



ENTERPRISE SEYCHELLES AGENCY

ANNUAL PERFORMANCE REPORT FOR THE YEAR 2018

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PART 1 - INTRODUCTION

1.1 ESTABLISHMENT OF ESA

Enterprise Seychelles Agency (ESA) is a body corporate set up under the Enterprise Seychelles Agency Act, 2018 and its parent entity is the Department responsible for Industry and Entrepreneurship Development which is under the portfolio of the Office of Vice-President.

Enterprise Seychelles Agency was only established on 5th August, 2018. Henceforth, from the beginning of the year 2018 until July the Agency operated as Small Enterprise Promotion Agency (SEnPA). However, the Act which set up SEnPA (Cap 324) was repealed upon the ESA Act coming into force on the aforementioned date.

In Accordance with Section 4 of the Enterprise Seychelles Agency Act, 2018, the role of the Agency is to implement the policies and strategies of Government relating to micro, small and medium enterprises and to provide the micro, small and medium enterprises with the necessary services and support.

1.2 MISSION

To provide the foundations for the enhancement of the entrepreneurs, to assist the enterprise in the early steps of the business lifecycle and to support the expansion and growth of the Seychellois MSMEs.

1.3 VISION

ESA's Vision is to be the centre of excellence for entrepreneurship and sustainable MSME sector development in the Seychelles.

1.4 FUNCTIONS OF ESA

The functions of the Agency as provided by Section 5 of the Enterprise Seychelles Agency Act, 2018 Act are as follows:

- a. to manage immovable property belonging to the Agency;

- b. manage and lease sales outlets on such terms and conditions as may be determined by the Agency;
- c. to advise the Minister on pertinent issues affecting MSME
- d. to operate a registration scheme for all MSME;
- e. to provide general and specialized Business Development Services to MSME, in order to:
 - I. identify challenges to the sustainable development of MSME and to propose solutions;
 - II. provide start-up services to include needs analysis, business and legal advice, and aftercare for continuous improvement;
 - III. assist entrepreneurs to plan their business for financial viability encourage locally made products for domestic and export markets; facilitate programmes and schemes for enterprises;
 - IV. facilitate the use of technology and innovation to expedite and accelerate production;
 - V. advocate the benefits of inter- enterprise cooperation through cluster networks and business linkages;
 - VI. promote the importance of intellectual property rights amongst MSME; encourage the transition from micro to small to medium-to-high technology based enterprises; and promote and develop value addition and semi-industrialization;
- f. to provide training, promotion and marketing services to MSME, in order to
 - I. empower specific and sector-wide MSME to enhance their product output and to assist them with the marketing of their business and products;
 - II. support and build on the skills and opportunities that will facilitate the start-up of enterprises;
 - III. encourage enterprise sector interest groups, associations or non-governmental organizations;
 - IV. to develop MSME capacity to better assist their target group and ensure the further development of their associations; and

- V. identify and facilitate relevant trade fairs and exhibitions for enterprises and encourage and facilitate their involvement; and
- g. to consult in collaboration with other Governmental bodies in order to —
 - I. strengthen the partnership of service providers to support entrepreneurship;
 - II. facilitate access by entrepreneurs to raw materials, technology and other products;
 - III. source training opportunities from international partners and organizations for the capacity building of MSME;
 - IV. facilitate international market access for products and business services; and
 - V. promote a gender balanced entrepreneurship culture at all levels of the national education system.

1.5 LEADERSHIP OF ESA

The Agency is administered by a Board of Directors as per section 6 of the Act. The current Board of ESA was appointed on 5th August, 2018 and their mandate is for a period of three years. The composition of the Board is as follows:

- Mrs. Marie-Celine Zialor – Chairperson (*representative of the Entrepreneurship Centre of the Guy Morel Institute*)
- Mr. Jose St Ange – Vice-Chairperson (*representative from the private sector representing Praslin and Inner Islands*)
- Ms. Angelique Antat – Member (*representative from the Ministry responsible for Industries*)
- Mr. Andy Ally – Member (*representative from the Seychelles Bureau of Standards*)
- Ms. Brenda Bastienne – Member (*representative of the Seychelles Chamber of Commerce and Industry*)
- Mr. Nigel Payet – Member (*representative from the private sector*)

The Board also comprised of a representative of the association representing the artisans, however this position has been vacant since November 2018 following resignation of a former Board Member.

From the beginning of 2018 until July the Board of SENPA comprised of:

- Mrs. Marise Berlouis - Chairperson
- Mr. Andy Ally
- Mr. Lindsay Johnstone
- Mr. Simon Marie
- Ms. Giovanna Neves – Secretary

The Chief Executive Officer of SENPA was Ms. Penny Belmont and upon the dissolution of SENPA to ESA, Ms. Belmont continued discharging her responsibilities in the role of CEO for the remainder of the year 2018.

There was no Deputy Chief Executive Officer in post during the year 2018.

1.6 ESA PREMISES

ESA has two offices. The Head Office is located on the First Floor of Camion Hall in Victoria and the second office is located in the Pension Fund Complex at Grand Anse, Praslin.

ESA owns three properties which it rents out to entrepreneurs. The properties are located at:

- i. Camion Hall, Victoria
- ii. Esplanade Kiosk, Francis Rachel Street, Victoria
- iii. Port Glaud.

The number of tenants renting a space at each of the premises are as follows:

Camion Hall – 26 tenants
Esplanade kiosk – 19 tenants
Port Glaud – 2 tenants

PART 2 – STRATEGIC PERFORMANCE

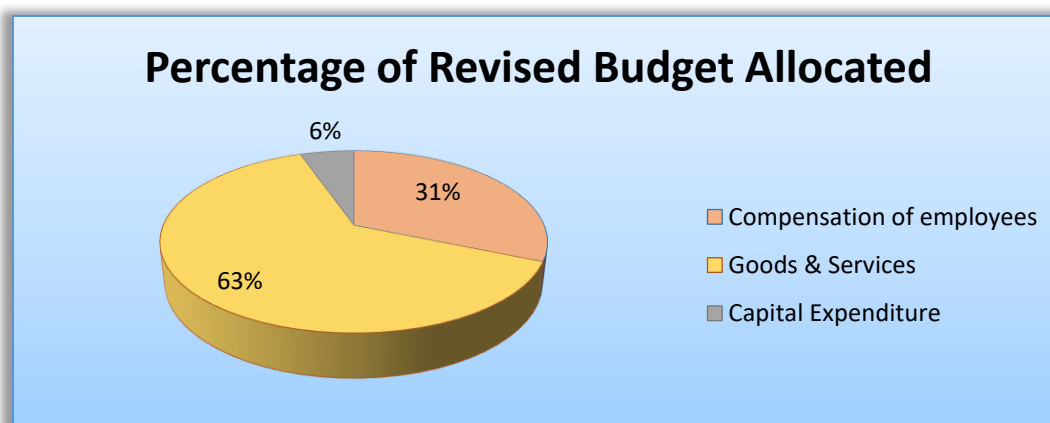
2.1 ESA (SEnPA) 2018 PPBB STRUCTURE

At the time of preparation of the Budget for 2018, the Agency was still operating as SENPA. The Programme Performance Based Budget (PPBB) structure of the Agency is enveloped into 2 programmes, as follows:

PROGRAMMES	SUB-PROGRAMMES	2018 BUDGET	2018 REVISED BUDGET
Programme 1: Governance, Management and Administration		SR5,112,000.00	SR4,481,000.00
Programme 2: Business Development and Promotion Services	Sub-Programme 1: Business Advisory and Aftercare Sub-Programme 2: Marketing and Promotion	SR4,833,000.00	SR4,833,000.00
TOTAL		SR9,945,000.00	SR9,314,000.00

The revised budget in Programme 1 pertains to a budget cut of SR631,000.00, by the Ministry of Finance in Wages & Salaries which were savings under the budget.

The graph below illustrates the percentage of the budget allocated for expenses in relation to Compensation of Employees and the percentage allocated for expenses related to Goods and Services and Capital Expenditure:



2.2 PROGRAMME 1 – Governance, Management & Administration

The purpose of the programme is to ensure effective management of the Agency, by giving support services and adequate resources by the secretarial office and the human resources to the other section to perform their daily tasks efficiently; and to ensure good record of the office assets and maintenance of employees' files.

There are various sections under the Governance, Management & Administration programme and they are as follows:

- i. Office of the CEO and Deputy CEO
- ii. Human Resources & Administration Section
- iii. Training Section
- iv. System Support Section
- v. Property Management & Procurement Section

<i>Policies and objectives for 2018:</i>	<ol style="list-style-type: none"> i. To enact the new Enterprise Seychelles Agency Act. ii. To introduce a new organizational structure. iii. To conduct a smooth transition from SEnPA to ESA and ensure that all staffs are involved in this process. iv. To organize trainings and workshops aimed at improving the skills, knowledge and capacity building of entrepreneurs and ESA staff.
<i>Level of achievements:</i>	<ol style="list-style-type: none"> i. The transition from SEnPA to ESA was conducted in August 2018. ii. New organizational structure was established for ESA. iii. Seventy percent of the Handicraft program and hundred percent of the entrepreneurship programs were achieved. iv. Three employees were enrolled on local training; two in Diploma in General Management and one in Certificate in Procurement. v. The training plan for 2018 contained the following: <ul style="list-style-type: none"> - 11 entrepreneurship short courses - 10 practical handicraft courses for MSMEs - 5 in-house training for employees - 8 international training opportunities for employees and MSMEs.
<i>Challenges/ shortcomings:</i>	<ol style="list-style-type: none"> i. The transition process was very challenging for staff, especially in terms of their new roles. ii. Implementation of the new structure was not completed before the end of the year.

	<ul style="list-style-type: none"> iii. Limited human resources for specific roles, especially in terms of property management. iv. Lack of participation from the inner islands MSMEs for the handicraft training programs. v. There were additional demands for the entrepreneurship courses, but there was a quota of MSMEs. vi. The Training Department did not have concrete training needs of the employees. vii. No training was advertised between June and September due to SENPA's transition to ESA. viii. Several procurement projects such as re-development of ex-Playground and Bazaar Labrin site did not materialize due to bad planning.
<i>Proposal to overcome challenges:</i>	<ul style="list-style-type: none"> i. Review the new organizational structure and implement it appropriately. ii. Introduce practical courses in financial management to make ESA more attractive. iii. Introduce more practical professional training. iv. Keep the entrepreneurship courses ongoing through the year for they are vital components of the training program to attain the objective of the Agency. v. Analyze training needs of employees to develop personal and professional development. vi. Develop another approach for the MSMEs on the inner islands. vii. Properly plan for implementation of re-development projects,

2.3 PROGRAMME 2 – Business Development and Promotion Services

The purpose of the programme is to implement the policies and strategies of ESA in relation to MSME's. To help promote the products and services of clients registered with the Agency.

The programme comprises of two sub-programmes:

Sub-programme 1 - Business Advisory and Aftercare:

<i>Policies and objectives for 2018:</i>	To provide advisory and aftercare services to clients in the business regulatory environment.
<i>Level of Achievements:</i>	<ul style="list-style-type: none"> i. A total of 101 site visits were carried out in all 25 districts on Mahe, Praslin and La Digue. ii. Total clients visited were 399.

	<ul style="list-style-type: none"> iii. New Certificates issued were 102. iv. Renewal Certificates issued were 219. v. Participated in consultative meetings for the smooth transition from SENPA to ESA with the parent Ministry and other stakeholders. vi. BDOs participated in World Bank Mission Programme of Performance Monitoring and Evaluation (PM&E) workshop focused on finalizing the PM&E template and Action Plan. vii. BDO's attended training at The Guy Morel Institute in the following areas: <ul style="list-style-type: none"> • Behavioral change for enhanced productivity • Enhancing Productivity through Mindset • Report Writing • Modern Business Communication.
<i>Challenges/ shortcomings:</i>	<ul style="list-style-type: none"> i. No appropriate database system which makes the collection of data difficult and inaccurate. ii. The lack of obtaining adequate information to give to SME's to help empower them to grow resulted in a loss of confidence and trust from the SME's. iii. During the conception of ESA, staff morale was low. iv. Also during the transition period from SENPA to ESA there was a complete shutdown of business development services and activities.
<i>Proposal to overcome challenges:</i>	<ul style="list-style-type: none"> i. A new and friendly user database system should be put in place. ii. To have quarterly meetings with stakeholders to update and share information to be better equipped to promote and provide services to our MSMEs. iii. Have meetings/workshops/forum for MSMEs to find their needs and also to empower them. iv. Management meetings at least once a month for the betterment of the organization. v. Capacity building for staff and more incentives.

Sub-programme 2 - Marketing and Promotion:

<i>Policies and objectives for 2018:</i>	To develop and oversee marketing strategies for the promotion of Micro, Small and Medium Enterprises (MSME's) products and services.
<i>Level of Achievements:</i>	Events organized/participated in during the year: <ul style="list-style-type: none"> • June – Car boot sale & Flea market for 1 day • August - Lakaz Expo and launching/transition of SENPA to ESA for 8 days

	<ul style="list-style-type: none"> • September – Conference of the Consulate for 3 days • October – Flower sale for 2 days - Festival Creole for 3 days • November – Central Bank Education Fair for 2 days - Christmas Fair for 2 days • Weekly sale at H-Resort Hotel • Bazaar Victoria for several months throughout the year
<i>Challenges/ shortcomings:</i>	<ol style="list-style-type: none"> i. Did not have a clear idea on how the budget for the section was being used. ii. Difficulty in getting entrepreneurs to participate in our activities, lack of commitment. iii. The local artisans are phasing out. iv. Limited exposure to international events.
<i>Proposal to overcome challenges:</i>	<ol style="list-style-type: none"> i. To give quarterly updates on how the budget is being spent. ii. To work on new and better incentives and packages that will attract local artisans and find ways to give value to locally made products. iii. To be more creative and have new ideas by using the examples from the more developed countries. It will give us the opportunity to be able to compare and benchmark.

PART 3 – REVENUE COLLECTED

Enterprise Seychelles Agency collects revenue from rental of its premises, sale of tender documents and processing fees which are collection of participant fees for training and fees related to issuance/renewal of certificates.

A total of SCR893,205.00 were collected and banked in Government coffers as follows:

	Actual Receipts (2018)	Previous Receipts (2017)
	SCR	SCR
Processing Fees	43,310.00	45,180.00
Rental of Building	847,995.00	745,363.00
Sales of Tender Documents	1,900.00	-
Total revenue	893,205.00	790,543.00

Additional revenue collected by the Agency comprises of two suspense accounts under the Treasury; one for the Shop Revolving Account and one for the Bazaar Victoria Account.

	Opening Balance as at 1.01.2018	Actual Receipts	Actual Expenditure	Closing Balance as at 31.12.2018
	SCR	SCR	SCR	SCR
Suspense Account (Shop Revolving)	2,966,496.42	6,320,022.95	7,076,651.44	2,209,867.93
Suspense Account (Bazaar Victoria)	-	120,425.00	100,387.86	20,037.14
	2,966,496.42	6,440,447.95	7,177,039.30	2,229,905.07

ESA also has two bank accounts with Barclays Bank Seychelles to collect revenue from the Shops, one is in Seychelles Rupees and one is in Euro. This is mostly for sales which are processed via VISA ETF machines. The revenue is then transferred to the Suspense Account (Shop Revolving) at the end of each month.

PART 4 – CONCLUSION

The first half of the year 2018 was mostly business as usual with not many changes, and most activities on the plan were executed in the best possible way. This changed with the transformation of SEnPA which made its exit and ESA, its entrance, and with this also came the appointment of a new board in August.

This resulted in quite a few disruptions two months into the second half of the year in terms of uncertainties into how the new ACT would affect operations, structure, working conditions, and the clients among others. There were little preparations for the big change and the board decided to ask for a transition period until January 2019 from the Minister to allow time for staff to internalize this shift.

It is good to note that too often organizations take change management for granted, and in the case of ESA, this was not an exception, however, between September and December there were some efforts to build capacity of staff and address a few of the concerns. Much appreciation is expressed to the Vice President, staff, members of the new board, and the clients of ESA for their devotion and understanding.

Looking forward, 2019 will certainly be a disruptive year with business unusual on the agenda and with more of the strategies being translated into actions for ESA to spread its wings and soar towards the end of the year.

.....
Mrs. Marie-Celine Zialor
Chairperson of ESA Board

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Ms. Angelic Appoo
Chief Executive Officer

ANNEXURE

ANNEX 1 – TRAINING COURSES ATTENDED IN 2018

1.1 Staff Compulsory In-house Training

In-house Training Conducted			
Nos	Dates	Areas	No. of Days
1	29, 30 October 2018	Behavioural change for enhanced productivity	2 days
2	5, 6, 7 November 2018	Modern Business Communication	3 days
3	12, 13, 14 November 2018	Report Writing	2 days

1.2 Staff Long Courses

Nos	Staff Name	Training Details	Start Date
1	Julina Nalletamby	Diploma in General Management	August 2018
2	Evaline Joubert		August 2018
3	Marty Chang-Sam	Certificate in Procurement	Ongoing

1.3 Staff International Training

No s	NOMINEES / SEMINAR TITLE	STARTING DATE	ENDING DATE
1	<i>2018 Seminar on Business Association Management for Developing Countries in China</i>	8th June	28th June
	1. Janine Ki-Siong	SEnPA/ESA Staff (was accompanied by one MSME)	
2	<i>2018 Training Courses on Computer Software / Hardware / Network Technology for Developing Countries in China</i>	20th June	19th June
	1. Beryl Nagapin	SEnPA/ESA Staff	
	2. Evaline Joubert	SEnPA/ESA Staff	
	3. Johanna Bacco	SEnPA/ESA Staff	

1.4 MSMEs International Training

No s	NOMINEES / SEMINAR TITLE	STARTING DATE	ENDING DATE
1	<i>2018 Seminar on Business Association Management for Developing Countries in China</i>	<i>8th June</i>	<i>28th June</i>
	1. Peter Roselie	Business Consultant / Councilor on the Chamber of SCCI / MSME	
2	<i>2018 Training Courses on Stitching Skills for African Countries in China</i>	<i>2nd July</i>	<i>29th Sep</i>
	1. Brenda Lopathy	Seamstress	
	2. Chantal Freminot	Seamstress	
	3. Alice Henri	Seamstress	
3	<i>2018 Training Courses on Computer Software / Hardware / Network Technology for Developing Countries in China</i>	<i>1st Sep</i>	<i>21st Sep</i>
	1. Roger Volcere	Producer/Director	
	2. Johnny Volcere	Senior Technical Operator/Producer	
	3. Benjamin Tambara	Graphic Designer/Video Production	

1.5 MSMEs Local Training

The venue used for the local entrepreneurs and in-house training was Guy Morel Institute. Venues for the MSMEs practical (handicraft) training/courses were ESA Training Room, Camion Hall Building and Seychelles Institute of Art and Design (SIAD) at Anse Royale. Find below the achieved programs:

MONTH	DATES	TRAINING	OBJECTIVE	NUMBER OF PARTICIPANTS
February	21 – 23	Entrepreneurship Skills and Development (Mahe)	Management courses for the Seychelles Micro-Small and Medium Enterprise development.	Statistics are at The Guy Morel Institute, part recruitment was done at SEnPA/ESA
	26	Personal Development and Entrepreneurship (Mahe)		

March	01 – 02	Innovation in Entrepreneurship (Mahe)		
	05 – 07	Entrepreneurship Skills and Development (Mahe)		
	07 – 09	Financial Management in Business (Mahe)		
	12 – 15	General Business Planning (Mahe)		
	15 – 19	The Art of Selling (Mahe)		
	20 – 22	Financial Management in Business (Mahe)		
	26 – 28	Entrepreneurship Skills and Development (La Digue)		
	26 – 28	Entrepreneurship Skills and Development (Mahe)		
April	03 – 05	Financial Management in Business (Praslin)		
	23 – 27	Basic Sewing Skills (Mahe)	Starting course from scratch for individuals wishing to venture in the tailoring business field. The training also serves as a refresher course to those that were not practicing in the tailoring field.	7
May	02 – 08	Handicraft: Bag & Purse (Mahe)	Basic sewing session on making bag and purse with cloth materials.	8
October	01 – 05	Jewellery Training (Mixed Beads) (Mahe)	Jewellery classes for interested individuals doing full time or part time tailoring business	9

November	03 Nov – 12 Oct	Quilting & Patchwork (Mahe)	Patchwork classes for beginners (sewing classes)	10
December	03 – 07	Household Décor (Bathroom) (Mahe)	Sewing classes for interested individuals doing full time or part time tailoring business.	5
	10 – 14	Basic Sewing Skill (Mahe)	Starting course from scratch for individuals wishing to venture in the tailoring business field. The training also serves as a refresher course to those that were not practicing in the tailoring field.	11
	10 – 14	Handicraft: Flower Arrangement (stocking)	Handicraft creation from stocking (classes) for interested individuals doing full time or part time handicraft business.	8

ANNEX 2 – QUANTITY OF CERTIFICATES ISSUED/RENEWED IN 2018

MONTH	FEMALE		MALE		TOTAL
	NEW	RENEWAL	NEW	RENEWAL	
January	Office was under renovation				
February	Office was under renovation				
March	6	23	4	13	46
April	12	24	3	6	45
May	5	10	2	7	24
June	11	15	5	9	40
July	5	11	2	5	23
August	3	20	2	4	29
September	8	13	7	8	36
October	5	13	4	6	28
November	7	17	5	9	38
December	5	4	1	2	12

New Certificates issued were: 102

Renewal Certificates issued were: 219

A total of 321 certificates were issued all together.