



CENTRAL BANK OF SEYCHELLES

P.O Box 701, Victoria, Seychelles

Tel: + (248) 4 282 000; Fax: + (248) 4 226 104

Website: www.cbs.sc

PRESS COMMUNIQUÉ

Victoria – December 14, 2017

Communiqué No: FSC 04/2017

Financial Stability Committee Discussions

The Financial Stability Committee maintains that the overall domestic financial system is currently stable, although certain areas of concern are being closely monitored and the members stand ready to take corrective action should the need arise.

The Committee reached this conclusion at its fourth meeting for this year, held on December 6, 2017, during which it considered a number of ongoing, as well as upcoming developments that could potentially have a bearing on the financial stability of the country.

The issue of de-risking and withdrawal of correspondent banking relationships remained a key matter for discussion on the agenda. The members were briefed on the outcome of the recent roadshow that was initiated by the Central Bank of Seychelles along with the Financial Services Authority, which covered the main hubs where European and American correspondent banks are based. The team had the opportunity to emphasise the measures Seychelles has in place as well as the measures being deployed in regards to ensuring that Seychelles is not used as a conduit for money laundering or terrorist financing. In general, the members were urged to keep up efforts to ensure that Seychelles is adhering to best international practices.

The Committee also discussed the onsite review portion of the Mutual Evaluation process being undertaken by ESAAMLG, given that the members were all actively engaged with the assessors, who were in the country from November, 20 to December 7, 2017, conducting this review.

Other issues discussed included the development of a National Financial Education Strategy as well as a comprehensive Financial Consumer Protection framework and the significance of cyber-security threats and the measures currently in the pipeline to combat such threats. Furthermore, the Committee discussed the work plan for the secretariat in 2018 with items such as a broad macro stress test covering banks and insurers, guidelines for identification of Domestic Systemically Important Financial Institutions (D-SIFIs) and drafting of a Financial Stability legislation featuring prominently.