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PRESS COMMUNIQUÉ

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CBS Presents Monetary Policy to Praslin Stakeholders

The Central Bank of Seychelles brought the monetary policy message to Praslin in discussions held yesterday with the Praslin Business Association.

This meeting, a response to invitation of the Praslin Business Association, falls within the financial awareness programme of the Central Bank, with the aim of engaging with relevant stakeholders as well as the public in general to increase the understanding of the role of Central Bank in the economy.

Following a presentation made by the Governor of the Central Bank Ms Caroline Abel, the delegation from the Central Bank interacted with the participants on various issues raised.

The main concerns expressed were related to difficulty in obtaining the necessary capital for investments especially for small and medium-sized businesses on Praslin, to enable them to meet the high standard of service provision as expected by high-end clients and compete with bigger local establishments and foreign operators who have access to more affordable capital.

On the monetary pronouncement, Governor Abel noted that "the information that we are providing on the interest rate corridor will empower banking customers to be able to negotiate with their banks when they apply for loans."

In an interview with the press following the meeting, the Secretary of the Praslin Business Association Mr Adrian Uzice conveyed the Association's appreciation for this engagement with the Central Bank and expressed the hope that this conversation will result in positive and concrete improvements to Praslin businesses.

The Central Bank noted that it will continue its engagement with the Association and is planning a follow-up meeting to allow direct interaction between the Association and the commercial banks.

To note that the current series of engagement by the Central Bank has for the main focus the monetary policy stance for the third quarter of 2017, with emphasis on the cautious loosening

of monetary policy to stimulate activity in the productive sector and ultimately increase economic growth.