



DESK RESEARCH FOCUS ON THE SEYCHELLES MARKET



Prepared by:
Export Development Board (EDB), Sri Lanka
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1. BASIC FACTS

Location

The Seychelles are a group of 115 islands, only a few inhabited, in the Indian Ocean that lie off the coast of East Africa, northeast of Madagascar.

Inner Seychelles

The vast majority of the Seychelles' population lives on these granite islands, home to the bulk of the country's resorts.

- ahé (Sainte Anne Island, Cerf Island, Marnelle Island)
- Praslin (Curieuse Island, Aride Island, Cousin Islands)
- La Digue (Félicité Island, The Sisters, Marie Anne Island)
- Silhouette Island (North Island)
- Inner Corallines (Denis Island, Bird Island)

Cities

- Victoria - is the Capital City
- Anse Boileau
- Anse Royale
- Anse Etoile
- Beau Vallon
- Glacis
- Cascade
- Takamaka

Surface area : The country covers an area of 455 sq km.

Population (Total) : Seychelles has a population of 91,650..

Capital : Victoria (population of Victoria 26,000)

Language : Seychellois Creole (official) 89.1%, English (official) 5.1%, French (official) 0.7%, other , 3.8%, unspecified 1.4%

Climate : Tropical marine; humid; cooler season during southeast monsoon (late May to September); warmer season during northwest monsoon (March to May)

Business hrs : Mon-Fri 0800-1600. Most government offices and some private businesses are closed on weekends and public holidays

Banking hours

08.30 -15 00 Monday to Friday

8.30 – 1200 on Saturday

Literacy

Definition: age 15 and over can read and write

Total population: 91.8%

Male: 91.4%

Female: 92.3% (2011 est.)

2. ECONOMY

Seychelles is a small island state in the Indian Ocean, northeast of Madagascar. The country is largely a service-based economy and depends heavily on tourism and the fishing industry, which are the country's biggest foreign exchange earners. Other export commodities are cinnamon bark, copra, petroleum products (re-exports). With the view of reducing the country's dependence on tourism, the Government has been promoting the development of farming, fishing, and small-scale manufacturing. Seychelles' main export partners are the European Union, Japan, Saudi Arabia, Switzerland and the United States.

Its economic challenges include the lack of economic diversification, vulnerability to external shocks, distance from markets, risks of environmental degradation and weather-related disasters. Seychelles is not yet a Member of the WTO. The country's accession negotiations are underway.

Industries

Fishing, tourism, processing of coconuts and vanilla, coir (coconut fiber) rope, boat building, printing, furniture; beverages.

Currency

Seychelles rupees (SCR)

Exchange rate

Seychelles rupees (SCR) per US dollar :1 : 12

GDP-(official exchange rate)

\$1.271 billion

GDP Per capita

\$25,900

Real GDP growth

3.3% (2013)

Annual inflation rate

4.3%

Principal export products

Canned tuna, frozen fish, cinnamon bark, copra, petroleum products (reexports)

Major export destinations

France 27.7%, UK 17.6%, Japan 15.2%, Italy 10.6%

Principal import products

Machinery and equipment, foodstuffs, petroleum products, chemicals, other manufactured goods

3. TRADE WITH SRI LANKA

SRI LANKA'S EXPORT TO SEYCHELLES

(Value: US \$ '000)

	2010	2011	2012	2013
Boat Building	267		501	283
Tea in Bulk	327	183	319	247
Confectionary & Bakery Products	58	3	23	86
Gauze, Bandages & Pharmaceutical Articles	106	64	85	53
Other Products of Plastics nes	7	21	21	46
Electrical & Electronic Products	73	1	28	41
Rice & Cereals	98	8	10	30
Textiles	11	37	21	25
Insulated Wires and Cables		...	35	24
Coconut Oil		4	66	23
Apparel	29	28	...	20
Motor Vehicles & Parts	116	1	3	17
Furniture & Seats	22	...	5	16
Other Products of Base Metal	2	43	3	16
Jewellery	33		51	16
Processed Food	107	43	27	14
Products Unclassified	6	281	8	13
Metal Furniture & Seats	...	2	...	12
Other Vegetables		12
Other Articles of Stones		1	1	12
Tools, Cutlery & Parts		...	2	11
Switches, Boards & Panels		3	18	10
Other	83	104	130	96
Total :	1,345	827	1,357	1,123

Source: Sri Lanka Customs

SRI LANKA'S IMPORTS FROM SEYCHELLES

(Value: US \$ '000)

	2010	2011	2012	2013
Animal Feed	462	1,281	1,079	1,562
Synthetic Rubber				802
Frozen Fish		24		134
Nails, Screws, Bolts & Nuts of Metal	26
Wooden Products				22
Other Manufactures	4	7	5	15
Petroleum Products				12
Other Edible Fish			17	12
Electrical & Electronic Products	33	151	52	1
Audio/Video Equipments & Parts			4	1
Motor Vehicles & Parts		81	102	
Automatic Data Processing Machines			39	
Paints, Varnishes and Dyeing Extracts		30	38	
Structures of Iron & Aluminum	135	13	8	
Other Export Crops nes	480			
Other	13	57	22	5
Total :	1,127	1,644	1,366	2,592

Source: Sri Lanka Customs

TOP EXPORTERS TO SEYCHELLES

Company Details	Products Exported within this Period
NEIL FERNANDO AND COMPANY PVT LTD	Boat Building,
UNITRADES PVT LTD	Tea in Bulk
SANKEN OVERSEAS PVT LTD	Electrical & Electronic Products nes, Insulated Wires and Cables,
BIO EXTRACTS PVT LTD	Wadding Gauze, Bandages & Similar Pharmaceutical Articles, Coconut Oil
CEYLON TEA SERVICES PLC	Tea Packets, Processed Food, Apparel, Books & Printed Matter
N M TRADING PVT LTD	Electrical & Electronic Products nes, Other Products of Base Metal nes,
KANUMALE ENTERPRISES PVT LTD	Wadding Gauze, Bandages & Similar Pharmaceutical Articles,
CARGILLS QUALITY CONFECTIONARIES PVT LTD	Confectionary & Bakery Products, Processed Vegetables, Fruits & Juices, Processed Food
SIFANI JEWELLERS LTD	Jewellery, Metal Furniture & Seats, Furniture & Seats, Other Articles of Stones nes
NIDRO SUPPLY PVT LTD	Vegetables & Fruits
FIBRETECH	Other Products of Plastics nes
NESWA TRADING	Made-Up Textile Articles, Apparel,
CEYLON BISCUITS LTD	Confectionary & Bakery Products
SUNRICH CONFECTIONERY PVT LTD	Confectionary & Bakery Products
NEIL MARINE PLASTICS PVT LTD	Products of Plastics nes
PRESSTONA TILES LANKA PVT LTD	Articles of Stones nes
BERJAYA MOUNT ROYAL BEACH HOTEL LTD	Woven Fabrics
ORIENT DESIGN PVT LTD	Apparel, Other Manufactures nes, Made-Up Textile Articles
EASTERN AND ALLIED AGENCIES LTD	Other Fruits nes
BARBARA SANSONI EXPORTS PVT LTD	Toys Games & Sport Requisites
ACL CABLES PLC	Insulated Wires and Cables
C B L EXPORTS PVT LTD	Confectionary & Bakery Products
KELANI CABLES PLC	Insulated Wires and Cables
FOR PERSONAL EFFECT EXPORTERS	Other Textile Articles nes
CELLCITY LANKA PVT LTD	Furniture & Seats, Metal Furniture & Seats

Sri Lankan exporters face following logistic problems in exporting to Seychelles.

- Lack of direct flights
- Long delays in transshipments
- Shipping vessels are not frequent.
- Expensive freight charges.

Though Sri Lanka and Seychelles economies are not equal in terms of absolute numbers, both economies show some resemblance on their sources of current and potential earnings such as tourism, fisheries and offshore business. The synergies therefore, can be explored in these sectors between the two nations.

Status of Agreements signed between Sri Lanka & Seychelles.

- a. Agreement on Avoidance of Double Taxation – Agreement was signed on 22nd September 2011 in Colombo.
- b. MOU on Fisheries cooperation – Signed
- c. Bilateral Air service negotiations – Signed. Started direct flights since Nov,2013
- d. MOU on Education and Training – Signed
- e. Exemption of Visa fees- Signed
- f. Opening of a Sri Lanka Mission- Started since Dec, 2013
- g. Opening of BOC Branch- Opened since Nov, 2013

4. TRADE WITH THE WORLD

SEYCHELLES' IMPORTS FROM WORLD

Value in US\$ Thousands

Product label	Imported value in 2000	Imported value in 2010	Imported value in 2011	Imported value in 2012
Fish, aquatic invertebrates nes	86,139	70,848	86,815	147,731
Machinery, nuclear reactors, boilers, etc	63,730	64,830	66,563	85,861
Electrical, electronic equipment	31,378	42,301	45,277	44,491
Ships, boats and other floating structures	28,498	31,416	33,926	26,228
Articles of iron or steel	23,728	21,838	19,115	24,865
Vehicles other than railway, tramway	18,063	34,215	27,397	24,770
Iron and steel	16,138	20,496	29,122	21,170
Commodities not elsewhere specified	11,202	17,263	13,094	20,202
Mineral fuels, oils, distillation products, etc	13,941	50,346	5,512	17,128
Furniture, lighting, signs, prefabricated buildings	19,319	18,833	15,174	15,125
Plastics and articles thereof	14,324	13,585	16,070	14,780
Aircraft, spacecraft, and parts thereof	306,407	4,037	21,008	12,171
Optical, photo, technical, medical, etc apparatus	6,736	9,518	10,238	11,343
Tanning, dyeing extracts, tannins, derivs, pigments etc	4,003	2,856	4,939	11,120
Beverages, spirits and vinegar	7,521	9,643	11,663	10,827
Meat and edible meat offal	6,335	8,553	12,025	10,792
Paper and paperboard, articles of pulp, paper and board	8,797	9,041	9,425	9,958
Wood and articles of wood, wood charcoal	13,214	12,526	11,493	9,768
Miscellaneous articles of base metal	14,539	14,097	9,893	7,786

Animal, vegetable fats and oils, cleavage products, etc	12,342	12,553	12,925	7,092
Wadding, felt, nonwovens, yarns,	4,286	6,140	8,907	6,798
Rubber and articles thereof	8,425	8,044	4,673	6,769
Miscellaneous edible preparations	3,263	5,402	5,834	6,375
Cereals	7,212	6,468	5,861	5,608
Dairy products, eggs, honey	5,290	5,751	6,204	5,484
Apparel, accessories, knit or crochet	1,751	1,861	2,403	5,341
Pharmaceutical products	4,582	5,037	5,491	5,280
Residues, animal fodder	832	1,901	3,412	5,255
Ceramic products	5,213	6,682	3,828	5,253
Vegetable, fruit, food preparations	3,749	4,375	4,580	4,552
Cereal, flour, starch, milk preparations	3,525	4,836	4,599	4,430
Furskins and artificial fur	376	13	259	4,315
Essential oils, perfumes, cosmetics,	3,618	4,130	5,353	4,197
Edible vegetables	4,098	4,365	4,410	4,170
Copper and articles thereof	1,339	1,835	1,380	3,964
Salt, sulphur, plaster, lime and cement	6,749	5,326	3,209	3,841
Glass and glassware	2,870	2,589	4,186	3,826
Soaps, lubricants, waxes, candles, modelling pastes	3,668	4,082	3,561	3,781
Aluminium and articles thereof	6,158	4,040	3,133	3,284
Pearls, precious stones, metals, etc	2,174	4,166	1,757	3,215
Tools, of base metal	3,132	3,398	4,180	3,013
Milling products, malt, wheat gluten	2,620	2,609	3,032	2,765
Edible fruit	2,072	2,445	2,395	2,488
Miscellaneous chemical products	2,572	2,282	2,303	2,381
Other	27,502	33,696	39,786	33,930
Total	823,430	600,268	596,410	673,523

SEYCHELLES' EXPORTS TO WORLD

Value in US\$ Thousands

Products	2009	2010	2011	2012
Meat, fish and seafood food preparations nes	222,592	204,574	239,938	254,429
Fish, crustaceans, molluscs, aquatic	82,656	101,516	97,592	119,696
Salt, sulphur, earth, stone, plaster, lime and cement	180	187	426	27,841
Copper and articles thereof	167	397	950	8,101
Iron and steel	1,841	1,303	1,881	7,732
Optical, medical, etc apparatus	9,900	8,283	9,369	7,564
Animal,vegetable fats and oils,	5,445	5,774	5,010	5,872
Electrical, electronic equipment	4,542	29,874	8,553	4,787
Machinery, nuclear reactors,	5,384	16,840	5,196	4,664
animal fodder	3,985	4,786	5,112	4,358
Commodities not specified	1,661	1,459	2,448	4,213
Ships, boats	2,658	3,146	1,406	3,629
Plastics and articles thereof	1,451	2,070	3,142	3,362
Aircraft, spacecraft, and parts	1,446	692	882	2,488
Vehicles other than railway, tramway	260	1,161	1,613	1,862
Fertilizers		10		1,837
apparel, not knit or crochet	136	131	217	1,141
Pearls, precious stones,	133	218	124	876
Furniture, lighting, signs, prefabricated	383	435	959	852
Oil seed, fruits, grain, fruit, etc,	23	8	30	733
Other base metals, cermets, articles thereof	96	590	68	694
Articles of iron or steel	935	1,410	429	688
Other made textile articles, sets, worn clothing etc	44	62	296	618
Tanning, dyeing extracts,	23	27	746	601
Edible fruit	539	249	533	580
chemical products	70	195	276	505
Wood and articles of wood,	201	1,616	1,763	481
Rubber and articles thereof	446	671	343	448
Other	17,385	21,688	7,837	6,779
Total	364,582	409,372	397,139	477,431

TRADE AGREEMENTS / MEMBERSHIP TO ECONOMIC BLOCS BOUND BY SEYCHELLES

Seychelles is a beneficiary of following trade agreements –

1. Generalized System of Preferences - Australia
2. Generalized System of Preferences - Canada
3. Generalized System of Preferences - Japan
4. Generalized System of Preferences - New Zealand
5. Generalized System of Preferences - Russian Federation, Belarus, Kazakhstan
6. Generalized System of Preferences - Switzerland
7. Generalized System of Preferences - Turkey
8. Generalized System of Preferences - United States
9. African Growth and Opportunity Act

Business Opportunities for Sri Lanka

Areas where investment opportunities on Seychelles abound are in following categories:

- Boat & vessels Building as Seychelles is highly engaged in fishing.
- Agriculture and Agro-processing,
- Construction material
- Construction services
- ICT/BPO
- Electrical & Electronic products

5. PROCEDURE TO IMPORT FROM SEYCHELLES

IMPORT DOCUMENTATION

All goods imported into Seychelles have to pass through Customs procedures and the correct declarations have to be made to Customs. When making a declaration, the person must accept the responsibilities under the law for the accuracy of the given information, authenticity of the documents being provided and the observance of all the obligations necessary under the declared procedures.

It is very important to ensure that the correct model of the declaration is selected to ensure that the correct type of control and data of the ASYCUDA World System is made available. Bills of Entry or Bills of Export are required for the following Models of Declaration:

Models of Declaration	
EX 1	Permanent Exportation
EX 2	Temporary Export
EX 3	Re-export
IM 4	Entry for home use/Ex-warehouse
IM 5	Temporary Importation
IM 6	Re-Importation
IM 7	Entry for warehousing
IM 8	Transshipment & Ship store Procedures
SD 4	Simplified Declaration

Ensure before inserting any information in ASYCUDA World that all the required documents needed to complete the declaration are available. All the mandatory documents must be scanned and attached to the declaration.

The Importers or their agents should prepare the Declaration from the following documents:

- Original Invoice
- Packing List
- Bill of Lading or Airway Bill, and
- Insurance Certificate
- Import Permit (if applicable)

Procedures to import	Time (days)	Cost (US\$)
Documents preparation	4	225
Procedures to import	Time (days)	Cost (US\$)
Customs clearance and technical control	4	130
Ports and terminal handling	8	220
Inland transportation and handling	1	100
Totals	17	675

Source: <http://www.doingbusiness.org> (World Bank)

Documentation requirements to export & import

Documents to export
Bill of entry
Bill of lading
Commercial invoice
Export certificate
Packing list

Documents to import
Bill of lading
Commercial invoice
Customs import declaration
Packing list
Terminal handling receipts

6. Procedures and Documents for exporting from Seychelles

Indicator	Seychelles	Sub-Saharan Africa average	OECD high income average
Documents to export (number)	5	8	4
Time to export (days)	16	31	11
Cost to export (US\$ per container)	705	2,108	1,070
Documents to import (number)	5	9	4
Time to import (days)	17	38	10
Cost to import (US\$ per container)	675	2,793	1,090

Source: <http://www.doingbusiness.org> (World Bank)

Procedures to export	Time (days)	Cost (US\$)
Documents preparation	5	260
Customs clearance and technical control	3	130
Ports and terminal handling	7	215
Inland transportation and handling	1	100
Totals	16	705

Source: <http://www.doingbusiness.org> (World Bank)

7. MARKET ACCESS - SEYCHELLES

Goods imported are entered into the ASYCUDA World system for either:

- Home consumption
- Warehousing
- Transshipment

All goods can be classified under the Harmonized System Nomenclature which is the basis for the classification of goods by importers, exporters, shipping companies and marine insurance companies. In Seychelles it is published as Schedule 3 of the Customs Management (Tariff and Classification of Goods) Regulations 2013 and is divided into 99 Chapters. The first 6 digits of the code are common to all countries that use it and the last 2 digits are allocated by Seychelles policy makers. This code gives the rate of Trades Tax applicable.

The following taxes are collected at the point of entry on importation by Customs Division on behalf of Seychelles Revenue Commission:

- Trade Tax
- VAT
- Excise Tax

For example: cotton handkerchiefs are classified under HS Code 6213.2000 on which 25% Trades Tax applies and has a 15% VAT. The value of imported goods is based on the purchase price adjusted to a CIF level. The purchase price is an open market price where the buyer and seller are at arms length (the commercial value).

Levy is also payable at the point of entry at Customs Division. It is calculated on value or quantity.

Levy is applicable on the importation of the following goods:

- Vehicles
- Chicken
- Pet bottle
- Plastic
- Canned beer

8. Travel to Seychelles

Get in

No visa is required for all nationalities, though all foreigners must have a passport valid for at least 6 months, and must have proof of accommodation bookings before arrival. Visitors without pre booked accommodation are likely to be compelled to book accommodation at the airport for the length of their stay before being allowed to leave the airport. An initial entry permit is granted for 1 month but can be extended for a maximum of 3 months at a time up to a maximum of 1 year in total. See the official travel web-site.

Accessibility Air

Seychelles has 14 airports

The only international gateway to the Seychelles is Seychelles International Airport (SEZ) near Victoria. Air Seychelles reduced its operations in late 2011/2012 and now flies only to Johannesburg and Mauritius. International service is also available from Addis Ababa (Ethiopian Airlines), Nairobi (Kenya Airways), Dubai (Emirates), Abu Dhabi (Etihad) and Doha (Qatar Airways), and regular charter services from Frankfurt (Condor).

Now Mihin Lanka of Sri Lanka connects Colombo to Victoria.

9. USEFUL ADDRESSES

Seychelles Chamber of Commerce & Industries

Ebrahim Building ,
P.O. Box 1399 Victoria,
Mahe Seychelles

Seychelles

Revenue Commission (Custom) Horizon Complex
Baie Ste Anne, Praslin Seychelles
Tel No: +248 4232041

Ministry of External Affairs

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Maison Quéau de Quincy Mont Fleuri,
Mahé, Seychelles
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Ministry of Finance, trade & Investment

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