Integrated National Financing Frameworks
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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)

Seychelles Nominal GDP Level and Real GDP Level (2019-2026)
National Development Strategy 2024-2028

6 Priority Areas

1. A Modern Public Service
2. Transformative Economic Agenda
3. A Healthy Nation
4. Promotion of Law & Order
5. Modern Education System in line with Future Needs
6. Environmental Sustainability and Climate change Resilience
NDS is aligned to SDGs!

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<th>NDS Priority Area</th>
<th>Corresponding SDG</th>
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<td>1) A Modern Public Service</td>
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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
Current Challenges

- 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)
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 & management of government revenue (taxes, fees, licenses)
- Explore other innovative financing mechanisms e.g.: blue/green bonds, domestic investments
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<th>Development Finance Assessment (DFA)</th>
<th>Capacity building</th>
<th>Alignment of support to country needs</th>
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**Key U.N. Partners**
Next Steps of INFF process

1. MoFNPT collaborating with UNDESA to onboard INFF advisor
2. Continued capacity building sessions with local technicians
3. Close collaboration of technical teams with INFF advisor to ensure knowledge transfer
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

Issued October 2018 through private placement

3 Impact Investors in USA

Valued at $15 million

Equal repayments in 2026-2028

6.5% coupon

10 yrs. maturity

IBRD partial guarantee of $5mn

Funds available annually as “blue” grants. Administered by SeyCCAT

Loans at 4% interest, managed by DBS
Thank you

For more information

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