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PRESS COMMUNIQUÉ

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Introduction of International Bank Account Number (IBAN)

The Central Bank of Seychelles in collaboration with local banks and the credit union will adopt the use of IBAN for the local industry when effecting cross-border financial transactions with effect October 1, 2016.

An IBAN is an international standard for identifying bank accounts across national borders with minimal risks of transmitting errors and facilitates the automation of cross-border payment transaction processing. IBAN is being utilised more widely internationally and in certain jurisdictions, IBAN has become the mandatory account identifier for cross-border payments. In those jurisdictions, missing or invalid IBANs on a payment instruction may cause manual repair or rejections, which ultimately results in higher transaction charges, late payment or, potentially, no payment at all.

Given the above development, all banks and the credit union have agreed that there is a need to adopt an IBAN for the Seychelles. The adoption of an IBAN will mainly reduce manual intervention and eliminate delays in transactions with IBAN compliant countries. However, this will require that all existing account numbers will need to be migrated to that of the IBAN format. To this effect, all banks' customers will be contacted in due course to be notified of the change in account numbers.

The Central Bank of Seychelles, the Seychelles Bankers Association and the Seychelles Credit Union thank you for your cooperation in this initiative aimed at enhancing the efficiency for payment processing.