



ENTERPRISE SEYCHELLES AGENCY



Realestate & Housing

Art

Entertainment

Tourism

Food Industry

Agriculture

Logistics Import & Export

Blue Economy

ANNUAL PERFORMANCE REPORT FOR THE YEAR 2019

TABLE OF CONTENTS

PART 1 – Introduction	Page 2
1.1 Enterprise Seychelles Agency Act.....	Page 2
1.2 Mission.....	Page 2
1.3 Vision	Page 2
1.4 Functions of ESA.....	Page 2
1.5 Board of Directors of ESA	Page 4
1.6 Appointment of CEO and Deputy CEO of ESA.....	Page 4
1.7 New Organizational Structure	Page 5
PART 2 –Budget Performance	Page 6
2.1 ESA 2019 PPBB Structure.....	Page 6
2.2 Performance Information.....	Page 7
PART 3 – Revenue Collected	Page 8
PART 4 – Strategic Performance	Page 9
4.1 Current Challenges & Strategic Priorities	Page 9
4.2 Other Major Achievements in 2019.....	Page 10
4.3 Other Challenges Encountered in 2019	Page 11
PART 5 – Seed Capital Grant Scheme	Page 12
PART 6 - Conclusion	Page 13
Annexure	Page 14
Annex 1	Page 15
Annex 2	Page 17

PART 1 - INTRODUCTION

1.1 ENTERPRISE SEYCHELLES AGENCY ACT

The Enterprise Seychelles Agency Act, 2018 came into force in August 2018 empowering the Agency with a new function, mandate and a larger scope of

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.

The Agency falls under the portfolio of the Department of Industry and Entrepreneurship Development which is under the Office of the Vice-President.

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 BOARD OF DIRECTORS OF ESA

The current Board of Directors was appointed on 5th August, 2018 and their mandate is for a period of three years. The composition of the Board was amended in 2019 to cater for a new representative of the association representing the artisans and a change in the member representing the Ministry responsible for Industries as per the composition stipulated at Section 7 of the ESA Act, 2018.

The composition of the ESA Board as at 1st November 2019 is as follows:

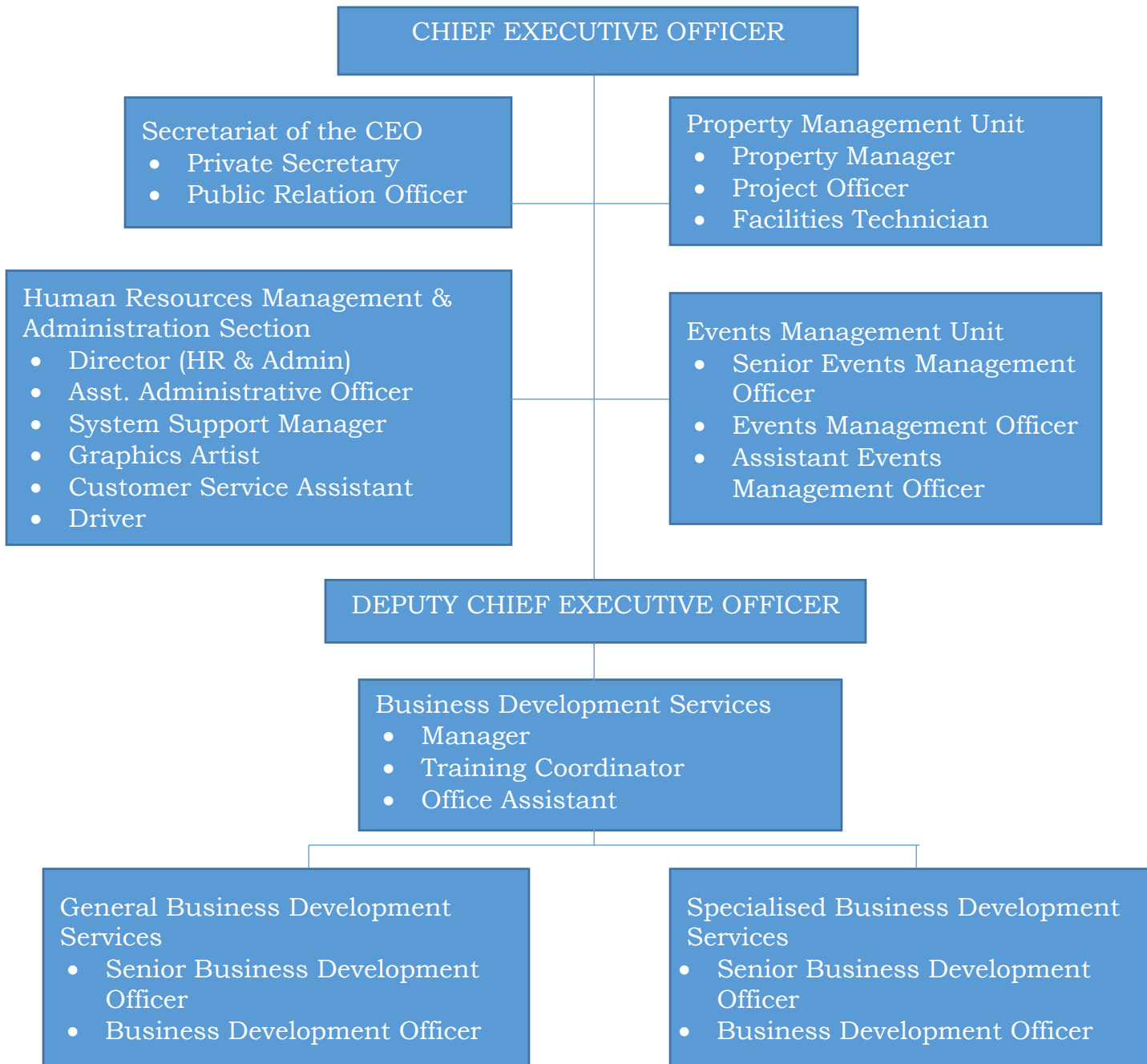
- Mrs. Marie-Celine Zialor – Chairperson (*representative of the Entrepreneurship Centre of the Guy Morel Institute*)
- Mr. Jose St Ange – Vice-Chairperson (*representative from the private sector representing Praslin and Inner Islands*)
- Ms. Stephanie Larue – Member (*representative from the Ministry 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*)
- Mrs. Jennie Ah-Kong – Member (*representative of the association representing the artisans*).

1.6 APPOINTMENT OF CEO AND DEPUTY CEO OF ESA

Effective 1st March 2019, Ms. Angelic Appoo was appointed as the new Chief Executive Officer of Enterprise Seychelles Agency and on 1st August 2019, Mr. Jourdan Camille was appointed as the new Deputy Chief Executive Officer.

1.7 NEW ORGANISATIONAL STRUCTURE

In 2019, a structure review was conducted at the Agency to align posts with the new mandate of ESA. The new organizational structure of the Agency is as follows:



Additionally, in July 2019 two new Schemes of Service, the Business Development Cadre and Events Cadre, were put in place to commensurate staffs in the relevant positions according to their positions and qualifications.

PART 2 – BUDGET PERFORMANCE

2.1 ESA 2019 PPBB STRUCTURE

The Programme Performance Based Budget (PPBB) structure of the Agency is enveloped into two programmes:

- **Programme 1: Governance, Management and Administration**

The purpose of the programme is to ensure effective management of the Agency, by providing support services and adequate resources by the secretarial office and the human resource staff to the other sections to perform their daily tasks efficiently and ensure good recording of the office assets and maintenance of employees' files.

- **Programme 2: Business Development and Promotion Services**

The purpose of the programme is to implement the policies and strategies of ESA in relation to MSMEs, and help promote the products and services of clients registered with the Agency. The programme comprises of the following sub-programmes:

- *Sub-programme 1 Business Advisory and Aftercare:* Provides advisory and aftercare services to clients in the business regulatory environment; and
- *Sub-programme 2 Marketing and Promotion:* Develops and oversees marketing strategies for the promotion and development of Small and Medium Enterprises (SME's) products and services.

The table below illustrates a summary of the budget outturn for the year 2019:

SR'000s	2019						Variance
	Budget	Revised Budget	Preliminary Outturn	Compensation of Employees	Use of Goods and Services	Capital	Revised Budget to Outturn
P1:GOVERNANCE, MANAGEMENT & ADMINISTRATION	6,120	7,660	6,330	2,091	3,765	474	21.0%
P2:BUSINESS DEVELOPMENT & PROMOTION SERVICES	5,679	5,388	5,384	1,936	3,449	-	0.1%
Total	11,799	13,049	11,715	4,027	7,214	474	11.4%

The original budget of the Agency was SR11,799,000 and it was revised at the end of the year to SR13,049,000.00 to include the SR1,500,000.00 allocated in the Supplementary Budget for the Bazaar Labrin re-development project and later a budget cut of SR250,000.00 by the Ministry of Finance in Wages & Salaries.

Despite being allocated the budget for re-development of Bazaar Labrin, the owner of the property did not provide the Agency a formal lease agreement to allow the development to take place, hence the funding was not used in 2019.

2.2 PERFORMANCE INFORMATION

In our PPBB Statement, the performance measures are provided for Programme 2 only as follows:

Programme:	Business Development and Promotion Services				
Outcome:	Active transition from Micro to Small to Medium based enterprises				
Outcome indicator	2018	2019			Explanation of Difference between Targets and Outturn
	Outturn	Target	Revised Target	Outturn	
Number of registered MSMEs	-	85%	80%	-5%	Reduction of registration in view that ESA is registering only food and beverage processing cottage businesses
Contributing indicators	2018	2019			Explanation of Difference between Targets and Outturn
	Outturn	Target	Revised Target	Outturn	
Sub-programme 1 – Business Advisory					
The number of businesses with successful applications for financial assistance per year	42%	50%	50%	-	95 applications approved against 193 received applications
Sub-programme 2 – Marketing and Promotion					
Percentage in the number of MSMEs trained	56%	60%	52%	-8%	Less participants attended the practical trainings compared to the target set

PART 3 – REVENUE COLLECTED

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

A total revenue of SR966,324.00 was collected in 2019 compared to SR893,205.00 in 2018. The table below illustrates the receipts outturn for the year 2019:

SR'000s	2018	2019			Variance
	Audited Outturn	Budget	Revised Budget	Preliminary Outturn	Revised Budget to Outturn
Receipts transferred to Consolidated Fund	891	1,214	1,214	966	25.7%
Rental of Building	848	1,172	1,172	922	27.2%
Processing fees	43	42	42	45	6.0%
Total	891	1,214	1,214	966	25.7%

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 and the cashflow of these accounts during 2019 are illustrated below:

	Opening Balance as at 1.01.2019	Actual Receipts	Actual Expenditure	Closing Balance as at 31.12.2019
	SCR	SCR	SCR	SCR
Suspense Account (Shop Revolving)	2,209,867.93	6,223,067.52	6,675,765.26	1,757,170.19
Suspense Account (Bazaar Victoria)	20,037.14	154,500.00	169,272.00	5,265.14

PART 4 – STRATEGIC PERFORMANCE

4.1 CURRENT CHALLENGES & STRATEGIC PRIORITIES

The matrix below highlights the Challenges as reported in the 2019 PPBB Statement of ESA including the Strategic Priorities for the year 2019 to 2022, with an indication of what was done by the Agency in 2019 to address both.

Current Challenges	How was it addressed in 2019:
<ul style="list-style-type: none"> i. The change of mandate from SEnPA to ESA increased the workload, yet there is a shortage of manpower to deliver the Agency’s functions properly; ii. Providing and collecting accurate data/information as ESA’s database system is still not operational; iii. International exposure for MSMEs to develop and grow; iv. Capacity of MSMEs to maintain good financial forecasting and planning in their business plan; v. Praslin office does not have its own transportation facilities for site visits; and vi. Local artisans facing difficulties due to the increase of imported goods on the market. 	<ul style="list-style-type: none"> ➤ New structure review conducted to help the Agency to deliver its functions properly. However, still not enough manpower to deliver fully. ➤ A meeting was held with DICT to discuss the IMS system and the way forward. Additionally, the Agency initiated MOU agreements with the relevant authorities to provide the Agency data. The agreements are yet to be signed. ➤ Provided opportunities for entrepreneurs to participate in international trade fairs and exhibitions as well as organized local fairs for promotion and selling of products by artisans. ESA representatives also marketed the local products during overseas fairs and exhibitions. ➤ Organized training in Planning your Business Successfully. ➤ Started discussions with Trade Department and Department of Industry and Entrepreneurship Development to tackle the quantity of imported products on the local market and on that note the ‘Seychelles Made’ policy was developed.

Strategic Priorities 2019 to 2022	Achievements to Strategic Priorities:
<ul style="list-style-type: none"> i. Strengthen the capacity of the Agency to deliver better services through recruitment of additional staff and implementation of new schemes of service; ii. Assist in business enhancement, by encouraging and mentoring the Seychellois entrepreneurs and start-ups, from the inception of their business idea till the completion of their project; iii. Implement new policies geared towards MSME development through the use of a good database system to record all MSMEs' information; and iv. Provide more marketing and promotion opportunities to MSMEs through exposure on international markets, more targeted training courses and better aftercare services. 	<ul style="list-style-type: none"> ➤ More staffs were enrolled on long-term and short-term training programmes to equip themselves with the right skills and qualifications. ➤ New trainings were introduced and developed by ESA to build the capacity of entrepreneurs. ➤ New policies introduced by the Department of Industry and Entrepreneurship Development and started working on the development of an entrepreneurship framework with UNCTAD. However, the database is still work-in-progress. ➤ Increase in participation of ESA in international trade fairs, exhibitions and high level conferences whereby MSMEs were also involved.

4.2 OTHER MAJOR ACHIEVEMENTS IN 2019

- Conducted a Stakeholder's Forum in to educate all partners and stakeholders on the new mandate of ESA;
- Created more visibility for ESA on various online platforms and created a new website for the Agency;
- Implemented new IT system for better cash and sales management of the two shops - Artisans Des Iles;
- Promotion of IP Day and an information fair to educate MSMEs on Intellectual Property;
- Celebrated the first World Entrepreneur's Day in Seychelles with a week-long activities including a local expo at ICCS, a Debate on the Entrepreneurship Culture in Seychelles and Entrepreneurship Retreats on Mahe, Praslin & La Digue;
- Negotiated better business insurance packages for clients registered with ESA;
- Organized a Business Forum for the second edition of the Seychelles Fashion Week;
- Trained 116 entrepreneurs locally and 4 benefitted from international training.

4.3 OTHER CHALLENGES ENCOUNTERED IN 2019

- Faced unforeseen infrastructural issues due to an aged building;
- Financial limitations, especially to upgrade the IT operations of the Agency;
- Mandate has grown however human resources has not;
- Difficulty in getting suppliers to adapt to the new IT system installed in the shops;
- Delays in transferring all cottage businesses regulatory functions to SLA;
- Challenges to proceed with the redevelopment of the Bazaar Labrin project due to new ownership of the property and the lack of enforcement by stakeholders;
- Continuous delays by stakeholders to submit reports on time to issue certificates.

PART 5 – SEED CAPITAL GRANT SCHEME

The Seed Capital Grant Scheme provides seed capital of up to SR50,000 to fund startups and to assist them in their early stages of development. The scheme is aimed at enhancing the development of more competitive and resilient businesses.

In 2019, the Seed Capital Grant Scheme was transferred to Enterprise Seychelles Agency from the Department of Industry and Entrepreneurship Development. The SR5 million allocation was segmented into two parts namely:

- Common Eligible Businesses with a fund of SR3,750,000
- Innovative Eligible Businesses with a fund of SR1,250,000

A new Seed Capital Grant Committee was appointed in 2019 to administer the grant. ESA is the secretariat of the grant.

The committee was appointed on 15th May 2019 and it comprised of the following representatives:

- Department of Industry and Entrepreneurship Development (Vice Chair);
- Ministry of Finance, Trade, Investment and Economic planning;
- Private Sector x 2 (one being the Chairperson); and
- National Institute of Science, Technology and Innovation.
- Secretary from ESA

During the year 2019, a total of 193 applications were received. 95 applications were approved, 80 were declined and 18 was carried forward to 2020.

Annual Budget	5,000,000	Funds Used	4,544,948.33	Funds Unused	455,051.67	Repeaters	6
Total Application received	193	Applicants Approved	95	Applicants Declined	80	Applicants Pending	18 carried forward to 2020
Common Application Received	170/88%	Innovative Application Received	23/11%	Common Application Approved	77/81.05%	Innovative Application Approved	18/ 18.95%
Total Male Applicant	70/36.26%	Total Female Applicant	104/53.88%	Total Joint Applicant	19/9.86%	Total of applicants from:	
						Mahe	165
						Praslin	18
						La-Digue	10

PART 6 – CONCLUSION

The year 2019 proved to be a challenging year for the Agency as with its growing mandate came more responsibilities. However, with a lack of resources, the Agency managed to deliver more than was expected.

With a new management team at Enterprise Seychelles Agency, there was a start to a change in the culture of doing things the normal way. The Agency conducted new events and adapted to deliver new training sessions that had not been done before. ESA had to cater for the Seed Capital Grant Scheme which was formerly under the purview of its parent Department and it proved to be a full-time commitment which required new arrangements at the Agency to deliver fully. The re-development of the Bazaar Labrin area was also an additional duty which was not prepared for.

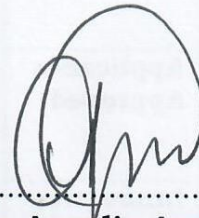
The presence of ESA on the inner islands and on social media was indeed a factor which made it more visible to the general public and created an awareness as to the changes between the role of the former SENPA compared to ESA.

The staffs of ESA delivered to the best of their ability and the structure review surely motivated them to continue on the right path.

The support of the Vice-President, the PS for Industry and Entrepreneurship Development and her team, the Board of Directors, the devoted staff and the clients of ESA is very much appreciated in making it a successful year for the Agency.



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



.....
Ms. Angelic Appoo
Chief Executive Officer

ANNEXURE

ANNEX 1 – TRAINING COURSES IN 2019

1.1 Staff Local Training

NAME	COURSE TITLE	DATE
Julina Nalletamby	Diploma in General Management	August 2018 - ongoing
Evaline Joubert	Diploma in General Management	August 2018 - ongoing
Marty Chang-Sam	Certificate in Public Procurement	August 2017 – June 2019
Beryl Nagapin	Diploma in General Management	August 2019 - ongoing
Terry Hibonne	Diploma in General Management	August 2019 - ongoing
Fara Mathiot	Certificate in Office Management	August 2019 - ongoing

1.2 Staff International Training

NAME	COURSE TITLE	COUNTRY	DATE
Luther Denis	Seminar on Management and Application of Big Data in Cloud Computing for Developing Countries	China	3 rd to 23 rd September
Melanie Sinon	Seminar on Youth entrepreneurship for Developing Countries	China	3 rd to 23 rd September
Jourdan Camille	Promotion and Development of Micro, Small and Medium Enterprises	India	7 th October to 15 th November
Brian Nicette	Promotion and Development of Micro, Small and Medium Enterprises	India	7 th October to 15 th November
Elson Thangalam	Regional Training Workshop for SMEs on Participation in Standards Development and Formulation of Technical Regulations	South Africa	2 nd to 3 rd December

1.3 MSMEs International Training

NAME	COURSE TITLE	COUNTRY	DATE
Mario Freminot	Butcher	La Reunion	05.02.2019 – 19.04.2019
Agneta Payet	Hairdresser	La Reunion	05.02.2019 – 19.04.2019
Steve Marie	The Art of Inventing Wood and Furniture Industries	Egypt	01.09.2019 – 12.09.2019
Franceska Michel	International Programme on Inclusive Banking	India	09.12.2019 – 21.12.2019

1.4 MSMEs Local Training Organized by ESA

	TRAINING NAME	DATE	VENUE	NO OF ATTENDANCE
Theory Training	Legal Aspects of Doing Business	10 th & 11 th July	STC Conference Room	35
	A-Z in Starterpreneurship (Level One)	30 th September to 4 th October	STC Conference Room	15
	Planning Your Business Successfully	7 th to 11 th October	STC Conference Room	26
	Marketing for MSMEs	14 th to 18 th October	DPA Meeting Room	14
Practical Training	Basic Sewing Skills	30 th September to 4 th October	Care House	3
	Household Décor - Kitchen	7 th to 11 th October	Care House	2
	Basic Stocking Flower Making	14 th to 18 th October	Care House	6
	Advanced Jewellery Making	21 st to 25 th October	ESA Training Room	6
	Bag & Purse (sewing)	11 th to 15 th November	ESA Training Room	9

ANNEX 2 – QUANTITY OF CERTIFICATES ISSUED/RENEWED IN 2019

MONTH	FEMALE		MALE		TOTAL
	NEW	RENEWAL	NEW	RENEWAL	
January	0	1	0	0	1
February	5	4	0	4	13
March	4	4	3	3	14
April	0	0	0	1	1
May	2	4	3	4	13
June	2	0	0	0	2
July	1	6	2	1	10
August	2	5	5	0	12
September	1	4	5	1	11
October	0	4	1	1	6
November	1	7	2	4	14
December	3	4	1	1	9

New Certificates issued were: 43

Renewal Certificates issued were: 63

A total of 106 certificates were issued all together.