



SEYCHELLES
ANNUAL
PROGRESS
REPORT
(APR)

2017

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PREFACE

This is the detailed activity report of Seychelles Extractive Industries Transparency Initiative (SEITI) for 2017, as part of the country's membership in the Extractive Industries Transparency Initiative (EITI) International organisation and compliance with the EITI standard. The EITI in Seychelles was marked by positive achievements as well as notable and measurable progress, which has gained considerable appraisal from our partners both home and abroad.

In 2017, EITI implementation in Seychelles entered a new phase. The natural progress of EITI processes, has increased our responsibilities making us move from the "initial efforts" phase to a new level, that of "sustainable development", hence inciting us to focus and invest in activities that will enable the sustainability and consolidation of EITI processes. The preparation of SEITI Reports 2015 and 2016 was by all means at the core of our Workplan, not as an end in itself, but as a scoping tool for the entire Extractive Industries sector in Seychelles. EITI Seychelles wants to concentrate its efforts in Mainstreaming EITI Standards across all sectors of Seychelles society.



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A Message from the Chairman of the Multi-Stakeholder Group

The year 2017 ends with the finalisation of SEITI Report for the years 2015 and 2016. Several activities were conducted during 2017 and this report presents the actions of the Seychelles Extractive Industries Transparency Initiative (SEITI) Multi-Stakeholder Group, and the Government.

The Seychelles EITI Multi-Stakeholder Group has the pleasure to present its Annual Progress Report (APR) for the period January to December 2017. Extractive Industries Transparency Initiative (EITI) implementation and compliance requirements in Seychelles have thus far been a good learning experience especially for members of the Multi-Stakeholder Group (MSG). The process dates back to 2013 when the Government of Seychelles indicated its interest in implementing the EITI principles and process of transparency in the petroleum sector in Seychelles.

The Seychelles EITI Multi-Stakeholder Group worked hard to ensure that Seychelles complies with EITI Requirements. A plan of Activities for the year 2017 was decided upon and implemented. These activities as outlined in this report have enabled Seychelles to learn best practices in the implementation of the process towards meeting EITI compliance.

Perhaps one of the main challenges in the implementation of the EITI in Seychelles is accessibility of data and or relevant information from implementers to ensure accountability and transparency as required by the EITI Standards. It is vital that all stakeholders understand the roles, functions and obligations pertaining to EITI compliance in Seychelles.

The MSG is committed to increasing its efforts towards greater sensitization of all stakeholders as part of the 2018 Workplan. A partnership approach is key to the process.

To ensure that EITI is effectively implemented, there is a need to review and update the relevant Acts and or make the necessary legal provisions, which will bind all actors in this sector. Necessary steps are being undertaken to ensure the existence of legal provisions to enhance compliance and reporting among EITI stakeholders.

The MSG remains dedicated to engage with its partners and the general public and will ensure structures are in place for effective representation in order to enhance decision making processes. I take this opportunity to thank all the stakeholders who have in one way or another contributed to the realisation of all the 2017 activities. Your assistance has been extremely valuable to the process.



Mr. Patrick Payet
Chair
Seychelles EITI

ABBREVIATIONS AND ACRONYMS

APR	Annual Progress Report
EITI	Extractive Industries Transparency Initiative
SEITI	Seychelles Extractive Industries Transparency Initiative
MSG	Seychelles EITI Multi-Stakeholder Group/ Seychelles EITI MSG/ Multi-Stakeholder Group
CEPS	Citizens Engagement Platform Seychelles
MFTEP	Ministry of Finance Trade and Economic Planning
Mob	Mobile
Tel	Telephone
CBS	Central Bank of Seychelles
SRC	Seychelles Revenue Commission
CSO	Civil Society Organisation
OAG	Office of Auditor General
PEMC	Public Enterprise Monitoring Commission
EEZ	Exclusive Economic Zone
BO	Beneficial Ownership
PWYP	Publish What You Pay
UCPS	United Concrete Products Seychelles
CCCL	Civil Construction Company Limited

Seychelles EITI Annual Progress Report 2017

INTRODUCTION

The report focuses on the Extractive Industries Transparency Initiative process, the activities delivered in 2017 and highlights the strengths and weaknesses throughout the year.

In 2013, the Seychelles Government identified the paramount need to enhance transparency and accountability in the extractive industries sector. Consequently, the Republic of Seychelles became the 46th Extractive Industries Transparency Initiative (EITI) Candidate Country on 6th August 2014.

Moving ahead in its EITI implementation, the Seychelles EITI Multi-Stakeholder Group (MSG) was formed to assist and guide the National Secretariat in the implementation of the activities identified in the Workplan.

GENERAL ASSESSMENT OF 2017 PERFORMANCE.

The Seychelles EITI Multi-Stakeholder Group (MSG) made some progress compared to 2016. Very few sensitization activities were realised during the period of January to December 2017 as most of the focus was directed to the publication of the second report.

The Annual Progress Report indicates the activities that were realised or that are still ongoing.

ASSESSMENT OF PERFORMANCE AGAINST TARGETS AND ACTIVITIES SET IN THE WORKPLAN.

	Activity in the Workplan	Target Group	Key Message/Issues/Objectives	Timeframe	Funding from the Government	Implementation Status
1.	Submission of Open Data Policy	The General Public	<p>-Free access to, and subsequent re-use of, open data of the EITI are of significant value to society and the economy.</p> <p>-Open data on EITI promotes accountability and good governance, enhances public debate, and helps to combat corruption. Providing access to EITI data can</p>	1 st January 2017	No Cost.	<p>Achieved.</p> <p>The MSG submitted its request as part of the Cabinet Memorandum which was sent on the 31st May 2017 for guidance from the Cabinet of Ministers.</p>

			empower individuals, the media, civil society, and business to make better informed choices about the services they receive and the standards they should expect. Open data, can also be a valuable tool for government in improving policy making and sector management.			
2.	Submission of Beneficial Ownership (BO) Roadmap 2017 to 2020	The EITI International Secretariat and the General public	To sensitize the public on EITI way forward.	1 st January 2017	No Cost.	Achieved. The Cabinet Memorandum was sent to Cabinet on the 31 st May 2017 for further guidance before official publication. It was then published online on the 19 th October and copies were made available at the Ministry of Finance for Citizens to have access to.
3.	Introductory EITI Session	Members of the National Assembly	Presentation by the National EITI Secretariat, PetroSeychelles, Government and Civil Society	July to November 2017	No cost.	Not yet achieved. The MSG and the National Secretariat reached out

			Constituencies on current EITI process			several times to the National Assembly but no date was finalised. This activity was pushed to 2018.
4.	Introductory EITI Session and way forward	Civil Society and Blue Economy Representatives	Create Public Awareness	September 2017	No cost.	Achieved. On the 20 th September 2017 a joint session with the Blue Economy was organised for the Civil Society representatives.
5.	Recruitment of Independent Administrator to draft 2nd SEITI Report for the years 2015 to 2016	National Secretariat and MSG	To draft Seychelles second SEITI Reconciliation Report for the years 2015 to 2016	November 2017	32,350usd = 420,550SR/	Achieved. The Independent Administrator was recruited on the 10 th November 2017. The report for the years 2015 and 2016 was finalised by the 31st December 2017.
6.	Promotional video on EITI	General Public/ stakeholders/ local and international partners	Using media to create awareness on EITI (in creole and English). The video will be published on the EITI, CEPS, PetroSeychelles, Ministry of Finance and State House websites.	November to December 2017	Total Cost = 23,200SR/- -17,200SR/- for the production of 2 Mini Documentaries	Achieved. Was aired in November and December 2017 on Seychelles Broadcasting Corporation and published on the facebook page. (Please see the link below)

					-6,000SR/- airing of 10 minutes	https://m.facebook.com/Seychelles-Extractive-Industries-Transparency-Initiative-1145663435530915/?ref=bookmarks Soft copies were made available at the Ministry of Finance and also the Department of the Blue Economy.
7.	Submission of Annual Progress Report (APR) for the year 2016	International Secretariat, Local Websites, General Public	<p>This report is an important tool in managing the EITI implementation process.</p> <p>It can help Seychelles EITI to critically assess its progress against the EITI requirements.</p> <p>It enables the multi-stakeholder group (MSG) to monitor if it is achieving its own objectives for implementation as established in the MSG's work plan, and if the EITI process is delivering the expected results.</p>	1 st July 2017	No Cost.	Achieved.
8.	Anglophone and Lusophone	National Secretariat, MSG			Total Cost = 9,800SR/-	Achieved.

	EITI peer learning meeting				Reduced per diem of 4,900SR/- per person	Held in Zambia-Lusaka, from the 21 st to the 23 rd November 2017
9.	Introductory EITI Session and Dissemination of second EITI Report (National Forum)	General Public/ stakeholders/ media	This National Forum will engage dialogue with the Citizens and provide as much information on the current status of EITI.	December 2017	No cost.	Partly Achieved. Will be implemented in 2018 The Forum has been pushed to 1 st and 2 nd quarters of 2018. So far, the report has been disseminated to the general public and is available on the PetroSeychelles' and Ministry of Finance's websites. Some hard copies were distributed to the public.
10.	Validation process preparation	National Secretariat, MSG, stakeholders	-It serves to assess performance and promote dialogue and learning at the country level, and safeguards the integrity of the EITI by holding implementing countries to the same global standard. -It is intended to provide all stakeholders with an impartial assessment of whether EITI	(Internally-October to December 2017 will start planning arrival of Validator and documents) Officially begins on 1 st January 2018 up to March 2018	No cost.	Achieved. Internal work has started since October 2017.

			implementation in Seychelles is in line with the provisions of the EITI Standard.			
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SOME ACTIVITIES UNDERTAKEN IN 2017

1. INTRODUCTIVE EITI SESSION WITH THE CIVIL SOCIETY 20TH SEPTEMBER 2017

On September 20th 2017 the Seychelles EITI Multi-Stakeholder Group joined the Blue Economy Department to sensitize the Civil Society on the current process of the Extractive Industries Transparency Initiative (EITI) in Seychelles and the Fisheries Transparency Initiative (FiTI).

Dr. Marie-Thérèse Purvis, representative from the Civil Society Organisation (CSO) sitting on the Multi-Stakeholder Group (MSG) did few presentations and answered stakeholders concerns on the EITI Initiative.

The stakeholders were generally appreciative of the involvement of the CSO, but the general feeling was to leave oil in the ground (*see Annex 2*).

2. ANGLOPHONE AND LUSOPHONE EITI PEER LEARNING MEETING 23RD-25TH NOVEMBER 2017

ZAMBIA, LUSAKA

On the 21st -23rd November 2017, representatives from ten EITI countries in Anglophone and Lusophone Africa took part in a three-day peer-learning, sharing experiences and helping each other find what works and what could work better when using the EITI to improve resource governance. Seychelles was being represented by Ms. Fatime Kante, an Economist and also the National EITI Coordinator for Seychelles and Ms. Aurore Arcambal, Tax Legal Consultant and Member of the Seychelles EITI Multi-Stakeholder Group.

Also in attendance were the:

- Hon. Christopher Yaluma, Minister of Mines, and Minerals Development
- Mr. Charles Mulila, Publish What You Pay (PWYP) Chairperson
- Mr. Nathan Chishimba, President Zambia Chamber of Mines
- Ms. Ina Ruthenberg, World Bank Country Representative
- Mr. Eddie Rich, EITI Deputy Head
- Mr. Fredson Yamba, Zambia EITI Chairperson

This was an important opportunity for representatives from EITI countries to highlight progress and challenges related to EITI implementation. The workshop discussed how to make the process more relevant, timely and useful, the challenges countries in the region have faced during the validation process; and finally address some of the governance issues.

3. TRANSFER OF EITI PORTFOLIO

The official approval was conveyed to the Extractive Industries Transparency Initiative (EITI) portfolio to be transferred with effect on the 1st November 2017, to the Department of the Blue Economy, under the Vice-President's Office.

4. RECRUITMENT OF INDEPENDENT ADMINISTRATOR TO DRAFT SECOND SEITI REPORT

Moore Stephens LLP was contracted by the Seychelles EITI Multi-Stakeholder Group (Seychelles) on the 10th November to draft SEITI's second report for the years 2015 and 2016.

A lot of work had to be done by the National Secretariat to ensure that all reporting entities selected to report were contacted and that the documents being requested by the Independent Administrator were available.

This kind of exercise normally takes 3 to 4 months, but with all the challenges faced by the Seychelles EITI (that had only 2 months to complete the 2015 report and had a year to produce the 2016 report), both reports were completed by the 31st December 2017.

The Portfolio Ministry (Blue Economy Department, under the Vice-President's office) in consultation with the National EITI Secretariat and the MSG sent a request for an extension of one more week to the Chair of the International EITI Secretariat, so as to be able to officially refine and publish the 2016 report (its deadline was by the end of the year 2018).

ASSESSMENT OF PERFORMANCE AGAINST EITI REQUIREMENTS

The table below shows assessment of progress in meeting and/or maintaining compliance with each of the EITI requirements.

<i>Requirements:</i>	<i>Progress:</i>
1. Revenue management and expenditure (Requirement 5.3)	<p>This Requirement was met.</p> <p>The Ministry of Finance and the Office of the Auditor General of Seychelles publish Annual reports of the revenues and expenditures on their website. Follow the links below:</p> <ul style="list-style-type: none"> ✚ Ministry of Finance: http://www.finance.gov.sc/ http://www.finance.gov.sc/national-budget/17/ ✚ The Office of the Auditor General Annual report : https://www.oag.sc/downloads Country's budget: https://seylit.org/sc/legislation/bill/Bill%20of%20of%202017%20Appropriation.PDF

<p>2. Transportation Payments (Requirement 4.4)</p>	<p>The Oil & Gas Sector is still under the exploration phase, therefore there is no transportation payments.</p> <p>As for quarrying, the companies: United Concrete Products Seychelles (UCPS) and Civil Construction Company Limited (CCCL) do the transportation on their own.</p>
<p>3. Discretionary Social Expenditures (Requirement 6.1)</p>	<p>This Requirement was met.</p> <p>MSG has decided to include Social Expenditure with a unilateral disclosure by the companies as detailed in section 4.1.5 of the SEITI 2015 and 2016 report. The Social Expenditure reported by the companies was included in section 6.2.2 of that same report. (link to report: http://www.petroseychelles.com/index.php/seiti)</p>
<p>4. Ad-Hoc Sub-National Transfers (Requirement 5.2)</p>	<p>This Requirement is not applicable.</p>
<p>5. Beneficial Ownership (Requirement 2.5)</p>	<p>MSG is of the view that extractive companies should submit beneficial ownership declarations and is undertaking the necessary internal procedures to prepare for implementation of this requirement.</p> <p>The Petroleum Mining Act 1976 states that: "Every application, and any information furnished therewith, shall be submitted by the Minister for Finance of Seychelles to the Government for final decision and all such information shall be treated as confidential". Moreover, signed contracts are not currently published due to the confidentiality clauses in Oil and Gas contracts.</p>
<p>6. Contracts (Requirement 2.4)</p>	<p>Disclosure of petroleum contracts would be relevant for EITI when it involves payments or benefits to the Government or involves the State's participation. The Government may encounter this issue in seeking waivers of the confidentiality provisions in the petroleum contracts and would need to consult with the operators to clarify their disclosure obligations with respect to such information. Not yet finalized.</p>

OVERVIEW OF THE MULTI-STAKEHOLDER GROUP'S RESPONSES TO THE RECOMMENDATIONS FROM RECONCILIATION AND VALIDATION, IF APPLICABLE

The table below shows multi-stakeholder group's responses to and progress made in addressing the recommendations from reconciliation in accordance with requirement 7.3.

Recommendations from the Independent Administrator:	Status/progress (implementation):
<p>1. <u>Oil and Gas Contract Disclosure</u></p> <p>Disclosure of petroleum contracts would be relevant for EITI when it involves payments or benefits to the Government or involves the State's participation. The Government may encounter this issue in seeking waivers of the confidentiality provisions in the petroleum contracts and would need to consult with the operators to clarify their disclosure obligations with respect to such information.</p> <p>Since the Government of Seychelles has started the implementation of the EITI process, an important follow-up step would be to introduce contract waivers to these agreements in order to address the confidentiality restrictions in the petroleum agreements and to seek participation of Oil and Gas companies as part of MSG.</p>	<p>PetroSeychelles is currently working on an Upstream Petroleum Policy involving all stakeholders. They are aiming to have the policy approved by cabinet by mid-2018. The issue of Oil and Gas contract disclosure will also be discussed and a policy decision will be taken. This will guide future actions.</p> <p>The Seychelles EITI Multi-Stakeholder Group (MSG) and PetroSeychelles are taking this very seriously and will be working with the legal advisors in 2018.</p>
<p>2. <u>Comprehensiveness of EITI Scope</u></p> <p>EITI process includes all extractive industries as defined by the Standard, this should include the mining sector and mineral water extracted from boreholes, tourism and fisheries, in the scope of future EITI reports.</p> <p>MSG should also endeavour to improve MSG's TOR as well as that of the Independent Administrator by altering its name from "Petroleum MSG" to "MSG" and by widening the Workplan and the EITI activities to include all extractive sectors and by removing any limitations of information access to the oil and gas sector.</p> <p>Considering the possibility of extending the scope to primary sectors such as the fisheries sector, given its importance to the economy.</p>	<p>This recommendation has been discussed and was agreeable by the MSG. The second report for the years 2015 and 2016 focused on quarrying and oil revenues. The same procedure was adopted by the Independent Administrator.</p> <p>The MSG and the National Secretariat are continuously working in collaboration with other Ministries to facilitate policy decisions and enforcement in that regard.</p> <p>The extension of the scope to primary sectors such as Fisheries will be further discussed at national level; given Seychelles' parallel engagement towards the FITI process.</p>
<p>3. <u>Fiscal regime for State-Owned Enterprises</u></p> <p>The legislation governing the tax regime for State-Owned Enterprises is updated to leave no ambiguity with regards to the taxes applicable and exemptions to newly created entities.</p>	<p>A paper was presented to the Cabinet of Ministers on the 13th September 2017 and was approved. In the proposed amendments, inclusion of PetroSeychelles was recommended. It was also</p>

	recommended that the amendments to the second schedule come in force on the 1 st January 2018. A draft SI was provided by the Attorney General's Office for presentation to Cabinet before the end of the year 2017.
<p>4. <u>Lack of formalization with regards to governance and management</u></p> <p>All decisions of the Seychelles MSG are made official and are systematically documented in the minutes. These minutes should be signed by all members in order to endorse those decisions. MSG should also appoint a Head of Secretariat officially.</p>	<p>All minutes are signed by the Chair and the National Coordinator and documented by the National Secretariat. The official appointment of the Head of Secretariat has been finalised. An Economist, who is also the National Coordinator is currently ensuring the proper management of the Secretariat and the EITI Dossier.</p>
<p>5. <u>Lack of standard financial reporting framework</u></p> <p>In order to improve comparability and usefulness of information, it was recommended that financial statements are made to follow a standard framework. This can only be achieved if the Ministry of Finance imposes such rules to SOEs.</p>	<p>This has been achieved by PetroSeychelles. Public Enterprise Monitoring Commission (PEMC) has confirmed. Section 3 of the fourth schedule of the PEMC Act 2013 states that: "<i>The transition period for preparation of Annual financial statements in accordance with IFRS shall be three years from the date of commencement of this Act</i>" i.e. the year 2016.</p>
<p>6. <u>Regulation and engagement of stakeholders with EITI Seychelles</u></p> <ul style="list-style-type: none"> • Seychelles EITI Secretariat puts in place the legal framework enforcing sanctions against parties which fail to cooperate with the EITI reconciliation process requirements. This measure would encourage more participants to assist and work alongside the Seychelles EITI Secretariat's endeavours in raising awareness regarding the importance of the reconciliation process. This legal framework may include setting up an EITI Act or signing a memorandum of understanding with a view of obtaining firm commitments from extractive companies to disclose information required for the EITI process in Seychelles. 	<p>Upon completion of its Mission in Seychelles, in December 2015, the Legal Consultant from Fair Links submitted a draft EITI Act to the MSG for review and additional comments. A draft policy paper was prepared by the MSG during 3rd and 4th Quarters of 2016. On 31st May 2017 MSG submitted a Cabinet Memorandum to the Cabinet of Ministers for further review and approval. On 20th June 2017 Cabinet gave the Principal Secretary for Finance –Chair of MSG the go ahead for the MSG to work on the bill.</p> <p>The bill was submitted to the Attorney General's office for refinement on the 4th August 2017.</p>
<ul style="list-style-type: none"> • An environmental fund may enable the Authority responsible for the environment to follow the activities of extractive companies in order to ensure that safety standards and procedures are properly implemented within the exploration and exploitation areas. Such fund may also be used to recover the administrative costs of the Environmental Impact Assessments and to develop methods and projects to protect living resources of the 	<p>Further discussions at MSG level and consultation with other Stakeholders to be included in the MSG's Workplan for 2018.</p>

<p>sea, prevent pollution, water contamination: provide for safe disposal of waste, especially of drill cuttings and mud.</p>	
<p>7. <u>MSG Communication</u></p> <p>MSG's Workplan includes a proven and practical Action Plan in order to create awareness about the EITI Programme in Seychelles.</p>	<p>This Activity was completed in 2017. A local consultant assisted the MSG finalise its Communication Strategy.</p>
<p>8. <u>Lack of skilled resources at government level</u></p> <p>Seychelles Revenue Commission (SRC) and PetroSeychelles should ensure that both technical and financial capacities exist in order to be able to implement spot-checks and verification of companies. Part of their respective revenues may be allocated to assessment purposes as well as a capacity building program and training on tax verification for key officials.</p>	<p>Capacity building is a challenge/issue in all sectors. MSG has taken note of this recommendation and will be addressed at policy level.</p> <p>SRC is fully involved in formulating the new policy and recognizes the necessity of training key personnel in oil and gas tax verification.</p>
<p>9. <u>Incomplete EITI Database</u></p> <p>We recommend that, in the first instance, the Secretariat should update its database following this reconciliation exercise. The Secretariat should then liaise with all relevant Government Entities to ensure it obtains relevant information regularly and updates its database accordingly. To this end, the IA believes it is vital that any new entrants to the Oil and gas sector are registered with the EITI Secretariat as part of the process, as they obtain their license or agreement. A review with PetroSeychelles of the list of extractive is also recommended.</p> <p>Each extractive company and Government Entity previously included in the reconciliation work must appoint a focal point to take responsibility for comprehensive EITI reporting and the company should update and notify the Secretariat of the name, position and contact details of that focal person.</p>	<ul style="list-style-type: none"> • The importance of accurate data and its appropriate recording is duly recognized. The National Secretariat with the guidance of the MSG and PetroSeychelles supported this recommendation. • PetroSeychelles is agreeable in getting new entrants to register with EITI. They have already provided the up to date list of extractive companies currently active in the Exclusive Economic Zone (EEZ) to the National Secretariat and the Independent Administrator.
<p>10. <u>Government Audit</u></p> <p>MSG arranges for a timely request to be made to Office of the Auditor General (OAG) in order that the latter is in a position to plan and to give its opinion on the reporting template for the 2013/2014 reconciliation.</p> <p>Also recommend for the future that OAG should be invited to the workshop during which the templates and the reporting guidelines are presented.</p> <p>Further recommend that OAG provides a letter of confirmation on the accuracy of the EITI declarations with audited government accounts.</p>	<ul style="list-style-type: none"> ○ MSG presented a Cabinet Paper on the 4th August 2017 to formalize the inclusion of the OAG on the MSG.

**11. Private and State-Owned Enterprises
Audit**

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|---|---|
| <ul style="list-style-type: none">• All extractive companies comply with this practice and ensure that their auditors submit an opinion on the data provided in the reporting templates.• Prior to the start of the reconciliation phase, MSG should inform these companies of this practice and encourage that their auditors make the necessary certification, despite the additional costs that it may bear.• All information stipulated by the EITI Standard is included in the Licenses register in order to ensure that all records are kept up to date. This would then allow reports of all licensed operators, with relevant details, to be easily generated for EITI and other purposes. An online cadastral system should also be made available to the public, which should include information on coordinates of concessions as well as fees paid. | <ul style="list-style-type: none">• This has been achieved before the beginning of the consultancy in November 2017.• This has been achieved even before the beginning of the consultancy in November 2017.• PetroSeychelles does publish licensed blocks online, currently in pdf format and they are working on modernizing this and including an interactive cadastral system. This should be completed during 2018. |
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SPECIFIC STRENGTHS, OPPORTUNITIES OR WEAKNESSES IDENTIFIED IN THE EITI PROCESS

Weaknesses

- Members of the MSG need more capacity building for the purposes of discussing technical issues at the MSG level.
- Some members have attended one or two meetings with others not having participated in the MSG meetings during 2017. The absence of key representatives in these meetings has limited the MSG's ability to effectively address and engage on the spectrum of EITI issues and requirements as they pertain to the MSG's context.
- Incentives to enhance participation of both MSG members and other stakeholders
- Lack technical, human and other resource capacity at Secretariat Level.
- **Insufficient technical and industry knowledge**
To be able to engage effectively within the complex extractive sector it requires good level of understanding on the sector. Since the sector in Seychelles is very recent, the citizens are still trying to learn more about how it operates and impacts on their livelihoods and economy. Despite few highly skilled and knowledgeable individuals, they require more capacity building in order to obtain the critical mass that can effect meaningful change.
- Funding was a challenge at the beginning of 2017 to finance the study trip in Norway. This activity was therefore pushed at a later date.

Strengths

- During 2017, the Seychelles EITI Secretariat saw an increase in interactive activities and cooperation between companies operating in the country and EITI Secretariat. The EITI reporting is not considered a new process anymore. The parties are fully informed and familiar with the process.
- We have an MSG that has been on board since inception in 2014. They displayed dedication, commitment and foresight in regards to EITI implementation.

Opportunities

- There is great opportunity to improve technical knowledge related to the EITI process within related ministries and departments, given that presently not much is known.
- Create a digitalized database
- The EITI process offers the opportunity for more openness and willingness to share data. This transparency creates the opportunity for publicly available data.
- Include and involve Seychelles' Parliament in the updating and creation of an EITI Legal Framework.
- The EITI has also improved communication and information sharing between Government agencies.

RECOMMENDATIONS

- Seychelles EITI needs to continuously use media, participate in National and International Forums, use Promotional Materials, TV Adverts and Radio Jingles to win its citizens attention.
- Seychelles EITI and Civil Society assessed the few workshops conducted as very productive and informative and requested that such be organized again, with invitation sent to more people.
- Allocation of resources and funding to the Secretariat is a must in order for it to realize its activities and goals
- A committed leadership to see through successful realization of EITI in Seychelles

TOTAL COSTS OF IMPLEMENTATION

The total amount of funds spent in 2017 amounted to: **453,550 SR/-**

- Promotional Video, 23,200SR/-
- Reduced per diem for trip to Zambia at 4,900SR/- per person, for two persons = 9,800SR/-
- Recruitment of Independent Administrator to draft two reports (2015 and 2016), 32,350usd = 420,550SR/-

ADDITIONAL COMMENTS

The Seychelles EITI Multi-Stakeholder Group is looking forward to:

- successfully meet all requirements under the EITI Standard
- produce a Third EITI Report by the end of December 2019
- work towards bringing a legal basis to Seychelles EITI
- disseminate the results of SEITI Report 2015-2016 on the three main islands (Mahe, Praslin, La Digue)
- finalise and implement the communication strategy with its Action Plan
- organize a study trip for MSG members at the International EITI Secretariat in Norway, Oslo in 2018 or 2019

- organize National Forums on disclosure of Beneficial Ownership and Open Data Policy with the view to enact necessary legislative reforms.

HAS THIS ACTIVITY REPORT BEEN DISCUSSED BEYOND THE MSG?

MSG members and its constituents, International EITI Secretariat and Independent Administrator have reviewed and provided comments to this report.

DETAILS OF MEMBERSHIP OF THE MSG DURING THE PERIOD 2017

Seychelles EITI Multi-Stakeholder Group (MSG) being represented by 13 members at the beginning of the year 2017, ended the year with only 9 members (since 1 representative from Citizens Engagement Platform Seychelles (CEPS)- Civil Society, 1 from Attorney General's Office, 1 from the private sector, 1 from the Seychelles Revenue Commission (SRC) resigned).

Seychelles MSG consists of members from the Government, Civil Society, Oil Company and the private sector.

MSG attended 6 meetings on the status of the EITI process in 2017.

Below are the contact details of members of the Seychelles EITI Multi-Stakeholder Group for the year 2017 (NB: some MSG members have been replaced by their constituency and modifications were made to some institutions names).

CONCLUSION

Seychelles is undergoing its first validation since January 2018. To this end, several corrective actions have been initiated and will continue throughout the first and second quarters of 2018.

We take this opportunity to thank all the members of the Multi-Stakeholder Group, the National Secretariat, the national and international partners who contributed to the realisation of the activities during 2017 financial year.

SEITI would particularly like to thank Moore Stephens, the Auditor General's Office, the reporting entities for contributing to the second report, the local Media Houses for their continuous involvement and support towards the SEITI initiative.

ANNEX

ANNEX 1- SEYCHELLES EITI MULTI-STAKEHOLDER GROUP

Name	Title	Organisation	Contact details
Mr. Patrick Payet	Chair of the Seychelles EITI Multi-Stakeholder Group/ Principal Secretary for Finance	Ministry of Finance, Trade & Economic Planning (MFTEP)	2 nd Floor, Liberty House P.O. Box 313 Victoria, Mahe Seychelles Tel : (+248) 4 38 20 00 Mob : (+248) 2 72 37 66 Email: psf@finance.gov.sc
Ms. Caroline Abel	Governor of the Central Bank of Seychelles	Central Bank of Seychelles (CBS)	P.O. Box 701 Victoria, Mahe Seychelles Tel: + (248) 4 28 20 01 Fax: + (248) 4 22 60 35 Mob: + (248) 2 51 10 90 Email: governor@cbs.sc Website: www.cbs.sc
Mr. Patrick Joseph	Chief Executive Officer	PetroSeychelles, Ltd.	1 st Floor SEYPEC Building, New Port P.O. Box 230, Victoria, Mahe, Seychelles Tel: (+248) 4 32 44 22 Fax: (+248) 4 32 44 21 Mob: (+248) 2 52 62 32 Email: P.Joseph@petroseychelles.com

Ms. Rebecca Loustau Lalanne	Principal Secretary for the Blue Economy Now: Principal Secretary in the Office of the Vice-President of the Republic	Vice-President's Office	Vice-President's Office State House Victoria, Mahe Seychelles Tel : (+248) 4 38 20 00 Mob : (+248) 2 72 88 38 Email: rloustaulalanne@statehouse.gov.sc
Ms. Aurore Arcambal	Tax Legal Consultant	Ministry of Finance, Trade & Economic Planning (MFTEP)	2 nd Floor, Liberty House P.O. Box 313 Victoria, Mahe Seychelles Tel : (+248) 4 38 20 00 Email: aaarcambal@finance.gov.sc
Mrs. Giovana Neves	Chair of Life and Water Seychelles	Life and Water Seychelles (Environmental Non-Governmental Organization-Platform Seychelles (CEPS))	Mont Buxton Tel : (+248) 2 50 55 51 Email: giovana@blyssbusiness.com
Mrs. RoseMary Elizabeth	Chairperson of Women in Action and Solidarity (WASO)	Citizens Engagement Platform Seychelles (CEPS)	Providence Industrial Estate Mahe Tel: (+248) 2 53 05 00 Email: seyrosie@gmail.com

Mrs. Marie-Thérèse Purvis	Commissioner for Environment and Natural Resources	Citizens Engagement Platform Seychelles (CEPS)	CEPS Orion Mall P.O. Box 885 Victoria, Mahe Seychelles Mob : + (248) 2589001 Email: purvismt@gmail.com OR P.O. Box 3017 Anse Royale Mahe, Seychelles
Ms. Sharon Gerry	Senior Legal Officer	Ministry of Environment, Energy and Climate Energy	Botanical Gardens Mont-Ficuri Mahe, Seychelles Tel: (+248) 2 72 49 00 Email: sgerry@env.gov.sc
ADDITIONAL STAKEHOLDERS			
Ms. Fatime Kante	Economist/ EITI National Coordinator	Ministry of Finance Trade & Economic Planning (MFTEP) Moved to Portfolio Ministry: Department of Blue Economy, Under the Vice-	Blue Economy Department Vice-President's Office 3 rd Floor, Oliaji Building Victoria, Mahe Seychelles Tel : (+248) 4 32 62 00 Email: fatime.kante@statehouse.gov.sc



Some Members of the Seychelles EITI Multi-Stakeholder Group

NATIONAL NEWS



Ceps members listening to a presentation

Ceps mememy learn about the Blue Economy and extractive initiative

A consultant, Dominique Benzaken, held a short presentation to inform the Ceps (Citizens Engagement Platform of Seychelles) members on the Blue Economy road map and the EITI (Extractive Industries Transparency Initiative).

The presentations took place at the Ceps boardroom on Wednesday last week during the members dialogue gathering which is held every three months

Present during the meeting were Ceps board members and representatives of the civil society sector.

Ceps members were intrigued in the transparency of extractive industries in regards to oil drilling and explorations in our seas.

They also scrutinised the four pillars of the Blue Economy initiative which are economic diversification, job and shared prosperity, food security and health and sustaining ocean health

A pertinent issue was raised in regards to education and employment opportunities in this new field where Seychelles is being marketed as the Blue Economy hub.

They felt that although interest is being shown by Seychelles to seek for employment in this sector, they may not too exactly have the required qualifications to meet the criteria for employment thus they asked that we as not fully prepared to venture into this initiative to the fullest of its potential

ANNEX 3- SENSITIZING SOME GOVERNMENT OFFICIALS ON EITI INITIATIVE



ANNEX 4- PEER LEARNING EVENT FOR EITI IMPLEMENTING ANGLOPHONE AND LUSOPHONE COUNTRIES IN AFRICA



Approved by MSG:



Date:

01/27/2018.
