
CENTRAL BANK OF SEYCHELLES ACT, 2004 as amended

(Act 12 of 2004)

ARRANGEMENT OF SECTIONS

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PART I – PRELIMINARY

1. This Act may be cited as the Central Bank of Seychelles Act, 2004. Short title

2. In this Act –

Interpretation

“authorised capital” means the authorised capital defined in section 14;

“the Bank” means the Central Bank of Seychelles established by section 3;

“bank” means a bank as defined in the Financial Institutions Act;

“the Board” means the Board of Directors of the Central Bank of Seychelles appointed under section 5;

“Consolidated Fund” means the fund established by article 151 of the Constitution of the Republic of Seychelles;

Amended by Act No.8 of 2009

“distributable earnings” means the realised income as determined pursuant to section 16;

“financial institution” means a financial institution as defined in the Financial Institutions Act and, for the purpose of this Act, all branches, agencies and offices of a financial institution in Seychelles are deemed to be one financial institution;

“force majeure” includes —

Amended by Act No.10 of 2024

(a) a catastrophic event posing a severe funding market disruption as determined by the Bank;
(b) a disaster as defined in the Disaster Risk Management Act, 2014;
(c) a state of emergency declared pursuant to the Constitution; or
(d) a public health emergency declared under the Public Health Act, 2015,

which, in the opinion of the Bank, substantially and materially disrupts or is likely to substantially and materially disrupt the stability of the economy and financial system;

“foreign currency” means the national currency of a foreign country that is fully convertible to other internationally accepted currencies;

“Deputy Governors” means the First Deputy Governor and the Second Deputy Governor of the Bank appointed under section 6;

Amended by Act No.13 of 2011

"General Reserve" means the General Reserve established under section 15;

"Government agency" means a statutory corporation or a limited liability company of which the Government holds more than 51 percent of the issued share capital or which is controlled by another limited liability company of which more than 51 percent of the issued share capital is held by the Government;

"Governor" means the Governor of the Bank appointed under section 6;

"marketable securities" means securities bearing interest at prevailing market rates and having the tenure of outstanding government securities;

Amended by Act No.10 of 2024

"monetary liabilities" means notes and coins in circulation, liabilities issued by the Bank and deposits held by the Bank but excluding deposits of Government and international financial institutions;

Amended by Act No.13 of 2011

"non-executive director" means a member of the Board other than the Governor or Deputy Governors;

Amended by Act. No. 10 of 2024

"notes and coins" means currency notes and coins issued or deemed to have been issued by the Bank;

"statutory capital" means an aggregate of the authorised capital and the General Reserve;

Amended by Act No.8 of 2009

PART II – ESTABLISHMENT, AUTONOMY, OBJECTIVES AND FUNCTIONS OF THE BANK

3. (1) There is hereby established the Central Bank of Seychelles which shall be a body corporate with perpetual succession and a common seal.

Establishment of the Central Bank of Seychelles

(2) The Bank shall, in pursuit of its objectives and discharge of its functions, act independently and shall not be under the direction or control of any person or authority.

Amended by Act No.10 of 2024

(3) A person shall not improperly seek to influence the Board, its decision-making bodies, or any of the Bank's employees, in the discharge of their duties or otherwise interfere in their lawful activities.

Amended by Act No.10 of 2024

4. (1) The primary objective of the Bank is to promote domestic price stability.

Objectives of the Bank

(2) Without prejudice to the primary objective of the Bank under subsection (1), the other objectives of the Bank are to promote financial stability and soundness of the financial system of Seychelles.

Amended by Act No.10 of 2024

4A.(1) The functions of the Bank are to —

Functions of The Bank

Amended by Act No.10 of 2024

(a) formulate and implement monetary policy with a view to promoting its primary objective;

(b) determine the foreign exchange rate regime in accordance with section 25(5);

(c) have macro-prudential oversight over Seychelles' financial system and co-ordinate activities involved in the safeguarding of financial stability in order to maintain and enhance a stable financial system;

(d) license, regulate and supervise the activities of financial institutions and other entities under its regulatory purview;

(e) issue currency notes and coins that are legal tender and regulate all matters relating to the domestic currency;

(f) hold and manage all the official foreign reserves of Seychelles;

(g) promote the establishment and oversight of a safe, secure, efficient and effective national payment system;

(h) advise the Government on banking, monetary and financial matters, including the monetary implications of proposed fiscal, credit policies or operations of the Government;

(i) act as banker and fiscal agent to the Government;

(j) act as banker to banks;

(k) act as the resolution authority for banks and other designated institutions;

(l) establish facilities for the collection and consolidation of credit information or any other information which the Bank considers relevant in the discharge of its functions;

(m) fairly, reasonably, and effectively handle financial consumer disputes within its regulatory purview; and

(n) collect, compile, disseminate, on a timely basis, monetary and other financial statistics relevant to the Bank's objectives and functions.

(2) The Bank shall have all the necessary, incidental or ancillary powers to give effect to its objectives and carry out its functions.

Laws relating to the Bank's objectives

Amended by Act No.10 of 2024

4B.(1) Any law concerning matters relating to the objectives of the Bank shall be subject to consultation with the Bank before it is laid before the National Assembly.

(2) Where a provision of an enactment hampers the Bank's ability to achieve its objectives or carry out its related functions, this Act shall prevail.

(3) A provision of this Act shall not be amended or repealed without prior consultation with the Bank.

PART III – BOARD OF DIRECTORS,

HEAD OFFICE AND BRANCHES

The Board of Directors

Amended by Act No.10 of 2024

5.(1) There shall be a Board of Directors, in which all the powers of the Bank shall be vested, which shall —

(a) oversee the functioning of the Bank; and

(b) be responsible for the policy and affairs of the Bank.

(2) Without derogating from the generality of subsection (1), the Board shall have power to —

(a) approve the regulations, guidelines and instructions of general application to be issued by the Bank;

(b) approve the budget of the Bank;

(c) approve the annual report of the Bank;

(d) make decisions regarding the establishment or abandonment of a branch of the Bank;

(e) determine the strategic direction and policies applicable to the administration and operations of the Bank;

(f) determine the accounting policies of the Bank and approve the Bank's financial statements;

(g) approve the procedures of the Board, the Audit and Risk Committee and any other body of the Bank;

(h) determine and establish an effective governance, risk and compliance structure within the Bank;

(i) appoint the chairperson of the committees appointed under section 9(9) of the Act;

(j) appoint the secretary of the Board upon recommendation of the Governor;

(k) approve the appointment and dismissal of the Head of Internal Audit;

(l) approve external assignments of the Governor, Deputy Governors and employees of the Bank; and

(m) do all such things as are necessary or incidental to the exercise and performance of other powers and functions granted by this Act or any other Act.

(3) The Board shall consist of —

(a) the Governor;

(b) the Deputy Governors; and

(c) six non-executive directors.

(4) The term of office of the Governor, Deputy Governors and non-executive directors of the Board shall be six years and they are eligible for re-appointment provided that a member shall not serve more than two terms in their respective office.

(5) Notwithstanding subsection (4), the members of the Board who are appointed for the first time upon the commencement date of the Central Bank of Seychelles (Amendment) Act, 2024, shall be appointed at different times for a period of six years to ensure continuity of the management of the Bank.

(6) The terms of office of the Board members performing the functions of office on the commencement date of this Act, shall be deemed to have commenced on the dates on which they were appointed.

The Governor, Deputy Governors and members

Amended by Act No.10 of 2024

6.(1) The Governor, Deputy Governors and non-executive directors shall be fit and proper persons who —

(a) hold an advanced university degree in financial, banking affairs, or economics; and

(b) have at least eight years of professional experience and have held a senior position for at least five years.

(2) Notwithstanding subsection (1)(a), non-executive members may alternatively hold an advanced degree in auditing, compliance, administration, human resources, risk management, information technology, accounting or law.

(3) The Governor and the Deputy Governors shall be appointed by the President in consultation with the non-executive directors of the Board.

(4) The non-executive directors shall be appointed by the President on the recommendation of the Governor, who shall consult the Nomination and Remuneration Committee prior to making such recommendation in accordance with section 9C(3)(a).

(5) The remuneration terms and conditions of the Governor, Deputy Governors and non-executive directors shall be determined by the President based on proposals made in accordance with sections 9B(3)(b) and 9C(3)(b) of the Act.

(6) The Governor or, in his or her absence, the First Deputy Governor and in the absence of the Governor and the First Deputy Governor, the Second Deputy Governor shall —

(a) preside at the meetings of the Board;

(b) be the chief executive officer of the Bank responsible to the Board for the execution of its policy and the day-to-day management of the Bank;

(c) appoint employees at such remuneration, terms and conditions in accordance with approved Board policies;

(d) subject to the provisions of this Act, or any resolution of the Board, have the power to act, contract and sign instruments and documents on behalf of the Bank; and

(e) have the power to delegate such powers to other employees of the Bank.

(7) The remuneration and allowances of the Governor, Deputy Governors and the non-executive directors shall not be reduced during their term of office.

Disqualification Removal, Resignation etc. of Members

7. (1) A person shall not be appointed or remain, as the case may be, the Governor, Deputy Governors or member of the Board if the person – Amended by Act No.13 of 2011

(a) does not fulfill the requirements of section 6(1);

Amended by Act No.8 of 2009

(b) is a director, employee or shareholder of any bank, other financial institution or other entity under the regulatory jurisdiction of the Bank; Amended by Act No.13 of 2011

(c) is mentally or physically incapable of carrying out his or her functions under this Act;

(d) is insolvent or has been declared bankrupt whether in Seychelles or elsewhere or enters into an arrangement or composition with his creditors;

(e) has been convicted of a felony involving dishonesty whether in Seychelles or elsewhere; or

Amended by Act No.8 of 2009

(f) is a member of the National Assembly;

(g) being a non-executive director of the Board, he or she is also an employee of the Bank; Amended by Act No.10 of 2024

(h) is in the service or employment of a political party; or

(i) is a public officer, official or representative of a public body, not including an academic. Amended by Act No.10 of 2024

(1A) Notwithstanding subsection (1), a member of the Board shall be allowed to be a member of — Amended by Act No.10 of 2024

(a) the Financial Stability Committee established under the Financial Stability Act, 2023; and

(b) a board of one public body as long as the public body does not have a banking or finance role.

(2) Where the Governor, the Deputy Governors or a member of the Board, at any time after his or her appointment -

(i) becomes disqualified under subsection (1);

(ii) has been absent without good cause from two or more successive meetings of the Board during a period of twelve months; or

(iii) is convicted of an offence or is found to have committed an act of misconduct in the office which substantially prejudices the interests of the Bank,

the President shall remove him or her from office in accordance with section 7A. Amended by Act No.10 of 2024

(3) No member of the Board shall be removed from office on any ground other than those specified in subsection (2).

(4) The removal of the Governor, Deputy Governors or other members of the Board shall be subject to judicial review. Amended by Act No.13 of 2011

(5) The Governor, the Deputy Governors or a member of the Board may resign his or her office by letter addressed to the President and – Amended by Act No.13 of 2011

(a) in the case of the Governor or the Deputy Governors giving not less than three months ‘notice;
(b) in any other case, giving not less than one month’s notice.

(6) For the purposes of subsection (1) (g), “public body” means a Ministry, department, division or agency of the Government which is carrying out a governmental function or service. Amended by Act No.8 of 2011

(7) A Board member shall not, for a period of six months following his or her exit from office, take employment, provide consultancy services or be appointed as a director of any institution under the regulatory jurisdiction of the Bank. Amended by Act No.10 of 2024

(8) Subsection (7) shall annul and substitute any cooling off period negotiated and provided for contractually or otherwise. Amended by Act No.10 of 2024

7A.(1) In this section, "high judicial officer" means a person who has held or is qualified to hold the post of a judge of the Supreme Court or Justice of Appeal or such similar position. Amended by Act No.10 of 2024

(2) Whenever it appears to the President that a Governor, Deputy Governor or non-executive director of the Board no longer meets the requirements of his or her office in accordance with section 7 of the Act, the President shall appoint a tribunal to inquire into the matter.

(3) The tribunal shall —

(a) consist of not less than three and not more than five persons, one of whom is a high judicial officer or is an attorney-at-law with more than seven years of experience; and

(b) be presided over by the person who is the high judicial officer or the attorney-at-law referred to in paragraph (a).

(4) When conducting its inquiry, the tribunal shall provide the Board member concerned, an opportunity to be heard.

(5) The tribunal shall submit its findings and recommendations to the President for his determination within 30 days of its appointment.

(6) At the time of the appointment of the tribunal, the President may, if the member concerned is the Governor or a Deputy Governor, grant the member leave of absence, and in the case of a non-executive director, suspend the director pending the investigation.

(7) Members of the tribunal shall be paid such fee as may be determined by the President and shall be an expense incurred by the Bank.

8. (1) The Board may, subject to this Act, make guidelines– Amended by Act No.10 of 2024

(a) regulating the meetings of the Board, the functions of members of the Board and such other matters relating to the conduct of the business of the Board as it thinks fit;

(b) regulating the organisation of the Bank, the distribution of functions and responsibilities within the Bank, providing for delegation of decision-making authority and such other internal matters as it considers necessary to ensure the proper and efficient management of the Bank.

(2) The Board may establish, in addition to the audit division referred to in section 46, such other divisions and units as it may deem necessary to assist it in the performance of its functions.

Amended by Act No.10 of 2024

(3) *Repealed*

Proceedings of the Board

Amended by Act No.13 of 2011 and No. 10 of 2024

9. (1) The Board may meet as often as is necessary for the discharge of its responsibilities under this Act but it shall meet not less than 8 times in a year. Meetings of the Board shall be convened by the Governor, First Deputy Governor or Second Deputy Governor acting as Governor and may also be convened upon the written request of two members of the Board.

(2) Meetings of the Board shall be convened by notice to members of the Board at least two working days before the date of the meeting except that an emergency meeting of the Board may be convened on shorter notice.

(3) A quorum for a meeting of the Board shall be two executive directors and four non-executive directors, entitled to vote, provided that any matter requiring urgent action may be determined by two executive directors and three non-executive directors.

(4) Notwithstanding subsection (3), decisions made by the Board shall not be invalidated in the absence of a quorum, merely by reason of the existence of a vacancy or vacancies on the Board.

(5) Decisions made under subsection (4) shall be ratified by the Board as soon as the Board has quorum.

(6) The Board may make guidelines to provide for the holding of meetings of the Board and voting at such meetings by teleconferencing or by any other electronic means of communication.

Amended by Act No.8 of 2009

(7) Each member of the Board, shall have one vote and the decisions of the Board shall be made by a simple majority of the votes cast by the members present at a meeting. In the event of an equality of votes, the Governor or the First or Second Deputy Governor presiding at the meeting shall have a casting vote.

Amended by Act No.13 of 2011 and No. 10 of 2024

(8) Notwithstanding the Second Deputy Governor has a right of participation at the meetings of the Board he or she shall not have the right to vote except in the absence of the Governor or the First Deputy Governor or both.

Amended by Act No.13 of 2011

(9) The Board may appoint such committees as may be necessary, on such terms and conditions, for the efficient performance, exercise and discharge of its functions, powers and duties.

(10) Subject to section 48(1), the proceedings of the Board shall be confidential unless the Board decides to publish all or any part of its deliberations or decisions.

(11) Minutes shall be kept of each Board meeting and shall be signed by the Governor, First Deputy Governor or Second Deputy Governor and the secretary of the Board.

Amended by Act No.13 of 2011

Audit and Risk Committee

Amended by Act No.10 of 2024

9A.(1) The Board shall establish an Audit and Risk Committee consisting of at least three non-executive directors —

(a) who shall possess qualifications and experience in accounting, auditing, banking, economics, risk management, compliance, information technology or administration; and

(b) of whom at least one member shall possess accounting or auditing expertise.

(2) The Audit and Risk Committee —

(a) shall elect a chairperson from amongst its members;

(b) shall meet not less than four times a year; and

(c) may consult external and independent experts on any matter before them.

(3) The Audit and Risk Committee shall be responsible for —

(a) reviewing and endorsing policies pertaining to the audit, compliance, risk management and business continuity functions of the Bank;

(b) overseeing the work of the internal audit division and the divisions and units related to the governance of the Bank;

(c) overseeing the implementation of the recommendations of the internal and external auditors;

(d) reviewing and recommending the approval of the Bank's financial statements and accounting policies to the Board;

(e) reviewing and recommending the approval of the Bank's budget to the Board;

(f) recommending the appointment and dismissal of the Head of Internal Audit to the Board;

(g) reviewing the appointment, reappointment or termination of external auditors in consultation with the office of the Auditor General;

(h) endorsing the external auditor's review of the financial statements prior to the Board's approval;

(i) overseeing the Bank's internal controls; and

(j) any other function assigned by the Board.

(4) The Audit and Risk Committee shall provide a report to the Board on the performance of its functions at least twice a year.

9B.(1) The Board shall establish a Human Resources Committee consisting of at least three non-executive directors who shall possess qualifications and experience in financial or banking affairs, auditing, administration, human resource or information technology.

Human Resources Committee

Amended by Act No.10 of 2024

(2) The Human Resources Committee —

(a) shall elect a chairperson from amongst its members;

(b) shall meet not less than four times a year; and

(c) may consult external and independent experts on any matter being considered by the Committee.

(3) The Human Resources Committee shall be responsible for —

(a) monitoring the implementation and effectiveness of the human resource strategies and activities of the Bank;

(b) submitting the proposed remuneration of the executive directors, as agreed by the nonexecutive directors, to the President; and

(c) any other function assigned by the Board.

Nomination and Remuneration Committee

Amended by Act No.10 of 2024

9C.(1) The Board shall establish the Nomination and Remuneration Committee consisting of three independent persons, who are of recognised standing and possess qualifications and experience in fields relevant to central banking, human resources management or corporate governance.

(2) The Nomination and Remuneration Committee shall elect a chairperson from amongst its members.

(3) The Nomination and Remuneration Committee shall be responsible for —

(a) proposing appropriate individuals to fulfil the role of non-executive directors of the Board for the consideration of the Governor, who will submit names of the most appropriate candidates to the President for his determination; and

(b) proposing appropriate remuneration of nonexecutive directors for the consideration of the Governor, who will submit the recommended remuneration to the President for his determination.

(4) Members of the Nomination and Remuneration Committee shall be paid such fee as may be determined by the Board and shall be an expense incurred by the Bank.

(5) A member of the Nomination and Remuneration Committee shall be dismissed by the Board if he or she has been convicted, whether in Seychelles or elsewhere, of a felony involving dishonesty, fraud or any other similar offence.

Avoidance of Conflict of interest

Amended by Act No.13 of 2011

10.(1) No member of the Board shall act as a delegate or representative of any commercial, financial, agricultural, industrial or other entity or accept directions therefrom in respect of the member's functions under this Act.

Amended by Act No.8 of 2009

Amended by Act No.13 of 2011

(2)(a) The Governor, Deputy Governors and any employee of the Bank shall not accept or perform any assignment outside his or her functions at the Bank without the written approval of the Board;

(b) An approval of the Board in paragraph (a) may be granted only where the assignments do not compromise the functions of the Governor, Deputy Governors or employee and where there is no inconsistency with the other provisions of the Act.

Amended by Act No.13 of 2011

(3) All members of the Board shall fully disclose to the Board any commercial, financial, agricultural, industrial or other interest that they may have in any matter which becomes the subject of consideration or action by the Board. If such interest appears to the Board to constitute a conflict of interests, the relevant member shall refrain from taking any part whatsoever in any decision affecting that matter.

(4) No person, being a member of the Board or employee of the Bank, shall accept any gift, be it in the form of a credit on favourable terms and conditions or otherwise or other monetary or non-monetary advantage for himself or herself or any person with whom he or she may have any family, business or financial connection, which would, if accepted, affect or appear to affect the proper performance of his or her duties under this Act.

Amended by Act No.13 of 2011

(5) Any person who contravenes any provision of this section commits an offence and is liable on conviction to a fine of Level 3 on the Standard Scale or to imprisonment for 6 months or both.

Amended by Act No. 13 of 2011 and No.10 of 2024

Confidentiality

Amended by Act No.10 of 2024

11.(1) A person who serves or has served as a member of the Board, the Nomination and Remuneration Committee, or as an employee of the Bank shall not disclose any confidential information acquired in the course of the performance of his or her duties under this Act or any other law, relating to the affairs of the Bank or any entity that falls under the Bank's supervision to any person except —

(a) for purposes of the performance of his or her duties or the exercise of his or her powers under this Act or any other law;

(b) when required to do so by a court of law or under any other law;

(c) for the purposes of meeting the requirements of an agreement or understanding undertaken by the Bank with any other central bank, supervisory or resolution authority which are consistent with the objectives and functions of the Bank under this Act.

(2) Any person who contravenes subsection (1) commits an offence and is liable on conviction to a fine of Level 4 on the Standard Scale or to imprisonment for one year or both.

12. (1) A member of the Board or an employee or agent of the Bank shall not be liable for damages for anything done or omitted to be done in good faith in the discharge or purported discharge of his or her functions under this Act or any other Act.

Protection of acts in good faith

Amended by Act No.13 of 2011

(2) A member of the Board or an employee or agent of the Bank shall be indemnified by the Bank against all costs, losses and expenses incurred by such person in respect of any liability arising from the discharge or purported discharge, in good faith, of any function under this Act.

(3) The Bank may take such action as it may think fit under the circumstances against any member of the Board or an employee or agent of the Bank referred to in subsection (1) or (2).

13. (1) The Bank shall have its head office on Mahe and may establish branch offices at other places in Seychelles.

Head office and Branches of Bank

(2) The Bank may appoint agents or correspondents from time to time.

PART IV – CAPITAL, PROFITS AND RESERVES

14.(1) The authorised capital of the Bank shall be an amount equivalent to R550 million.

Authorised capital of the Bank

Amended by Act No.10 of 2024

(2) Notwithstanding subsection (5), the Government shall build up the authorised capital of the Bank over a period of ten years starting as at 1 January 2024.

(3) All capital stock of the Bank as and when issued shall be for the sole account of the Government and shall not be transferable or subject to encumbrance.

(4) The authorised capital of the Bank —

(a) may be increased by such amounts proposed

(a) by the Bank and approved by the Government;

(b) shall be reviewed at least every ten years; and

(c) shall not be reduced at any time.

(5) For the purposes of this Act, all authorised capital shall be deemed to be fully paid up.

General Reserve

15. (1) The Bank shall establish and maintain a General Reserve to which distributable earnings referred to under section 16 shall be allocated at the end of each financial her year, and the General Reserve together with authorised capital shall form the statutory capital of the Bank.

Amended by Act No.10 of 2024

(2) The General Reserve under subsection (1) shall not accumulate a balance of less than zero.

(3) The Bank shall establish a revaluation reserve to account for unrealised gains and losses, owing to its positions with foreign currencies, gold, financial instruments, and other assets.

(4) Where according to the latest audited annual financial statements of the Bank, the General Reserve accumulates a balance of less than zero, the Bank shall, within a period of not more than 30 calendar days of publication of the annual accounts, assess the situation and prepare a report on the causes and extent of the shortfall.

(5) Where the Board approves the report prepared under subsection (4), the Bank shall request for a capital contribution from the Government to remedy the deficit with a prospect of restoring the General Reserve to at least zero.

(6) Upon receipt of the request made under subsection (5), the Government shall, within a period of no more than 90 calendar days, transfer to the Bank the necessary amount in currency or in negotiable debt instruments with a specified maturity issued at prevailing market interest rates.

(7) The National Assembly, after a recapitalisation under subsection (6), may request a report from the Board and external auditors detailing the cause for the General Reserve accumulating a balance less than zero.

(8)The report requested under subsection (7) shall be tabled before the National Assembly within 4 weeks of recapitalisation.

16. (1) A distribution from the Bank shall be based on distributable earnings that are calculated;

Amended by Act No.10 of 2024

(a) as the net profit, less an amount equal to the total amount of unrealised gains, included in the net profit; and

(b) by adding to the amount remaining after applying paragraph (a), the total amount of unrealized gains, if those unrealised gains, included in the net profit of a previous year, are realised; and

(c) by the retention of the unrealized revaluation losses to the extent that they exceed any balance in the relevant Revaluation Reserve Account.

(2) Where the Bank has distributable earnings for any financial year, 100 per cent of those earnings shall be distributed to the General Reserve until the statutory capital reaches 10 percent of monetary liabilities.

(3) Any residual distributable earnings remaining after the distribution in subsection (2) shall be transferred to the Consolidated Fund.

(4) Where the distributable earnings of the Bank is less than zero, they shall be offset against the General Reserve.

PART V – SEYCHELLES CURRENCY

Units of currency

17. The unit of currency of Seychelles shall be the Seychelles rupee, which shall be divided into one hundred cents.

Legal Tender

Amended by Act No.8 of 2009

18. (1) Notes and coins issued by the Bank shall be legal tender in Seychelles by which, subject to the provisions of subsection (2), a debtor is legally entitled to discharge any monetary debt and a creditor is obliged to accept payment of any monetary claim unless a foreign currency is agreed to or contractually stipulated by the creditor and debtor.

(2) Subject to the provisions of subsections (3) and (4), a tender of payment of money if made in notes and coins shall be legal tender –

(i) in the case of notes, for the payment of any amount;

(ii) in the case of coins, for each denomination of coins, for the payment of an amount not exceeding twenty times the face value of that denomination; and

(iii) in the case of coins for the payment to and from the Bank of any amount.

(3) A note ceases to be legal tender if it is no longer in conformity with the specifications published by the Bank in accordance with section 21 (3) or has ceased to be legal tender under section 23.

(4) A coin that has been illegally dealt with shall cease to be legal tender.

Amended by Act No.10 of 2024

(5) For the purpose of this Act, a coin or note shall be deemed to have been illegally dealt with if it has been impaired, diminished or lightened otherwise than by fair wear or tear, has been defaced by any name, word, device or number being stamped or engraved on it, or has been marred, spoilt, torn, burnt or suffered any other form of deliberate and willful abuse whether or not the coin or note has been diminished or lightened.

Bank sole authority

19. The Bank shall have the sole right to issue legal tender notes and coins denominated in Seychelles rupee. No other person shall in Seychelles issue notes or coins or any documents or tokens which are likely to pass as legal tender.

20. The Bank —

(a) shall arrange for the printing of notes and the minting of coins and for all other related matters, including the security of such notes and coins;

Amended by Act No.10 of 2024

(b) shall issue, reissue, withdraw and, at its discretion, exchange notes and coins including legal tender notes and coins issued before the commencement of this Act;

(c) may issue currency in digital form;

(d) shall arrange for the storage and safe custody of notes and coins; and

Issue of notes and coins

(e) shall arrange for the destruction, disposal or recycling of currency notes and coins withdrawn from circulation or otherwise found by the Bank to be unfit for use.

Design etc. of currency

21.(1) Notes issued under this Act shall be of such denominations and of such form, material, design and other characteristics and authenticated in such manner as may, from time to time, be specified by the Board with the approval of the President.

Amended by Act No.10 of 2024

(2) Coins issued under this Act shall be of such denomination and of such weight, form and design and made of such metal or metals as may, from time to time, be specified by the Board with the approval of the President.

Amended by Act No.13 of 2011

(3) Specifications of notes and coins to be issued by the Bank shall be published by notice in the Gazette and in other media platforms likely to reach the public's attention.

Amended by Act No.10 of 2024

Proceedings relating to currency notes and coins

22. (1) In any proceedings in which the genuineness of any currency note or coin purporting to have been issued by the Bank shall be in question, a certificate under the hand of a duly authorised employee of the Bank to the effect that such currency note or coin is genuine or spurious shall be received in all courts of law as conclusive evidence of the genuineness or spuriousness, as the case may be, of such currency note or coin.

Amended by Act No.13 of 2011

(2) The aforesaid employee shall not be examined or cross-examined with respect to any such certificate.

(3) The penalties for forgery, counterfeiting and alteration of currency notes and counterfeiting, mutilating and defacement of coinage shall be those specified in the Penal Code.

Demonetisation

23. (1) The President may, by Order published in the Gazette on the recommendation of the Board, declare that any legal tender notes or coins shall, with effect from such date as may be specified in the Order, cease to be legal tender in Seychelles and provide for any matters incidental to the calling in of such notes or coins:

Provided that the holders of any such notes or coins, or any legal tender notes or coins that have ceased to be legal tender before the commencement of this Act, shall be entitled at any time to claim payment of the value thereof from the Bank or where a transfer in respect thereof has been made to the Consolidated Fund under subsection (2), from the Consolidated Fund.

(2) When any notes or coins cease to be legal tender under subsection (1), an amount equivalent to the face value of any such notes or coins remaining in circulation five years after they have so ceased to be legal tender shall be transferred from the Bank to the Consolidated Fund and the said amount shall be written off the liabilities of the Bank:

Provided that, in the case of gold and silver coins remaining in circulation for which corresponding assets are held by the Bank, the amount equivalent to their face value shall not be transferred to the Consolidated Fund and shall be written off the liabilities as well as the assets of the Bank.

Amended by Act No.10 of 2024

(3) The Bank may, by notice published in the Gazette and in a daily local newspaper, specify a period during which notes or coins which have ceased to be legal tender may be exchanged at the head office of the Bank or other designated place, after which those notes or coins shall no longer be exchanged.

Amended by Act No.10 of 2024

(4) The Bank may levy a handling charge, as it may determine, for the exchange of notes or coins in accordance with subsection (3).

No right to recover value of lost, stolen or mutilated notes or coins

Amended by Act No.10 of 2024

24.(1) A person shall not be entitled to recover from the Bank the value of any lost, stolen, mutilated or imperfect note or coin or of any note or coin which has been illegally dealt with.

(2) The Bank may —

(a) withdraw and confiscate without compensation any notes and coins that have been illegally dealt with or altered in their external appearance, including in particular, notes that have been written on, painted on, dye-stained, stamped or perforated, or to which adhesive matter has been applied; and

(b) at its discretion, grant compensation in whole or in part if more than 50 per cent of a note or coin's surface has not been lost.

Reproduction or use of images of notes and coins

24A.(1) A person shall not reproduce or use images of notes and coins issued by the Bank or create any objects that imitate any such note or coin without the prior authorisation of the Bank.

Amended by Act No.10 of 2024

(2) The Bank shall determine the conditions for the reproduction of notes and coins.

(3) Any person who contravenes any provision of this section commits an offence and is liable upon conviction to a fine of Level 6 on the Standard Scale or to imprisonment for 1 year or both.

PART VI – OFFICIAL FOREIGN RESERVES, FOREIGN EXCHANGE RATE REGIME AND FOREIGN EXCHANGE OPERATIONS

Official Foreign Reserves

25. (1) The Bank shall hold and manage the official foreign reserves of Seychelles.

(2) The official foreign reserves shall be composed of all or any of the following assets on such terms and conditions as the Board may determine -

(a) gold;

(b) foreign exchange in the form of currency or bank balances denominated in foreign currencies and held abroad on accounts with the Bank for International Settlements and other banks approved by the Board;

(c) internationally recognised assets in foreign currencies, including –

(i) the ability of Seychelles to make a reserve tranche purchase at the International Monetary Fund; and

(ii) the holding of any special drawing rights in the International Monetary Fund by Seychelles;

(d) bills of exchange and promissory notes denominated in foreign currencies payable at any place outside Seychelles specified by the Board;

(e) treasury bills denominated in foreign currencies issued by a foreign Government specified from time to time by the Board; and

(f) securities denominated in foreign currencies and issued or guaranteed by foreign Governments or international institutions specified from time to time by the Board.

(3) The Bank shall maintain the official foreign reserves at a level that would, in the opinion of the Board, enable the Bank to fulfill its functions under various foreign exchange rate regimes. The Bank shall determine, within limits set out by the Board and taking into account the risk levels it considers acceptable, the composition of the official foreign reserve assets so as to achieve the goals determined by the Board on security, liquidity and return, in that order.

(4) In the event of unfavourable developments affecting the official foreign reserves of Seychelles, it shall be the duty of the Board to propose appropriate remedial measures to be taken by the Government.

(5) The Board, in consultation with the President, shall decide the foreign exchange rate regime to be adopted by the Bank. The foreign exchange rate regime so adopted shall be published by notice in the Gazette. Amended by Act No.13 of 2011

(6) *Repealed by Act No. 25 of 2008*

26. *Rate of Exchange - repealed by Act No. 25 of 2008*

Transactions of the Bank

27. (1) The Bank shall –

(a) purchase, sell and conduct any other financial transaction with assets that may be included in the official foreign reserves specified in section 25(2);

(b) open and maintain accounts abroad with such banks, financial institutions or other depositories and appoint such correspondents or agents outside Seychelles as may be determined by the Board; and

(c) provide banking services in accordance with section 36 (b) and, as may be determined by the Board, open accounts for foreign banks.

(2) The Bank shall, in the conduct of its activities remunerated in subsection (1), aim at achieving security, liquidity and return, in that order.

PART VII – RELATIONS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

28. *Revaluation Reserve Account - repealed by Act No. 12 of 2009*

29.(1) The Bank may, on such terms and conditions as the Board may determine, open accounts for, accept and remunerate deposits from banks and other institutions.

Deposits with and lending by the Bank

Amended by Act No.10 of 2024

(2) The Bank may grant loans, advances and rediscounts to a solvent bank or credit union in Seychelles for monetary policy purposes and on a short term basis.

(3) The Bank shall determine the terms and conditions when granting a loan, advance or rediscount in accordance with subsection (2) which shall include —

(a) the interest rate chargeable, which shall not be lower than the monetary policy rate; and

(b) the requirement for the bank or credit union to provide the Bank with adequate collateral for the liquidity provided.

29A.(1) Section 29A is repealed.

Amended by Act No.10 of 2024

(2) Notwithstanding the repeal of this section, any loans, advances or rediscounts issued in accordance with section 29A immediately prior to the effective date of the Central Bank of Seychelles (Amendment) Act,2024, shall continue to be valid under the same terms and conditions.

(2) For the purpose of section 29 and 29(A)(1) "financial institution" includes credit unions and the Development Bank of Seychelles.

29B.(1) To ensure financial stability, the Bank may provide short term emergency liquidity assistance to a bank or credit union in Seychelles which —

Emergency liquidity assistance

Amended by Act No.10 of 2024

(a) is temporarily illiquid but solvent and viable as determined by the Bank;

(b) has adequate collateral as determined by the Bank; and

(c) has exhausted all alternative liquidity options.

(2) The Bank shall determine the terms and conditions when providing emergency liquidity assistance under this section, which shall include —

(a) the maturity of the assistance, which shall be for a period not exceeding 2 weeks but may be rolled over for succeeding periods each of up to 2 weeks, for a total period not exceeding 6 months;

(b) the collateral to be provided to the Bank, which in the opinion of the Bank shall be sufficient to cover all risks to the Bank associated with such assistance; and

(c) the interest rate chargeable on the emergency liquidity assistance, which shall be higher than the interest rate applied to loans or advances made in accordance with section 29.

(3) Notwithstanding subsection (1), in order to ensure financial stability, the Bank may, with the agreement of the Minister responsible for finance and on such terms and conditions as the Board determines, provide liquidity support to a bank or credit union in accordance with subsection (2), —

(a) in the event of uncertainty on the solvency of a temporarily illiquid bank or credit union;

(b) in the event of uncertainty on the sufficiency of available collateral for emergency liquidity assistance; or

(c) where necessary for the purposes of meeting resolution objectives.

(4) The Bank may provide liquidity support under subsection (3), only if —

(a) the Bank is fully indemnified by the Government for any losses it may incur in relation to such assistance; and

(b) the bank or credit union complies with measures prescribed by the Bank to ensure that the bank or credit union becomes solvent and viable in the context of a resolution or restructuring plan.

Consequential amendment in Act 13 of 2009

Clearing and payment systems

30. The Bank may establish or assist banks and other institutions in establishing facilities for the clearing and settlement of payments, including payments by cheques and other payment instruments, and may issue such directions relating thereto as it deems appropriate.

Monetary reserve requirement

Amended by Act No.10 of 2024

31. (1) The Bank may, by written notice to each bank or credit union, require —

(a) the maintenance of such reserves against deposits and other similar liabilities; and

(b) the submission of reports of the bank or credit union's deposit liabilities and any other relevant information to the Bank as may be specified in the notice.

(2) The reserves required under subsection (1) shall be maintained by way of cash holdings or deposits with the Bank in such proportions as the Bank may specify.

(3) The Bank may, if it deems necessary, require secondary reserves to be maintained in such forms and in such proportions as may be specified.

(4) The Bank may require the maintenance of different reserve ratios for different classes of deposit and other similar liabilities and may lay down the method of their computation:

Provided that —

(a) the Bank shall not, unless the market conditions so require, require banks and credit unions to hold a total amount of reserves in excess of 40 per cent of the total deposit and other similar liabilities to which reserve ratios are applicable; Amended by Act No.10 of 2024

(b) the initial requirement of, or any increase in, the reserve ratios shall take effect after a period of not less than 15 days after the date of notice;

(c) the Bank may treat the requirements of this subsection as satisfied if the required reserve ratios are maintained on the basis of averages of holdings over such period as the Bank may notify; and

(d) the required reserve ratios shall be uniform for each class of bank and credit union in Seychelles. Amended by Act No.10 of 2024

(5) A bank or credit union which fails to comply with any requirement of the Bank under subsection (1)(a) shall be liable to pay a financial penalty in accordance with such formula as may be prescribed by regulations. Amended by Act No.10 of 2024

(6) A bank or credit union required to provide information according to subsection (1)(b) which — Amended by Act No.10 of 2024

(a) fails, refuses, neglects or unreasonably delays to supply information as required by the Bank; or

(b) furnishes information which is false or misleading in any material particular;

shall be liable to an administrative penalty in accordance with Part XIVA.

PART VIII - COLLECTION OF INFORMATION AND STATISTICAL DATA

Bank's power to collect information

32. (1) The Bank shall monitor the developments in the foreign exchange and credit markets and keep such statistics relating to the balance of payments, international investment position and other matters as it needs to discharge its functions.

Amended by Act No.13 of 2011

(2) In carrying out its monetary policy and supervisory functions and for the purposes of subsection (1), the Bank may require any financial institution or other entity incorporated or registered in Seychelles and any of its directors or employees to furnish, at such time and in such manner as the Bank may specify, such information and statistical data as the Bank considers necessary for the discharge of its functions.

(3) Subject to subsection (4), the Bank may publish, at such times as it thinks fit, the information and data furnished to it under subsection (2) in whole or in part.

(4) Notwithstanding subsection (3), no information disclosing the affairs of a provider of statistical data or a customer of the bank or other financial institution or other entity under the Bank's supervision or, indirectly, those of another person, shall be published or otherwise disclosed by the Bank unless it is required to do so by law or an order of court or the person concerned has previously consented in writing to the publication or disclosure.

Amended by Act No.10 of 2024

(5) Any person, while performing functions for a financial institution or other entity incorporated or registered in Seychelles required to provide information or statistical data according to subsection (2)–

(a) fails, refuses, neglects or unreasonably delays to supply information or statistical data as required by the Bank; or

(b) in complying with such requirement, furnishes any information or statistical data which he or she knows to be false in any material particular,

is liable to an administrative penalty in accordance with Part XIVA.

32A. *Repealed by Act No. 20 of 2023*

PART IX - VERIFICATIONS, EXAMINATIONS AND INSPECTIONS

Verification of information

33. (1) The Bank may, at any time, cause a verification, examination or inspection to be made by any duly authorized employee of the Bank or any other person authorised on behalf of the Bank, of any bank, other financial institution, other entity or person subject to its supervision or required to provide statistical data.

Amended by Act No.13 of 2011

(2) Any person authorised to act under subsection (1) shall be subject to the provisions of section 11 and may require any director or employee of any bank, other financial institution or other entity or person subject to the supervision of the Bank under any law –

(a) to produce for verification, examination or inspection without unnecessary delay, any books, records or other documents in his or her possession containing or likely to contain such information as the person authorised reasonably considers necessary for the purpose of the verification, examination or inspection of statistical data; and

(a) to give any information in his or her possession pertaining to the matter under verification, examination or inspection.

(3) Any person who –

Amended by Act No.13 of 2011

(a) fails, refuses, neglects, or unreasonably delays to comply with any requirement under subsection (2); or

(b) in complying with any such requirement, furnishes any information or statistical data or produces any book, record or other document which the person knows to be false in any material particular,

is liable to an administrative penalty in accordance with Part XIVA.

Amended by Act No.10 of 2024

PART X - RELATIONS WITH THE GOVERNMENT AND GOVERNMENT AGENCIES

34. (1) The Bank may, on such terms and conditions as may be agreed with the Government –

Functions as agent of Government

Amended by Act No.13 of 2011

(a) open accounts for and accept and remunerate deposits in Seychelles rupees and in any foreign currency;

(b) undertake, as agent for the Government, the issue and management of Government securities;

(c) act as banker and fiscal agent of the Government in its dealings with any international financial institution and as depository of such institution; and

(d) open accounts for and accept deposits in Seychelles rupees and in any foreign currency from any Government agency.

(2) The Bank shall administer any law, as provided in that law, and may undertake any agency work for the Government in addition to those provided in subsection (1)(b) and (c) and section 36(d), within its area of competence. Amended by Act No.13 of 2011

35. *Appointment of Exchange Controller - repealed by Act No. 12 of 2009*

International cooperation

Amended by Act No.8 of 2009

36. In relation to international cooperation, the Bank –

(a) shall be the only representative of the Government in intergovernmental meetings, councils and organisations concerning monetary policy, licensing and supervision of banks and other matters that are within its competence;

(b) may provide banking services for the benefit of foreign Governments, foreign central banks and monetary authorities, and for the benefit of international organisations in which it or the Government participates;

(c) may participate in international organizations that pursue financial and economic stability through international monetary cooperation; and

(d) may, as agent for the Government, undertake responsibilities and perform transactions concerning the Government's participation in international organisations.

Mutual consultation

37. Without prejudice to any other provision of this Act, the Government and the Bank shall consult each other on all economic and financial matters that may affect the discharge of their respective statutory functions.

Advice and Reports by the Bank

38. The Bank shall render advice and furnish reports on economic and financial matters to the government when required to do so and the Bank shall be entitled to receive from any public authority any economic and financial information the Bank may reasonably need for that purpose.

Consultation on budget

39. The Government shall consult the Bank on the appropriations of the Government for each financial year and on any proposed legislation affecting the budget and the Bank.

Advances to Government

40. (1) The Bank may, in respect of temporary deficiencies of revenue, grant temporary advances in Seychelles rupees to the Government on such terms and conditions as are determined by the Bank, including — Amended by Act No. 10 of 2024

(a) such temporary advances being consistent with the monetary policy; and

(b) subject to an interest rate not lower than the monetary policy rate.

(2) The total amount of such advances outstanding shall not at any time exceed 10 per cent of the Government's average revenue from the preceding three years as determined annually by the Bank, in consultation with the Ministry of Finance and published by notice in the *Gazette*.

(3) Any advances granted under subsection (1) and converted into Government bearer securities, prior to the 31st December, 2022, including those under repurchase agreements, shall not be included in the limit on advances and shall be used solely for monetary policy purposes.

(4) All such advances shall be repaid as soon as possible and shall in any event be repayable not later than six months after the end of the financial year in which they are granted.

(5) For the purpose of subsection (2) "revenue" does not include borrowings, grants and any other form of financial assistance.

Temporary advances in the event of force majeure

Amended by Act No.10 of 2024

40A.(1) The Bank may grant temporary advances in Seychelles rupees to the Government in the event of force majeure where there is a temporary deficiency of revenue, and the grant of the advance shall be —

(a) consistent with the primary objective of the Bank, the monetary policy and the established limit on public debt;

(b) for a period of not more than one year; and

(c) subject to an interest which shall not be lower than the monetary policy rate.

(2) An application by the Government for an advance in the event of force majeure shall illustrate the event and the means by which it has negatively impacted the Government budget.

(3) The limit on total temporary advances granted under subsection (1) shall be determined by the Board and published by notice in the *Gazette*.

Credit provided from proceeds

Amended by Act No.10 of 2024

40B.(1) Notwithstanding sections 40 and 40A, the Bank may provide credit to the Government, in Seychelles rupees —

(a) from proceeds of special drawing rights, where such special drawing rights were allocated to Seychelles under Article XV of the Articles of Agreement of the International Monetary Fund; or

(b) from proceeds of other financial assets received by the Bank as a result of the membership of Seychelles to an international financial organisation.

(2) Credit granted in accordance with subsection (1) shall —

(a) bear such interest as may be determined by the Bank, such rate not being less than the interest rate or charge payable by the Bank in respect of the special drawing rights or other financial asset;

(b) be for such term as may be determined by the Bank, which term shall not exceed, where applicable, the maturity date or redemption date of the corresponding financial asset;

(c) be documented in a loan agreement approved by the Board; and

(d) be reported in the Bank's report and accounts submitted to the President in accordance with section 47(4).

41. (1) The Bank may purchase or otherwise acquire treasury bills or other securities issued or guaranteed by the Government. Purchase of treasury bills etc.,

(2) The purchases or other acquisitions by the Bank under subsection (1) shall be made Amended by Act 8 of 2009 Act 21 of 2021

(a) for monetary policy or capital maintenance purposes; and Amended by Act 8 of 2009 Act 21 of 2021

(a) on the secondary market at market interest rates.

(3) In the event of a force majeure, the Bank may purchase or acquire treasury bills and other securities issued or guaranteed by the Government on the secondary market at market interest rates. Amended by Act No.10 of 2024

(4) The securities purchased or acquired pursuant to subsection (3) shall not be taken into account for the purpose of determining the limit on advances to Government under section 40(2).

(5) The aggregate value of the securities purchased or acquired pursuant to subsection (3) shall not exceed a limit to be prescribed by the Bank in consultation with the Ministry of Finance and published by notice in the Gazette

(6) The Bank may re-sell or hold, until their date of maturity, the securities purchased or acquired pursuant to subsection (3).

42. The Bank may issue in its own name, for monetary policy purposes, short term debt securities. Debt securities issued by Bank

43. The Bank may operate in the market, in addition to its undertaking as agent for the Government under section 34(1) (b), by purchasing, selling or conducting any other financial transaction in the conduct of its monetary policy framework, such as outright (spot and forward) or under repurchase agreements, debt securities issued or guaranteed by the Government and debt securities issued by the Bank. Bank's market operations

PART XI - OTHER ACTIVITIES

Activities Bank may and may not engage in

44. (1) The Bank may —

(a) on such terms and conditions as may be determined by the Bank, open accounts for, and accept deposits for the account of, special funds administered by the Government, official aid agencies and international organisations;

Amended by Act No.8 of 2009

(b) grant loans and advances to any of its employees upon terms and conditions determined from time to time by the Board; and

Amended by Act No.13 of 2011

(c) generally undertake such operations or do such things as are incidental to or consequential upon the exercise of its powers or the performance of its duties under this Act.

(2) The Bank shall not –

(a) open accounts for or accept deposits from any person except as provided in this Act;

(b) grant advances, loans, guarantees or contingent commitments to or for the benefit of the Government or any Government agency except as provided in this Act;

(c) engage in trade, purchase of any interest in any corporation or company, including the shares of any bank or other financial institution unless expressly authorised by the Financial Institutions Act, or otherwise have an ownership interest in any financial, commercial, agricultural, industrial or other undertaking except such interest as the Bank may acquire in the course of satisfaction of debts due to it, provided that all such interests so acquired shall be disposed of at the earliest opportunity; or

(d) purchase or retain ownership of immovable property except in so far as is necessary for the conduct of its business or for the provision of housing and recreational or other amenities for its employees.

Amended by Act No.13 of 2011

(3) Notwithstanding subsection (2)(c), the Bank may acquire shares or ownership interests in any international bank or international financial organisation or any associated or affiliated bank or financial organisation of such international bank or international financial organisation of which Seychelles or the Bank is a member.

Amended by Act No.10 of 2024

PART XII - BUDGET AND ACCOUNTING

The budget of the Bank

Amended by Act No.08 of 2009

45. (1) The budget of the Bank for each financial year shall be determined by the Board before the 15th day of December of the previous year.

(2) The Board shall cause to be kept the accounts of the Bank in conformity at all times with the applicable law, if any, and an internationally recognised financial reporting framework.

(3) The Bank shall, as soon as may be accomplished after the end of every month, make up a periodic financial statement of the condition of the Bank as at the close of business on the last business day of such month and publish the same in the Gazette.

(4) The Bank shall, as soon as may be accomplished after the end of each financial year and within the time limit referred to in section 47(4), make up the annual accounts.

(5) The Bank shall establish and maintain the Revaluation Reserve Account as required to comply with its accounting framework and the calculation of distributable earnings.

Amended by Act No.8 of 2009

(6) No credit or debit shall be made to the Revaluation Reserve Account except in accordance with the provisions of this section and section 16.

PART XIII – INTERNAL AUDIT

Internal Audit

Amended by Act No.10 of 2024

46.(1) An internal audit division shall perform internal audit functions of the Bank which shall comprise —

(a) the provision of independent, objective and risk-based assurance advice on effectiveness of governance, risk management and control processes to the Board as guided by international auditing standards; and

(b) carrying out any other assignment made by the Board.

(2) The internal audit division shall report functionally to the Audit and Risk Committee and administratively to the Governor.

(3) The internal audit division shall be overseen the Head of Internal Audit who shall be appointed in accordance with section 5(2)(k) of the Act.

(4) The Head of Internal Audit appointed in accordance with subsection (3) shall be a person who —

(a) has extensive professional experience in the field of accounting or audit;

(b) is a member of a professional accounting or auditing body;

(c) is not insolvent or has not been declared bankrupt whether in Seychelles or elsewhere or has entered into an arrangement or composition with creditors;

(d) has not been convicted of a felony involving dishonesty or of any other similar offence; and

(e) has not been found to have committed an offence involving dishonesty or fraud after a disciplinary hearing.

(5) The Head of Internal Audit shall be an employee of the Bank and shall carry out his or her responsibilities with a high degree of professionalism and without interference.

(6) A person shall cease to be the Head of Internal Audit in the event that he or she —

(a) ceases to be an employee of the Bank;

(b) ceases to be a member of their professional accounting or auditing body;

(a) has been convicted of a felony involving dishonesty or any other similar offence, whether in Seychelles or elsewhere;

(b) has not performed his or her duties as would be reasonably expected in accordance with Board approved policies; or

(c) has been found to have committed an offence involving dishonesty or fraud after a disciplinary hearing.

PART XIV — AUDIT OF ACCOUNTS

Audit of accounts

47. (1) The financial year of the Bank shall be the year ending on the 31st day of December.

(2) The Board shall cause to be kept proper books of account and other books and records in relation thereto in which shall be recorded all its financial transactions.

(3) The accounts of the Bank shall be audited by the Auditor General.

(4) The Bank shall within 3 months after the end of each financial year, submit to the President a report on its operations during the year together with a copy of its annual accounts certified by the Auditor General and shall publish the said report and accounts.

Reports for public information

48. (1) The Bank shall publish a summary of the decisions taken by the Bank with respect to monetary policy as soon as possible thereafter.

(2) The Bank may publish regular reports on issues related to monetary policy, financial stability or any other matter within its competence and shall annually report to the National Assembly on its activities in the preceding year and on the achievement of its objectives set out in section 4.

Amended by Act No.8 of 2009

(3) The Governor may appear before the National Assembly for the purposes of explaining and answering questions on monetary policies and any other activity of the Bank.

PART XIVA -ADMINISTRATIVE PENALTIES

Administrative penalties

Amended by Act No.10 of 2024

48A.(1) If the Governor is satisfied on a balance of probabilities that a bank or a credit union or a person has —

(a) contravened a provision of this Act or its regulations;

(b) failed to comply with an order under this Act, the Governor may serve the bank, credit union or person with a notice requiring the bank, credit union or person to pay an administrative penalty in the amount specified in the determination.

(2) The Bank shall prescribe by regulations the amount or range of amounts, of administrative penalty that may be imposed in respect of each contravention of a specified provision of this Act or its regulations, which may be different for first and subsequent contraventions.

(3) The maximum amount of administrative penalty that may be prescribed under subsection (2) shall not exceed R 100 000.

(4) A notice under subsection (1) shall be in the prescribed form and shall contain the prescribed information.

(5) The Governor shall provide the bank, credit union or person with an opportunity to be heard if so requested and, following the opportunity, may —

(a) cancel the administrative penalty; or

(b) confirm the administrative penalty, in which case it shall become due and payable to the Bank.

(6) If an administrative penalty has been imposed under this section, no further proceedings may be taken in respect of the matter, other than to enforce payment of the penalty.

Effects of charging an offence

48B. A person who has been charged with an offence under this Act may not be subject to an administrative penalty in respect of the circumstances that gave rise to the charge.

Recovery of administrative penalties

48C. An administrative penalty imposed under this Act is a debt owed to the Bank and may be recovered as such.

PART XV – TAXES, REGULATORY POWERS AND APPEALS

Exemption from taxes

49. The Bank shall be exempt from stamp duty, business tax, trades tax, goods and services tax and all other taxes, fees and duties on its assets, documents, profits, operations and property.

Regulations

50. (1)The Bank in consultation with the Minister responsible for Finance may make regulations for carrying into effect the principles and provisions of this Act.

Amended by Act No.13 of 2011

(2) Without limiting the generality of subsection (1), regulations made under that subsection may provide —

Amended by Act No.10 of 2024

(a) for penalties of fines not exceeding level 6 on the Standard Scale or imprisonment not exceeding five years;

(b) where appropriate, imposition of administrative penalties in respect of an offence, which penalties shall be a debt due to the Bank which may be recovered as a civil debt in a court of competent jurisdiction;

(c) that the payment of an administrative penalty may discharge the person of liability from prosecution for an offence.

Repeal of Cap 26

51. (1) The Central Bank of Seychelles Act, 1982 is hereby repealed.

(2) With effect from the date of repeal of the aforesaid Act –

(a) the rights, obligations, assets and liabilities of the Central Bank of
(a) Seychelles established by the aforesaid Act (hereinafter referred to as the former Bank) on the day immediately preceding the said date of repeal shall be the rights, obligations, assets and liabilities of the Bank;

(b) notes and coins issued by the former Bank shall be deemed to have been notes and coins issued by the Bank;

(c) the regulations made, licences granted, directions issued and notifications made under the repealed Act shall continue in effect until they are amended under the provisions of this Act;

(d) the other employees of the former Bank shall be deemed to be employees of the Bank on conditions not less favourable than those subsisting immediately prior to the said date of repeal;

Amended by Act No.13 of 2011

(e) all contracts, deeds, bonds, agreements and other instruments made by the former Bank which subsist or have effect immediately prior to the

(f) date of repeal shall have effect against or in favour of the Bank as if the Bank had been a party thereto;

(g) all suits, appeals or other legal proceedings instituted by or against the former Bank and pending immediately prior to the date of repeal shall not abate or be discontinued or be in any way prejudicially affected by reason of such repeal and accordingly may be continued and enforced by or against the Bank;

(h) all acts done, decisions taken, authorisations or permissions granted by the former Bank or by the Board of Directors, officers or employees of the former bank which were validly done, taken or granted under any written law or under and in accordance with the repealed Act shall continue to have effect in accordance with their terms or until amended, annulled or withdrawn in accordance with the written law.