



**Ministry of Finance, National Planning
and Trade**
Liberty House, P.O Box 313/Victoria/ Mahé, Seychelles

Press Release

Tuesday 19th July, 2022

Seychelles concludes National Risk Assessment (NRA) on Virtual Assets (VA) and Virtual Assets Service Providers (VASPs)

Following the conclusion of the National Risk Assessment (NRA) on Virtual Assets (VA) and Virtual Assets Service Providers (VASPs), conducted by Mr. Danny Sanhye of BDS Forensics, the findings were presented to private sector stakeholders, which included representatives from the Banking sector, Corporate Service Providers, the Insurance sector, the Securities sector, Lawyers and Accountants/Auditors, among others, on Friday 15th July, 2022.

The consultant conducted the assessment with the assistance of a Working Group (“WG”) comprised of technicians from a number of the National AML/CFT Committee (“NAC”) institutions and others.

The VA/VASP NRA was conducted with the primary objective of aiding the Financial Services Authority (FSA) and other relevant competent authorities within the NAC to assess the Money Laundering (“ML”) and Terrorist Financing (“TF”) risks associated with having a VA/VASP regime in Seychelles.

In addition to the risk assessment conducted, the NRA report also included an action plan which when considered with the risk assessment would allow the Seychelles to amongst other things, assess the feasibility and drawbacks of having a VA/VASP regime in the Seychelles.

The VA/VASP NRA concluded that the overall exposure of Seychelles to ML and TF risks arising from VAs and VASPs is “Very High”, owing largely to certain unregulated activities occurring predominantly through the use of Seychelles incorporated legal persons. This conclusion and others from the VA/VASP NRA will be used in turn to feed into the wider country NRA scheduled for the latter part of 2022.

The VA/VASP NRA report is intended to be shared between end of July 2022 to early August 2022.

The outcome of the VA/VASP NRA is expected to guide and inform the establishment of a national policy position on the subject matter, including but not limited to a national strategy pertaining to VA/VASPs.

This will be the first step in the development of legislations in line with the established policy position that will allow Seychelles to meet its obligations in regards to Recommendation 15 (REC 15) of the Financial Action Task Force (FATF) Standards, to which the country is currently deemed as being ‘non-compliant’, as per the Mutual Evaluation Report published in 2018 and its subsequent follow up reports as reported to the Eastern and Southern Africa Anti-Money Laundering Group, the FATF-style regional body of which Seychelles is a member.

Whilst the NAC is cognizant that the Seychelles has completed an important step in relation to having an appropriate legal and regulatory cadre for VA/VASPs in Seychelles with the completion of the NRA, it recognizes that there remain several other key milestones that need to be reached and that the ongoing engagement of all key stakeholders, both public and private, is an important element going forward.

To note, the overall commitment of the Seychelles government towards this project was evidenced also by the attendance and participation of a number of high level officials from several stakeholder institutions, such as the National Assembly, the Ministry of Finance, National Planning and Trade (“Ministry of Finance”), the Central Bank of Seychelles (“CBS”), the Financial Intelligence Unit (“FIU”), the Department of Information Communication Technology (DICT), the Seychelles Revenue Commission (SRC), the Registrar General, the Board of the Financial Services Authority (“FSA”) and members of the Working Group that provided technical input on the project.

The NAC would like to thank the FSA which funded and led the NRA project, the Ministry of Finance, the CBS, the FIU, other Government agencies and the private sector stakeholders who were part of the VA/VASP NRA exercise for their engagement and participation that contributed to the overall success of the VA/VASP NRA.

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