



**CENTRAL BANK OF SEYCHELLES (AMENDMENT)
ACT, 2011**

(Act 13 of 2011)

I assent

**J. A. Michel
President**

21st December, 2011

**AN ACT to amend the Central Bank of Seychelles Act,
2004.**

ENACTED by the President and the National Assembly.

1. This Act may be cited as the Central Bank of Seychelles (Amendment) Act, 2011. Short title

Amendment of
Act 12 of 2004

2. The Central Bank of Seychelles Act 2004 is amended
as follows—

(a) in section 2—

- (i) by inserting between the definition
“Consolidated fund” and “distributable
earnings” the following—

““Credit Information System” means the
credit information system established
under section 32A”;

- (ii) by repealing the definition of “Deputy
Governor” and substituting therefor the
following—

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

- (iii) by repealing the definition of “total
monetary liabilities” and “monetary
liabilities” and substituting therefor the
following—

“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;”

(b) in section 3—

- (i) by repealing in subsection (2) the words
“officers or”;

(ii) by adding after subsection (2) the following—

“(3) A member of the Board, or employee of the Bank shall not be influenced in the discharge of his or her functions or seek or take instructions from any person other than the Bank.”

(c) by repealing section 4 and substituting therefor the following—

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

(2) The other objectives of the Bank are—

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

(b) to promote a sound financial system.”;

(d) in section 5—

(i) by repealing in subsection 2(b) the words “the Deputy Governor” and substituting therefor the words “Deputy Governors”;

(ii) by repealing in subsection (2) (d) the word

“three” and substituting therefor the word “four”;

(iii) by repealing subsection (3) and substituting therefor the following —

“(3) The term of office of the Governor, Deputy Governors and other members of the Board shall be six years and they are eligible for reappointment.”;

(e) in section 6 —

(i) by repealing in subsection (1) the words “the Deputy Governor” and substituting therefor the words “Deputy Governors”;

(ii) by repealing in subsection (2) the words “Deputy Governor” and substituting therefor the words “Deputy Governors”;

(iii) by repealing in subsection (3) the words “Deputy Governor” and substituting therefor the words “First Deputy Governor and in the absence of the Governor and the First Deputy Governor, the Second Deputy Governor”;

(iv) by repealing in subsection (3) paragraph (c) the word “officers” and substituting therefor the word “employees”;

(v) by repealing the word “Deputy Governor” in the marginal note and substituting therefor the word “Deputy Governors”;

(f) in section 7 —

regulations for carrying into effect the principles and provisions of this Act.”

(x) in section 51 by repealing in subsection (2) (d) the words “officers and” where it appears in the second place in the subsection.

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 9th December, 2011.



Veronique Bresson
Clerk to the National Assembly

- (a) the Bank may at its discretion grant a longer repayment period or a lower interest rate than that specified in section 40;
- (b) an application for an advance in the event of force majeure shall explain the event and the means by which it has negatively impacted the Government budget;

(2) For the purpose of subsection (1) "force majeure" means natural disasters and external economic developments that impact negatively on the Government budget."

- (u) in section 44 —
 - (i) by repealing in subsection (1) (b) the words "members of the Board, officers and";
 - (ii) by repealing in subsection (2) (d) the words "officers and";
- (v) in section 46 by inserting after the word "An" the word "internal" and repealing after the word "division" the words "headed by the internal auditor";
- (w) by repealing section 50 and substituting therefor the following—

"50. The Bank in consultation with the Minister responsible for Finance may make

- (i) by repealing in subsection (1) the words "Deputy Governor" and substituting therefor the words "Deputy Governors";
- (ii) by repealing in subsection (1) (b) the word "officer";
- (iii) by repealing in subsection (1) (g) the figure "1" and substituting the figure "2";
- (iv) by repealing in subsection (2) the words the "the Deputy Governor" and substituting therefor the words "Deputy Governors";
- (v) by inserting between subsections (3) and (4) the following—

"(4) The removal of the Governor, Deputy Governors or other members of the Board shall be subject to judicial review."
- (vi) by renumbering subsections (4) and (5) as subsections (5) and (6) respectively;
- (vii) by repealing in the renumbered subsection (5) the words "Deputy Governor" and substituting the words "Deputy Governors" wherever it appears;
- (g) by repealing section 8 (3) and substituting therefor the following—

"(3) The Board may appoint employees at such remuneration, terms and conditions as it may determine."
- (h) in section 9—

- (i) by inserting in subsection (1) between the words "Governor" and "and" the words, "First Deputy Governor or Second Deputy Governor acting as the Governor";
- (ii) by repealing in subsection (3) between the words "Board" and "provided" the words "is four" and substituting therefor the words "shall be four members entitled to vote";
- (iii) by inserting in subsection (3) between the words "members" and "present" the words "entitled to vote";
- (iv) by inserting in subsection (4) between the words "the" and "Deputy" the words "First or Second";
- (v) by adding after subsection (4) the following subsections—
 - "(5) 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 First Deputy Governor or both.";
 - (6) 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.";
- (vi) by renumbering subsections (5) and (6) as subsection (7) and (8) respectively;

- (ii) by repealing in subsection (4) the words "notwithstanding subsection (3)" and substituting therefor the words "not exceeding three months after the grant of the temporary waiver.";
- (iii) by repealing the proviso clause in subsection (7) and substituting therefor the following—
 - "Provided that—
 - (i) the applicable rate shall exceed the rates applied under subsection (1); and
 - (ii) the borrowing shall be consistent with the monetary policy of the Bank and the established limit on public debt.";
- (iv) by repealing subsection (8) and renumbering subsection (9) as subsection (8);
- (v) by adding after section 40 the following new section:
 - "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. The grant of the advance shall be consistent with the objectives of the Bank, the monetary policy and the established limit on public debt—

of the credit worthiness of customers of any participating institutions and disseminate such information among participating institutions, as prescribed by regulations.”;

(r) in section 33—

(i) by repealing in subsection (1) the words “of its officers or by any other person authorised in that behalf by the Bank” and substituting therefor the words “duly authorised employee of the Bank or any other person authorised on behalf of the Bank.”;

(ii) by repealing in subsection (2) the word “officer”;

(iii) by repealing in subsection (3) the words “shall be guilty of” and substituting therefor the word “commits” and by inserting between the words “and” and “liable” the word “is”;

(s) in section 34—

(i) by inserting in subsection (1) (a) after the word “accept” the words “and remunerate”;

(ii) by repealing in subsection (2) the figure “35” and substituting the figure “36”;

(t) in section 40—

(i) by inserting in subsection (2) after the word “published” the words “by notice”;

(vii) by repealing in the renumbered subsection (8) the words “or the Deputy Governor” and substituting therefor the words, “First Deputy Governor or Second Deputy Governor”;

(i) in section 10—

(i) by repealing subsection (2) and substituting therefor the following—

“(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.”;

(ii) by repealing in subsection (4) the words “any officer or”;

(iii) by repealing in subsection (5) the words “shall be guilty of” and substituting therefor the word “commits” and by repealing the words “liable” and substituting therefor the following words “is liable on conviction”;

(j) in section 11—

(i) by repealing in subsection (1) words “an officer or”;

- (ii) by repealing in subsection (2) the words "shall be guilty of" and substituting therefor the word "commits" and by inserting between the words "and" and "liable" the word "is";
- (k) in section 12—
- (i) in subsection (1) by repealing the words "officer or other";
- (ii) in subsection (2) by repealing the words "officer or other";
- (iii) in subsection (3) by repealing the words "officer or other";
- (l) in section 15 by repealing in subsection (4) the word "about" and substituting the words "detailing the cause for";
- (m) in section 16—
- (i) by repealing in subsection (1) (b) the words "in respect of assets";
- (ii) by repealing in subsection (1) (c) the word "valuation" and substituting therefor the word "revaluation";
- (n) in section 21(3) by inserting between the words "published" and "in" the words "by notice";
- (o) in section 22 by repealing the word "officer" where ever it appears in the section and substituting the words "employee";

- (p) in section 25 (5) by inserting between the words "published" and "in" the words "by notice";
- (q) in section 32—
- (i) by inserting in subsection (1) between the words "payments" and "and" the words "international investment position";
- (ii) by repealing in subsection (2) the words "bank, other" and "under the Bank's supervision" and inserting between the words "entity" and "in" the words "incorporated or registered" and repealing the word "officers";
- (iii) by repealing in subsection (5) the words "bank other" and repealing the words "under the Bank's supervision" and substituting therefor the words "incorporated or registered in Seychelles" and repealing the word "who" and repealing the words "shall be guilty of" and substituting therefor the word "commits" and by inserting between the words "and" and "liable" the word "is";
- (iv) by adding after section 32 the following new section—

"Credit
Information
System

32A. Subject to section 11(1), the Bank may establish facilities for the collection and consolidation of credit information or any other information which the Bank considers relevant in the assessment