

Integrated National Financing Frameworks

REPUBLIC OF SEYCHELLES

MINISTRY OF FINANCE, NATIONAL PLANNING, AND TRADE

Contents

- i. National Development Strategy 2024-2028
- ii. NDS & SDG Alignment
- iii. Role & Benefits of INFF
- iv. Current Challenges
- v. Opportunities for Seychelles
- vi. Domestic Resource Mobilization & the INFF
- vii. Key U.N Partners
- viii. Next INFF Steps
- ix. Case Studies: Innovative Finance
 - Debt for Nature Swap
 - Seychelles Blue Bond

Overview

GDP/capita growth was **8.9%** in 2022.

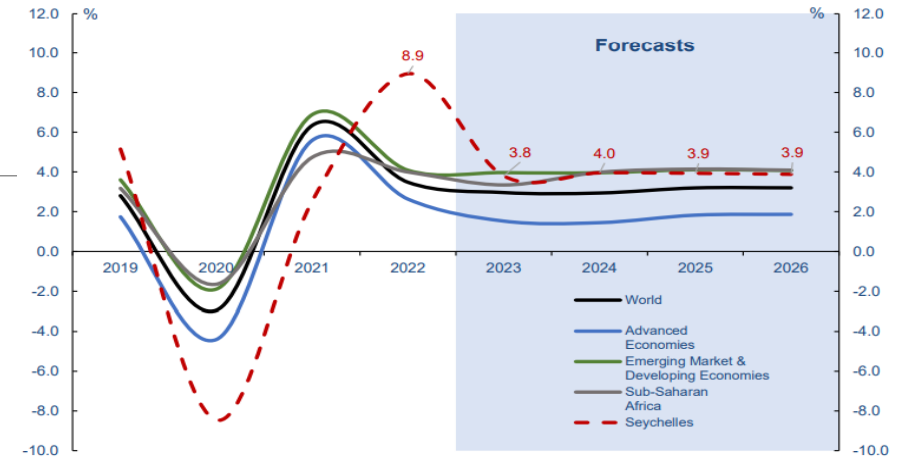
Forecasts: **3.8%** growth in 2023, **4.0%** in 2024.

March 2024: Seychelles revised to **'BB-'** with positive & stable outlook (Fitch Ratings)

MoFNPT responsible for PPBB & Fiscal Framework

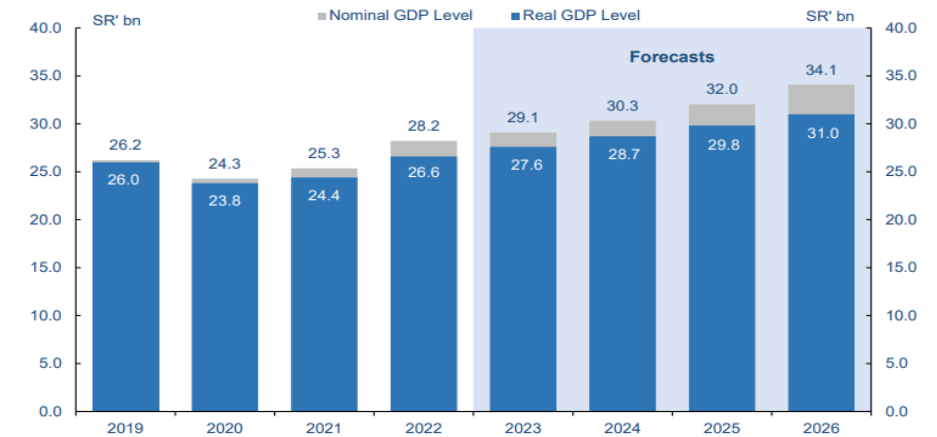
- Preparing yearly budgets for Ministries, Departments, & Agencies
- Revenue collection through taxes, fees, licenses, etc..
- Recurrent & capital expenditure
- Managing ODA & development finance from bi/multilateral partners (loans, grants, guarantees, innovative financing, etc...)

Real GDP Growth Estimates (2019-2026)



Source: IMF World Economic Outlook October 2023, NBS and MoFNPT MFAD.

Seychelles Nominal GDP Level and Real GDP Level (2019-2026)



Source: MFAD estimates, MoFNPT

National Development Strategy 2024-2028

6 Priority Areas



(1) A Modern Public Service



(4) Promotion of Law & Order



(2) Transformative Economic Agenda



(5) Modern Education System in line with Future Needs









(3) A Healthy Nation



(6) Environmental Sustainability and Climate change Resilience

NDS is aligned to SDGs!

NDS Priority Area	Corresponding SDG	NDS Priority Area	Corresponding SDG
1) A Modern Public Service		4) Promotion of Law and Order	
2) Transformative Economic Agenda		5) A Modern Education System aligned with future needs	
3) A Healthy Nation		6) Environment Sustainability and Climate Change Resilience	

Role/ Benefits of the INFF approach

Seychelles is in early stages of developing its INFF. Expectations are that INFF approach will:



mobilize public financing and consolidate financing sources and expenditures



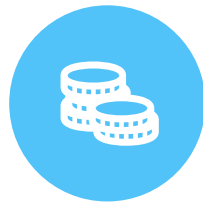
assist in costing the NDS strategic interventions



take a holistic approach



help to mainstream SDGs & global commitments into national policies, NDS, & bring synergies



ensure public/private/international finance is coordinated & reflects local context



**Climate change
& natural
disasters (heavy
rainfall,
flooding,
landslides,
coastal erosion)**



**Human
resource
constraints**



**Reliance on
tourism/imports
(net importer)**



**Raising
concessional
finance – due to
high-income
status**



**External shocks
(pandemics,
recessions, terrorism,
conflict)**

Current Challenges

Opportunities for Seychelles



Greater awareness/enthusiasm by global community for climate change mitigation and adaptation



Economic Transformation & Diversification: Tourism, Agriculture, Financial services



Emerging sectors such as Blue Economy



Digital economy & new tech. that can be used across all sectors.

Domestic Resource Mobilization & the INFF



Tax revenue: 30% of GDP, in 2023



Public-Private Partnerships (PPPs) – review of framework and proposed legislation



Secondary markets



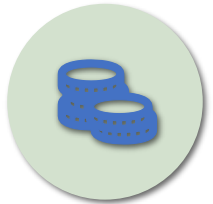
Awareness/ Sensitization – to encourage tax compliance



Increasing efficiency of SOEs – dividends, earnings



Use of digital tools to strengthen collection & mgt. of govt. revenue (taxes, fees, licenses)



Explore other innovative financing mechanisms e.g.: blue/green bonds, domestic investments

Development Finance Assessment
(DFA)



Capacity building



Alignment of support to country
needs



Key U.N. Partners

Next Steps of INFF process



MoFNPT collaborating with UNDESA to onboard INFF advisor



Continued capacity building sessions with local technicians



Close collaboration of technical teams with INFF advisor to ensure knowledge transfer



Case Studies: Innovative Finance

Debt for Nature Swap



**Implemented in
2015**



**Key stakeholders:
GoS, TNC,
SeyCCAT**



**Paris club creditors
Belgium, France,
UK, Italy**



\$21.6mn converted



**21.6mn bought by
TNC & converted
to \$15.2mn loan**



**GoS to spend
repayments on
conservation for 20
yrs.**



**Outcome: Establishment of MPA,
improved mgt of fisheries, enhanced
resilience to climate change**

Seychelles Blue Bond



Thank you

For more information

INFF: j.joubert@finance.gov.sc

Debt & Innovative Finance: stephana.hoareau@finance.gov.sc

Website: www.finance.gov.sc

Ministry of Finance, National Planning & Trade, Republic of Seychelles,