A new budget for a new reality.

Budget (Amendment) 2020
Combating the effects of COVID-19 in Seychelles

Seychelles Ministry of Finance, Trade, Investment and Economic Planning
Protecting our economy against the COVID-19 crisis

Since the 2020 Budget was approved in October 2019, the COVID-19 pandemic has hit economies and restricted movement all over the world.

As a small island state that is reliant on tourism and vulnerable to external shocks, the ban on visitor arrivals has already affected the economy of Seychelles severely.

Seychelles Ministry of Finance, Trade, Investment and Economic Planning
Protecting our workers’ salaries

The Government has therefore amended the Appropriation Bill 2020 to provide additional funding for the sectors which need it most. This includes an amount of:

SR 1,09 billion

to protect private sector salaries

Seychelles Ministry of Finance, Trade, Investment and Economic Planning
Increasing essential spending

Budget spending priorities have been shifted towards:

- **Healthcare** to contain and combat the disease
- **Food security** to ensure sustenance during the crisis;
- **Wage retention** and **job security** for private sector employees;
- **Social protection** to ensure the safety of the most vulnerable;
- Increased **security** to prevent crime during the economic downturn;
- Investments in **infrastructure** to support economic growth

*Seychelles Ministry of Finance, Trade, Investment and Economic Planning*
Protecting food security

A sum of SR 20 million is being allocated to the Seychelles Trading Company to ensure the stocking of essential commodities. A number of measures are also being implemented to support local farmers and fishermen in the production of meat, vegetables and fish.

Seychelles Ministry of Finance, Trade, Investment and Economic Planning
Finding savings

The Government will be cutting non-essential spending across most ministries, departments and agencies by introducing measures such as placing a freeze on recruitment, restricting travel and reducing allowances.

Costs are also being saved through the cancellation of cultural and national events such as Festival Kreol, National Day, the 250th Anniversary of the First Settlement and sports activities.

Seychelles Ministry of Finance, Trade, Investment and Economic Planning
Sources of revenue

In light of the unprecedented circumstances, the budget will now be in deficit, financed by the following:

- Advance from the Central Bank of Seychelles at 0% interest.
- Issuance of a Bond on the market
- Publication of Treasury Bills
- Use of reserves to cover importation costs
- Budget Support Loans from the World Bank, the IMF and African Development Bank.

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