

A future worth investing in

INTERVIEW WITH RUPERT SIMEON

CHIEF EXECUTIVE OFFICER, SEYCHELLES INVESTMENT BOARD (SIB)



RUPERT SIMEON holds a Bachelors in Banking, Insurance and Finance from the University of Wales (Bangor). He has occupied several positions within the Seychelles Ministry of Finance and is a member of the boards of several banks in the country. He has been involved in the Seychelles economic reform program particularly in the area of tax reform and has also spearheaded the Seychelles' negotiations for Double Tax Agreements.

What is the role and responsibility of the Seychelles Investment Board.

The Seychelles Investment Board was set up in 2004 to promote and facilitate investment in Seychelles. The Board's strategic investment plan is to ensure that investment flowing into or through Seychelles is directed to projects that will enhance and sustain economic growth and support the country's vision of becoming a premier financial centre in the region.

How would you assess the impact of the reforms announced in 2008?

Seychelles has come a long way in the five years since the announcement of major economic reforms and the government has put considerable measures in place to ensure that Seychelles becomes not only an environment that is welcoming and attractive to foreign investors, but which is also bursting with opportunities in a variety of different sectors. Seychelles is known for its political and social stability, strong macroeconomic policies, modern legal framework, high quality of life, state of the art infrastructure and skilled multilingual labour force. Opening the economy into a free market has made Seychelles an attractive investment destination. In addition to this, the country has been ranked number one in Africa for ICT development

according to the 2013 edition of the Measuring Information Society (MIS) report, with the majority of government services made available online to both businesses and residents.

Is the reform process ongoing?

A recent development to protect the rights of business owners was the establishment of a commercial court to ensure that any business-related disputes can be addressed quickly and efficiently. In addition to this, the Seychelles Investment Appeal Panel was set up to provide a platform upon which an aggrieved investor may apply for a review of a decision made by any public sector agency.

The Panel also allows investors to apply for an order should a public sector agency fail to issue a decision within the required time limit. In November 2013, the government reviewed the Immigration Act and new regulations on citizenship and permanent residency are now in force, providing greater clarity and certainty to investors establishing themselves in Seychelles. A number of investment options are available for investors wishing to set up offices, branches or head offices in Seychelles. The laws offer incorporation of International Business companies, asset and tax planning under the Foundations Act, and



Tuna fishing is the second pillar of the Seychelles' economy

Limited Partnerships Act, asset protection under the International Trust Act and captive insurance under the Protected Cell Companies Act. The companies Special Licences Act provide for fiscal incentives on income tax, access to double taxation avoidance agreements, among others. Whilst the Mutual Funds Act offers the opportunity for investors to invest in a mutual fund for collective investment in particular business venture either locally or internationally. A range of incentives are available such as fiscal incentives and employment of foreign labour.

What has been the impact of financial reform on the economy overall?

Growth in the financial sector means that there are now opportunities for the establishment of investment banks, Islamic banks, retail banking and insurance companies. The government has recently introduced the Financial Leasing Act, which offers more opportunities for financial leasing companies, whilst providing easier access to credit to consumers and the market in general.

Seychelles is also one of the main exporters of canned fish products (mainly tuna) to the EU, Middle East, Asia and Africa and still has enormous potential with many opportunities being discovered. The fishing industry of the Seychelles is regulated by the Seychelles Fishing Authority which is currently embarking on a new aquaculture master plan.

In addition, oil and gas is another industry in which Seychelles may very well see itself entering as studies have shown that we might be sitting on top of large untapped reserves. The government agency that regulates this sector, Petro Seychelles, has been accepting proposals from suitably qualified oil and gas companies wishing to explore for and exploit hydrocarbons in the Seychelles Exclusive Economic Zone since June 2013.

Finally, as one of the most environmentally conscious countries in the world, Seychelles is committed to implementing green projects to ease its reliance on fossil fuels for energy. Numerous opportunities exist in the supply of renewable energy and energy-efficiency technology to the country.

What role do you see Seychelles playing within Africa's burgeoning economy?

Seychelles has always been keen to strengthen ties with foreign partners and governments. With the effects of globalisation on today's global economy, whether you are a private investor or a large multinational, your home country's relationship with other governments and institutions cannot be ignored. Companies no longer have to produce goods out of a single country and can trade across several barriers if they so wish.

Seychelles has therefore taken several necessary steps to ensure it is not left behind. In the past decade, Seychelles has signed 28 Double Taxation Avoidance Agreements. The Seychelles Investment Board has signed a number of Memorandums of Understanding with its investment counterparts in Africa, Asia and the Middle East, which seek to jointly promote investment opportunities in both countries.

Seychelles is a member of the Southern African Development Community and the Common Market for Eastern and Southern Africa, and is in the final stages of gaining accession to the World Trade Organisation (WTO), which is likely to conclude in the first half of 2014. Seychelles also is also negotiating a number of free trade agreement with its trade partners.

The Seychelles Ports Authority is investing heavily in the modernisation and expansion of Victoria Port, which is one of the deepest in the world, to meet its vision by 2020. This will further support our International Trade Zone which is also currently being expanded, offering incentives such as zero per cent withholding tax, zero per cent income tax and dividends and the ability to import foreign workers for skills absent in Seychelles. While it may be true that Seychelles is a service-driven economy, this does not mean that we have no resources or finished products to supply to other countries. The Exclusive Economic Zone of Seychelles is over 1.4 million square kilometres. Of this, only 455 square kilometres is land. A warm climate and an unpolluted ocean, has provided Seychelles with a unique opportunity for exports, and one that the country has been very successful in exploiting.

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Victoria has a vibrant business community and a highly skilled workforce

