013	162.6	165.4	180.0	175.0	682.9	430.2	252.7	63.0%
2014	150.0	150.7	150.8	144.6	596.1	397.6	198.5	66.7%
2015	131.8	134.8	146.2	143.4	556.2	392.4	163.8	70.5%
2016	138.2	140.3	145.6	139.4	563.6	413.7	150.0	73.4%
2017	146.2	146.8	169.2	172.5	634.7	482.7	152.0	76.1%
2018	173.8	153.1	167.3	179.9	674.1	563.9	110.2	83.6%

24. The mission assessed the new estimation model and found it suitable. It can estimate expenses of tourists regardless if payments are entering the domestic banking system or not. Some adjustments are recommended such as analyzing the visitors by type and applying different level of expenses for different types of visitors. Also, compilers should consider capturing also tourists' expenses for domestic flights to other than Pralin islands.

25. The CBS should start incorporating the new estimates for travel services in balance of payments compilation beginning with balance of payments for Q1 2022, with backward adjustments from 2016. The 2016 year is recommended because estimates for years before 2016 are less accurate due to issues in reliabilities in the source data. The preliminary calculations shows that new travel services estimates would significantly reduce the current account deficit (see Appendix IV). While using the new estimates for travel services in balance of payments,

compilers should consider also estimating offsetting entries to avoid imbalances that ultimately would lead to an increase in errors and omissions. Offsetting entries could be in other sectors' currency and deposits (assets), trade credit and advances (liabilities), or investment income. The corresponding components of the IIP should also be adjusted. Considering the significant changes in balance of payments indicators while using new travel estimates, compilers should inform users about the foreseen changes in balance of payments before its release.

Recommendations:

- Compile the data on travel services applying the new estimation model;
- Revise backward data on travel services based on new estimation model.

D. Staff Resources

26. The staff resources allocated to the compilation of the ESS need to be enhanced.

Currently, three staff members are mainly compiling balance of payments, IIP, and external debt. A few other staff members help data collection through surveys. If they are assigned only to the ESS, such staff resources would be sufficient for performing all tasks related to data collection and compilation. However, the staff members in charge of the compilation of balance of payments, IIP, and external debt perform also other functions. It considerably reduces the time they can devote to ESS data collection, validation, and compilation. This impacts the timeliness and coverage of the ESS, including developing new data sources and following up with reporters for improving the quality of data. The CBS should consider reducing their involvement in other tasks so that they would be able to improve the quality of collected data by regularly reaching out the reporters to address identified issues.

27. Two of the three staff members assigned to the balance of payments, IIP, and external debt compilation have not undertaken any training on ESS methodology. This makes it more difficult to compile sound ESS following the international standards, specifically while dealing with such complex area as offshore entities. The mission recommended compilers to undertake the new online course on Balance of Payments and IIP Statistics launched in 2021. It is delivered every four months; the next round will start in January 2022.

Recommendations:

- Consider reducing the assignment of balance of payments and IIP compilers to tasks not related to ESS;
- Assign the CBS ESS compilers to take the IMF's online course on Balance of Payments and IIP Statistics.

Appendix I. Officials Met During the Mission

Name	Institution
Central Bank of Seychelles, Research & Statistics Division	
Brian Comettant	Head of Division
Terence Payet	Statistician
Stephanie Jean-Louis	Statistician
Andy Ally	Statistician
Audrey Rath	Economist
Suza Roselie	Statistician
Financial Services Authority	
Nigel Hoareau	Policy Analyst
Marcus Elizabeth	Manager Product Development and Research
Amanda Rene	Director and Manager of Fiduciary
Paul Robert	Director of Policy

	Assets	Opening Balance US\$	Transactions		Price Changes	Exchange Rates Changes	Other Changes in volumes	Closing Balance US\$
			(+)	(-)				
1.1	Shares in unaffiliated nonresident enterprises	108,242,457.00	0.00	-25,009.00	0.00	0.00	-488,109.00	107,729,339.00
1.2	Shares in affiliated nonresident enterprises	24,235,225.00	93,690.00	-1,736,000.00	0.00	0.00	-5,282,400.00	17,310,515.00
1.3	Loans to unaffiliated nonresident enterprises	65,572,535.00	98,400.00	-5,445,201.00	0.00	0.00	0.00	60,225,734.00
1.3.1	Short-term (maturity one year and less)	11,571,914.00	0.00	-8,000.00	0.00	0.00	0.00	11,563,914.00
1.3.2	Long-term (maturity greater than one year)	53,568,518.00	98,400.00	-1,495,726.00	0.00	0.00	0.00	52,171,192.00
1.4	Loans to affiliated nonresident enterprises	93,143,524.00	0.00	-64,323,938.00	0.00	0.00	0.00	28,819,586.00
1.5	Debt securities issued by affiliated nonresident entities	672,972,023.30	2,696,629.61	0.00	0.00	0.00	0.00	675,668,652.91
1.6	Debt securities issued by unaffiliated nonresident entities	5,156,288.00	0.00	-37,306.00	0.00	0.00	0.00	5,118,982.00
1.6.1	Short-term (maturity one year and less)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.6.2	Long-term (maturity greater than one year)	5,156,288.00	0.00	-37,306.00	0.00	0.00	0.00	5,118,982.00
1.7	Deposits held at nonresident banks	1,283,579.00	14,363,394.33	-7,591,216.00	0.00	-1.00	-6,393.00	8,049,363.33
1.8	Deposits held at resident banks	628,614.00	102,782.00	-43,502.00	0.00	0.00	0.00	687,894.00
1.9	Nonfinancial assets owned abroad (such as property, equipment, inventories of good ¹), etc.)	204,127.00	0.00	-10.00	0.00	0.00	0.00	204,117.00

	Assets	Opening Balance US\$	Transactions		Price Changes	Exchange Rates Changes	Other Changes in volumes	Closing Balance US\$
			(+)	(-)				
1.10	Any other assets-other than shares, loans, and debt securities and not classified elsewhere-held with affiliated nonresidents (please specify)	56,272,691.20	8,224,242.00	-15,549,000.00	0.00	-15,644.00	0.00	48,932,289.20
1.10.1	Trade and other receivables	55,859,063.20	8,000,223.00	-15,533,940.00	0.00	-15,644.00	0.00	48,309,702.20
1.10.2	Amount receivable from related companies	395,902.00	224,019.00	0.00	0.00	0.00	0.00	619,921.00
1.10.3	Amount receivable from related companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.11	Any other assets--other than shares, loans, and debt securities and not classified elsewhere -held with unaffiliated nonresidents (please specify)	180,002,473.00	863,349.00	-8,659,276.00	0.00	0.00	-4,814,494.00	167,392,052.00
1.11.1	Amount receivable from unrelated companies	8,505,804.00	0.00	-7,080,000.00	0.00	0.00	0.00	1,425,804.00
1.11.2	Other receivable and prepayments	1,914,728.00	862,681.00	-42,700.00	0.00	0.00	0.00	2,734,709.00
1.11.3		0.00	0.00	0.00	0.00	0.00	0.00	0.00
1.12	Total assets	1,207,713,536.50	26,442,486.94	-103,410,458.00	0.00	-15,645.00	-10,591,396.00	1,120,138,524.44

	Liabilities	Opening Balance US\$	Transactions		Price Changes	Exchange Rates Changes	Other Changes in volumes	Closing Balance US\$
			(+)	(-)				
2.1	Borrowing from affiliated nonresident enterprises	20,345,769.00	386,501.00	-27,741.00	0.00	0.00	-1,524,837.00	19,179,692.00
2.2	Borrowing from unaffiliated nonresident enterprises	185,509,457.00	227,690.88	-537,343.33	0.00	0.00	0.00	185,199,804.55
2.2.1	Short-term (maturity one year and less)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.2.2	Long-term (maturity greater than one year)	185,509,457.00	227,690.88	-537,343.33	0.00	0.00	0.00	185,199,804.55
2.3	Debt securities placed with affiliated nonresident entities	5,172,563.00	0.00	-5,084,803.64	0.00	0.00	0.00	87,759.36
2.4	Debt securities placed with unaffiliated nonresident entities	33,977,420.00	8,970,214.00	-163,033.00	0.00	0.00	0.00	42,784,601.00
2.4.1	Short-term (maturity one year and less)	233,323.00	638,365.00	-163,033.00	0.00	0.00	0.00	708,655.00
2.4.2	Long-term (maturity greater than one year)	33,744,097.00	8,331,849.00	0.00	0.00	0.00	0.00	42,075,946.00
2.5	Any other liabilities-other than shares, loans, and debt securities and not classified elsewhere-to affiliated nonresidents (please specify)	121,883,324.00	374,200.09	-7,154,246.08	0.00	0.00	0.00	115,103,278.01
2.5.1	Trade and other payables	34,766,590.00	316,060.09	-7,071,407.08	0.00	0.00	0.00	28,011,243.01
2.5.2	Amount Payable to related companies	87,059,160.00	58,140.00	-82,839.00	0.00	0.00	0.00	87,034,461.00
2.5.3		56,576.00	0.00	0.00	0.00	0.00	0.00	56,576.00

	Liabilities	Opening Balance US\$	Transactions		Price Changes	Exchange Rates Changes	Other Changes in volumes	Closing Balance US\$
			(+)	(-)				
2.6	Any other liabilities-other than shares, loans, and debt securities and not classified elsewhere-to unaffiliated nonresidents (please specify)	23,396,200.00	1,245,351.16	-1,059,854.00	0.00	0.00	-433,369.00	23,148,328.16
2.6.1	Accruals and other payables	22,856,600.00	1,230,540.16	-1,040,000.00	0.00	0.00	0.00	23,047,140.16
2.6.2		55,953.00	0.00	0.00	0.00	0.00	0.00	55,953.00
2.6.3		0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.7	Total Liabilities	390,284,733.00	11,203,957.13	-14,027,021.05	0.00	0.00	-1,958,206.00	385,503,463.08
Shareholders' funds								
2.8	Shares/units held by nonresidents	297,381,384.50	100,000.00	-1,000.00	0.00	-150,000.00	-1,099,989.00	296,230,395.50
2.9	Shares/units held by residents	81,648.00	0.00	-1,001.00	0.00	0.00	-11.00	80,636.00
2.10	Reinvested profits	334,838,508.00	746,047.00	-68,750,958.19	0.00	0.00	-7,528,669.00	259,304,927.81
2.11	Reserve provisions	118,979,480.19	66,103.56	-632,014.00	0.00	0.00	0.00	118,413,569.76
2.12	All other shareholders' funds	65,084,568.00		-4,212,797.00	0.00	0.00	0.00	60,871,771.00
2.13	Total Shareholders' funds	816,365,588.69	912,150.56	-73,597,770.19	0.00	-150,000.00	-8,628,669.00	734,901,300.07
2.14	Total liabilities and shareholders' funds	1,206,650,321.69	12,116,107.69	-87,624,791.24	0.00	-150,000.00	-10,586,875.00	1,120,404,763.15

Total Income		6,387,881.11
3.1	Interest income receivable from:	4,172,694.56
3.1.1	Affiliated nonresidents	3,183,674.00
3.1.2	Unaffiliated nonresidents	989,020.56
3.1.3	Residents	-
3.2	Dividend income receivable from:	-
3.2.1	Affiliated nonresidents	-
3.2.2	Unaffiliated nonresidents	-
3.2.3	Residents	-
3.3	Net profit/losses after taxes and dividends	-64,294.00
3.4	Income from services provided to nonresidents	1,615,833.55
3.4.1	Transport	-
3.4.2	Telecommunications	-
3.4.3	Other services (please specify)	1,409,726.55
3.4.3.1	Management fee	1,409,726.55
3.5	Income from goods sold to nonresidents	-
3.6	Income from rent	-
3.6.1	Rental of premises	-
3.6.2	Rental of equipment	-
3.7	Insurance claims	-
3.8	Other receipts (please specify)	663,647.00

Total Expenses		52,441,186.39
4.1	Interest income paid to:	923,017.00
4.1.1	Affiliated nonresidents	6,883.00
4.1.2	Unaffiliated nonresidents	191,738.00
4.1.3	Residents	724,396.00
4.2	Dividend income paid to:	-
4.2.1	Affiliated nonresidents	-
4.2.2	Unaffiliated nonresidents	-
4.2.3	Residents	-
4.3	Payments for services provided by nonresidents	1,208,144.70
4.3.1	Transport	6,987.00
4.3.2	Telecommunications	22,524.00
4.3.3	Management fee	60,446.00
4.3.4	Other fees (e. g., legal, accounting, auditing, consultancy)	1,114,988.70
4.3.5	Other services (please specify)	3,199.00
4.4	Payment for good acquired from nonresidents	-
4.5	Payment of rent	12,927.00
4.5.1	Rental of natural resources	-
4.5.2	Rental of premises	12,927.00
4.5.3	Rental of equipment	-
4.6	Insurance premiums	-
4.7	Other expenses (Specify)	52,541,049.09
4.7.1	Other Operating expenses	19,930.30
4.7.2	Sundry Expenses	592,079.02
4.7.3	Bank Charges	410,117.37
4.7.4	Receivables written off	562,634.00
4.7.5	Administrative Expense	50,996,149.00
4.7.6	Withholding Tax	8,233.00
4.7.7	Interest on loan	1,780,114.00

	Balance of Payments		International Investment Position	
	Flows during the current year 20XX		Position as at end of current year 20XX	
	Net Acquisition of Assets	Net Incurrence of Liabilities	Assets	Liabilities
I. Financial Account (related to SPEs)				
Direct Investment as reported in BOP and IIP	Total to be drawn from BOP		Total to be drawn from IIP	
1 Direct Investment related to SPEs				
1.1 Equity and investment fund shares/1	-1,642,310.00	72,685,619.63	24,235,225.00	816,365,588.69
1.1.1 Equity other than reinvestment of earnings				
1.1.1.1 Direct investor in direct investment enterprises				
1.1.1.2 Direct investment enterprises in direct investor (reverse investment)				
1.1.1.3 Between fellow enterprises				
<i>if ultimate controlling parent is resident</i>				
<i>if ultimate controlling parent is nonresident</i>				
<i>if ultimate controlling parent is unknown</i>				
1.1.2 Reinvestment of earnings				
1.2 Debt instruments	-61,627,308.39	4,726,043.64	766,115,547.30	25,518,332.00
1.2.1 Direct investor in direct investment enterprises	-61,627,308.39	-4,726,043.64	766,115,547.30	25,518,332.00
1.2.2 Direct investment enterprises in direct investor (reverse investment)				
1.2.3 Between fellow enterprises				
<i>if ultimate controlling parent is resident</i>				
<i>if ultimate controlling parent is nonresident</i>				
<i>if ultimate controlling parent is unknown</i>				
Portfolio Investment as reported in BOP and IIP	Total to be drawn from BOP		Total to be drawn from IIP	
2 Portfolio investment related to SPEs				

	Balance of Payments		International Investment Position	
	Flows during the current year 20XX		Position as at end of current year 20XX	
	Net Acquisition of Assets	Net Incurrence of Liabilities	Assets	Liabilities
2.1 Equity and investment fund shares	-25,009.00		108,242,457.00	
2.2 Debt securities	-37,306.00	8,807,181.00	5,156,288.00	33,977,420.00
- Short-term				
- Long-term	-	-	-	-
Other Investment as reported in BOP and IIP	Total to be drawn from BOP		Total to be drawn from IIP	
3 Other Investment related to SPEs	22,822,874.33	-6,904,201.28	303,335,405.20	330,788,981.00
- Short-term	-	-	-	-
- Long-term	-	-	-	-
Financial Derivatives as reported in BOP and IIP	Total to be drawn from BOP		Total to be drawn from IIP	
4 Financial Derivatives related to SPEs				
	Credit	Debit		
II. Capital Account (related to SPEs)				
Gross acquisitions (Dr)/disposals(Cr) of non produced nonfinancial assets as reported in BOP	Total to be drawn from BOP			
5 Of which: Gross acquisitions (Dr)/disposals(Cr) of non produced nonfinancial assets related to SPEs				
III. Current Account (related to SPEs)				
6 Goods related to SPEs	-	-		
Of which: Net exports of goods under merchanting by resident SPEs				
7 Services related to SPEs	1,615,833.55	1,208,144.70		
Of which: 7.1 Transport		6,987.00		
Of which: 7.2 Financial services				
Of which: 7.3 Charges for the use of intellectual property				

	Balance of Payments		International Investment Position	
	Flows during the current year 20XX		Position as at end of current year 20XX	
	Net Acquisition of Assets	Net Incurrence of Liabilities	Assets	Liabilities
Of which: 7.4 Other business services	2,073,373.55	51,442,186.39		
IV. Primary Income (related to SPEs)				
Investment income as reported in BOP	Total to be drawn from BOP			
8 Of which: Investment income related to SPEs				
Direct investment income as reported in BOP	Total to be drawn from BOP			
8.1 Direct investment income related to SPEs				
8.1.1 Dividends				
8.1.1.1 Direct investor in direct investment enterprises	3,183,674.00	6,883.00		
8.1.1.2 Direct investment enterprises in direct investor (reverse investment)				
8.1.1.3 Between fellow enterprises				
8.1.2 Reinvested earnings	64,294.00			
8.1.3 Interest				
8.1.3.1 Direct investor in direct investment enterprises				
8.1.3.2 Direct investment enterprises in direct investor (reverse investment)				
8.1.3.3 Between fellow enterprises				
Portfolio investment income as reported in BOP	Total to be drawn from BOP			
8.2 Portfolio investment income related to SPEs				
8.2.1 Dividends				
8.2.2 Reinvested earnings				
8.2.3 Interest				

	Balance of Payments		International Investment Position	
	Flows during the current year 20XX		Position as at end of current year 20XX	
	Net Acquisition of Assets	Net Incurrence of Liabilities	Assets	Liabilities
Other investment income as reported in BOP	Total to be drawn from BOP			
8.3 Other investment income related to SPEs	989,020.56	191,738.00		
8.3.1 Of which: Interest				
V. Secondary Income (related to SPEs)	-	-		

1/ The total for IIP for this line is equal to the sum of 1.1.1.1, 1.1.1.2, and 1.1.1.3.

	Minimum
	Encouraged

Appendix IV. Current Account with Data on Travel Applying Two Estimation Models

Balance of Payments (USD millions)	Balance of Payments (tourism services - current estimation model)				Balance of Payments (tourism services - new estimation model)			
	2016	2017	2018	2019	2016	2017	2018	2019
Current account	-287.4	-295.7	-282.9	-271.6	-84.5	-118.9	-197.4	-111.5
Goods and services	-145.5	-143.8	-179.5	-183.6	57.4	32.9	-93.9	-23.5
Credit	1352.9	1562.9	1678.4	1609.2	1555.9	1739.7	1763.9	1769.4
Debit	1498.4	1706.8	1857.8	1792.8	1498.4	1706.8	1857.8	1792.8
Goods	-531.9	-590.3	-615.4	-630.6	-531.9	-590.3	-615.4	-630.6
Credit	459.2	564.8	572.7	483.2	459.2	564.8	572.7	483.2
<i>Of which re-</i>								
<i>export</i>	172.7	278.4	242.0	259.5	172.7	278.4	242.0	259.5
Debit	991.0	1155.1	1188.1	1113.8	991.0	1155.1	1188.1	1113.8
Services	386.3	446.5	435.9	447.0	589.3	623.2	521.5	607.1
Credit	893.7	998.1	1105.7	1126.0	1096.7	1174.9	1191.3	1286.2
<i>Of which travel</i>	413.7	482.7	559.2	589.7	616.6	694.8	711.2	806.1
Debit	507.4	551.6	669.8	679.1	507.4	551.6	669.8	679.1
Primary income	-132.2	-136.2	-105.0	-81.6	-132.2	-136.2	-105.0	-81.6
Credit	13.3	15.5	23.4	24.1	13.3	15.5	23.4	24.1
Debit	145.5	151.7	128.4	105.7	145.5	151.7	128.4	105.7
Secondary income	-9.7	-15.7	1.5	-6.4	-9.7	-15.7	1.5	-6.4
Credit	47.8	42.4	63.3	59.8	47.8	42.4	63.3	59.8
Debit	57.5	58.1	61.8	66.2	57.5	58.1	61.8	66.2
Capital account	54.2	52.3	49.8	38.3	54.2	52.3	49.8	38.3
Credit	54.2	52.3	49.8	38.3	54.2	52.3	49.8	38.3
Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Appendix V. Progress on Action Plan of January 2019 Mission

Priority	Action/Milestone	Target Completion Date	Implementation Status
	<i>Statistics of offshore activity</i>		
H	Make adjustments to the 2013–2015 CSP survey results for: estimating the missing companies included in the previous years' report; addressing mistakes and inconsistencies identified during the mission	August 2017	Partially completed Data for missing companies not estimated as no descript data by CSL were available
H	Incorporate the adjusted offshore data for 2013–2015 in balance of payments and IIP	September, 2017	Completed
H	Gather from the FSA the available financial statements of CSLs for 2014–2015 and process the data for the balance of payments and IIP purpose	August 2017	Partially completed Financial statements not available at FSA for the given period
H	Cross-check the consolidated data form financial statements of offshore companies with compiled balance of payments and IIP data and revise accordingly the balance of payments, IIP, and external debt data for 2013–2016	August 31, 2017	Not implemented See explanations above
H	Adjust the CSP survey form based on the mission's recommendations, including for separate identification of data for newly incorporated offshore entities	May 2017	Completed
H	Launch the 2017 CSP survey for collecting CSLs transactions and positions for 2016 and 2015 (revised) building on lessons from the 2016 exercise	June 2017	Completed
H	Follow up with CSPs that have not reported or reported with a low coverage	September 2017	Partially completed The CBS followed-up but the reporters' response was limited
H	Validate and process the 2017 CSP survey results applying check, validation, and aggregation procedures discussed during the mission	September 2017	Completed

Priority	Action/Milestone	Target Completion Date	Implementation Status
H	Finalize the CSP survey results based on the cross-check results and estimations for missing data	October 2017	Completed
H	Revise the balance of payments, IIP, and external debt data for 2015–2016 based on the data from CSP survey	November 2017	Completed
H	Request from the FSA the financial statements of insurance companies incorporated in Seychelles (both onshore and offshore) for 2013–2016 and process the data for the ESS purpose applying methods discussed during the mission	August 2017	Work in progress
H	Incorporate the data on insurance activity in ESS	September 2017	Not implemented
H	Amend the return C(viii) Net Foreign Assets Position reported by the commercial banks for identifying positions in assets and liabilities of offshore entities incorporated in Seychelles (benchmark action)	June 2017	Completed
H	Revise the compiled balance of payments, IIP, and external debt data for excluding assets and liabilities of offshore entities incorporated in Seychelles with resident banks from external assets and liabilities of deposit taking corporations	September 2017	Completed
Statistics of non-offshore activity			
H	Use the information from the self-assessment business tax returns provided by resident companies to SRC for adjusting the balance of payments and IIP data for 2015	September 2017	Partially implemented The self-assessment business tax returns for targeted companies were not available.
H	Enforce the provision of financial statements by resident entities to the Registration Division (RD) of the Department of Legal Affairs (President's Office)	August 2017	Work in progress
M	Sign a Memorandum of Understanding (MOU) between the CBS and RD regarding the provision to the CBS of copies of financial	September 2017	Completed The MOU signed in June 2021

Priority	Action/Milestone	Target Completion Date	Implementation Status
	statements of resident entities for ESS purposes		
M	Adjust the balance of payments and IIP data based on the information from financial statements of resident entities received from the RD	April 2018	Partially implemented See explanations above
M	Launch the survey of two fishing companies involved in semi-industrial (artisanal) fishing	August 2017	Not implemented
M	Develop and implement new estimation method for the personal transfers received by the Seychelles residents	August 2017	Work in progress
	<i>Enhancing the working procedures and staffing</i>		
H	Reconsider the assignment of responsibilities to each balance of payments/IIP/external debt statistics team member or assuring the coverage of each main sector by two staff that will back up each other	May 2017	Completed
M	Organize the working process for collecting and compiling the ESS assuring the establishment of "front office" and "back office" checking and validation procedures of collected and processed data	May 2017 Completed	Not implemented
M	Explore the possibility of increasing the staff resources allocate to the ESS considering the increasing workload due to the processing of financial statements of offshore and non-offshore entities	September 2017	Not implemented