

# A new budget for a new reality.

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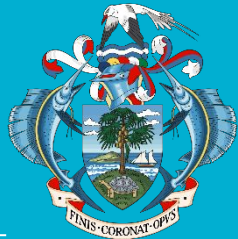


Budget (Amendment) 2020

Combating the effects of  
COVID-19 in Seychelles

*Seychelles Ministry of Finance, Trade,  
Investment and Economic Planning*

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# 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.

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# Protecting our workers' salaries

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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



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# Increasing essential spending

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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



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# Protecting food security

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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.

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# Finding savings

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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.

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# 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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