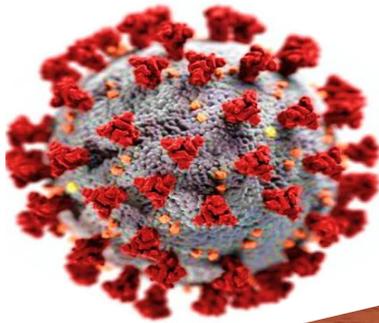




OFFICE OF THE AUDITOR GENERAL
SPECIAL AUDIT REPORT

FINANCIAL ASSISTANCE FOR JOB RETENTION (FA4JR) SCHEME



June 2022

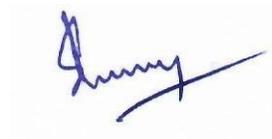
23 June 2022

To Honourable Speaker of the National Assembly

I am pleased to transmit my report on the special audit of the Financial Assistance for Job Retention (FA4JR) for onward transmission to the Finance and Public Accounts Committee. The audit was undertaken partly on my own initiative and partly in response to the verbal requests from the FPAC in the 6th and the 7th Assembly.

Following presentation to the Committee, the report will be placed on the website of Office of Auditor General - www.oag.sc

Yours sincerely,



Gamini Herath
Auditor General

Auditor General's statement

The Auditor General can undertake special purpose audits (reviews/investigations) on his own initiative and/or at request from the President or the National Assembly as provided in the Constitution and the Auditor General Act. A special purpose audit looks at a particular issue, system, function, operation, scheme, project, programme or an organisation, either in isolation or in a transversal, cross-cutting manner. The rule of thumb used for selection of the subject matter is 'does it matter to the public'. The purpose of a special audit is to provide objective information on the particular subject matter to those who seek that information. These reports often result in better decision making and positive differences in public institutions. The positive differences in turn result in better service delivery to the public through efficient public administration and cost savings through sound finance management, in other words, better value for the money. These processes help promote good governance, transparency and accountability.

The Financial Assistance for Job Retention Scheme (FA4JR) was put in place in March 2020 in response to the economic meltdown brought about by the Covid-19 pandemic spreading across the world. As the country went into a nation-wide lockdown, cutting off all air and sea connections with the rest of the world, the employees in private sector faced the highest risk of loss of income. Hence, the main aim of the scheme was to assist businesses and NGOs to pay their employees' salaries and wages in order to prevent any redundancies. The scheme operated from April 2020 to March 2021 during which a total sum of SR1,450,648,071 was disbursed through the Treasury, of which SR1,266,056,247 was during the period April to December 2020 covered by the audit.

Audit found instances of inadequate assessment of applications and non-application of established criteria in the administration of the scheme resulting in overpayments. On the part of employers, there were instances of providing inadequate and incorrect information adding more pressure to the committee's work in assessing such claims. Authorities should be aware that a large number of expatriate workers appearing on the payrolls submitted to the Committee for processing financial assistance were without valid identification (NIN, Passport or GOP).

Appropriate action should be initiated not only to recover the overpayments but also formulate better policies and procedures when any financial assistance is provided in future emergencies so that only those who are in need will receive such assistance.

Auditor General

Acknowledgements

I wish to express my personal gratitude to members of my staff who carried out their duties willingly and satisfactorily despite certain constraints. I also acknowledge the assistance and co-operation extended by the Ministry of Finance. They all appreciate the role of my office and recognise the valuable contribution it can make in ensuring and enhancing the good governance, accountability, and transparency in the matters relating to state assets and public funds.

Finally, I would like to thank the Finance and Public Accounts Committee (FPAC) of the National Assembly who reviews my reports and makes appropriate recommendations to Government for improvements.

Table of Contents

Executive Summary.....	1
Key Findings.....	2
Assistance of over Rs1.2b disbursed under the Scheme	2
Lack of submission of supporting documents	2
Over payments of payroll assistance	3
Employees without proper identification.....	4
Businesses assisted did not pay PIT to SRC	4
Conclusion	4
Recommendations	5
Part One: Background Information.....	6
Financial Assistance for Job Retention (FA4JR) scheme.....	7
Funding of the FA4JR relief scheme.....	8
Eligibility criteria for assistance under the FA4JR.....	9
Objectives of the special Audit	10
Audit Scope and Methodology.....	10
Part Two: System description.....	12
Application Process	12
Processing of the FA4JR application forms.....	14
Criteria, conditions and supporting documents.....	14
Part Three: Audit Observations	17
Assistance of over SR1.2b disbursed under the scheme	17
All businesses in audit sample were registered with the Seychelles Revenue Commission	18
One business did not lodge its business tax return.....	18
Only one unlicensed business was assisted under the FA4JR	19
Businesses on “June restricted” list assisted under FA4JR	21
An overpayment of R16.8m observed	22
Overpayment of assistance in respect of casual workers.....	24
Employees without proper identification.....	25
Businesses assisted did not pay PIT to SRC	25
Non-adherence to prescribed document format	26
Appendices.....	27
Appendix 1: The Amended Employment Act	27
Appendix 2: Form 1	30

Appendix 3: Form 2	32
Appendix 4: Audit Methodology	34
Appendix 5: Form 3	37
Appendix 6: Form 4	39
Appendix 7: Supporting documents required with application Forms.	41
Appendix 8: Press Release June 2020.....	44

Acronyms and Abbreviations

CBS	Central Bank of Seychelles
COVID-19	Coronavirus
DA	District Administration
DICT	Department of Information Communications Technology
FA4JR	Financial Assistance for Job Retention scheme
GOP	Gainful Occupation Permit
IECD	Institute of Early Childhood Development
MoFTIEP	Ministry of Finance, Trade Investment and Economic Planning
NGOs	Non- Government Organisations
NIN	National Identity Number
OAG	Office of the Auditor General
PIT	Personal Income Tax
SCCI	Seychelles Chambers of Commerce and Industry
SFA	Seychelles Fishing Authority
SLA	Seychelles Licensing Authority
SPF	Seychelles Pension Fund
SRC	Seychelles Revenue Commission
TIN	Tax Identification Number

Executive Summary

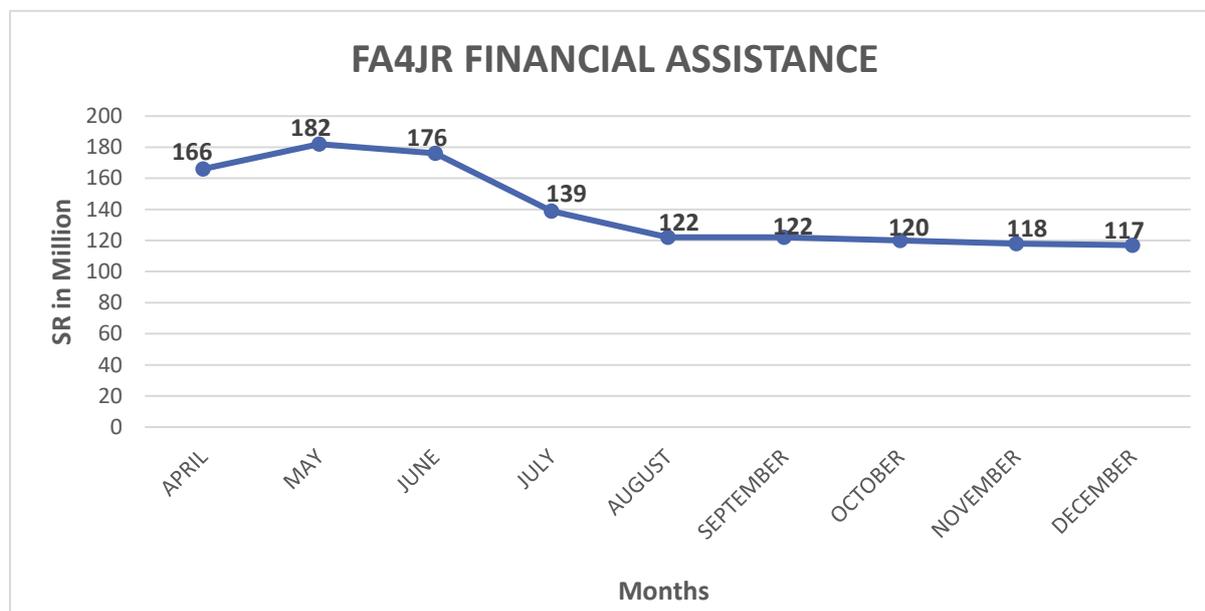
1. In March 2020, following the first detection of Covid-19 in Seychelles, the former government introduced the FA4JR financial relief scheme. Its aim was to guarantee job retention across businesses which were financially affected following the detection of Covid-19 on our shores. Under this scheme businesses could apply for financial assistance to cover the monthly salaries of employees and income assistance to self-employed. The initial declaration of assistance was for the period April to June 2020; however, the scheme was subsequently extended to December 2020 and up to March 2021 (for the last disbursement of assistance) given the ongoing impact of the pandemic.
2. To design the policies and procedures relating to the provision of the financial assistance, a committee was appointed by the President. The members of the committee were drawn from the Ministry of Finance, Trade and Economic Planning (MoFTIEP), Central Bank of Seychelles (CBS), Seychelles Revenue Commission (SRC), Office of the President and the business community represented by Seychelles Chamber of Commerce and Industry (SCCI). With the exception of the representative of SCCI, this same Committee undertook the review, assessment and approval of assistance. The SCCI member was excused from such reviews and assessments to avoid any potential conflict. The amounts of assistance as approved by the Committee were disbursed by the MoFTIEP, and the President appointed a separate Appeals Committee to deal with any appeals against decision of the main FA4JR Committee.
3. The businesses were to apply by filling in respective application forms. Their applications were assessed for qualification for the assistance, against a set of prescribed eligibility criteria and supported by relevant documents.
4. An audit was carried out for the period April 2020 to December 2020 to evaluate the operational aspects of the scheme implemented by the Ministry of Finance and test-check adherence to the set eligibility criteria for the provision of assistance under the scheme. A total of R1.2billion was spent under this scheme during the same period.

5. The main audit findings, conclusion and recommendations are presented in this report.

Key Findings

Assistance of over Rs1.2b disbursed under the Scheme

6. During the period April to December 2020, over R1.2b was disbursed to businesses as FA4JR financial assistance under two categories, namely, payroll assistance for salaried employees and Income assistance for business owners or self-employed.



7. The trend in monthly disbursement decreased significantly by R37 million from July given that expatriate workers were no longer eligible for the assistance under the scheme.

Lack of submission of supporting documents

8. Businesses seeking financial assistance under the FA4JR scheme were required to provide bank statements and cash flows to substantiate that they did not have sufficient funds to pay normal wages and to assist with determination of the business activities and earnings prior to the pandemic. Audit observed through a sample of 164 businesses applications submitted in April, 15 businesses did not provide cash flow; four did not provide local currency bank statements whilst one hotel establishment did not have a foreign currency account despite the nature of its business. In total, an amount of SR26,441,572 was disbursed to support these

businesses from April to December, despite the required documents were not submitted to the committee.

9. Due to the lack of the requisite supporting documents, Audit was unable to verify that the assistance provided to these businesses was justified.

Over payments of payroll assistance

10. Audit reviewed sample payrolls received from MoFTIEP and re performed assessment based on set criteria/conditions as follows:

- Comparison of March payroll to April - December to remove any new employee which was not included on the March payroll. In cases where March payroll were not available Audit used the April payroll;
- Salary increases and non-fixed allowances from March/ April payroll were also adjusted;
- Capping of salaries at R30,000
- Removal of resignations and termination based on payroll amendments submitted by the business or when referring to payroll submitted to SRC
- Removal of GOP holders who were out of the country from April to June.
- Removal of all expatriate workers who were included on the payroll from July to December

11. Against the total disbursement of R364,106,042 by MoFTIEP, Audit recomputed the amounts of assistance admissible as per the stipulated conditions and arrived at an amount of R348,995,895, thus resulting in an overpayment of R15,110,146 to 47 businesses. The main reason for the overpayments was the incorrect/non application of the conditions/criteria by the committee. Additionally, the applicants not informing the committee of employees who were no longer in employment; applying increases in salaries/allowances; adding employees on multiple payrolls; and including new employees on payroll also contributed to the issue.

12. Audit also observed an overpayment of R1.7 million related to ten employees who were assisted on more than one payroll in the same month; in fact, two of the persons appeared on five different payrolls in the same month. This was contrary to the criteria which stated that an individual can only be assisted on the scheme if they are not getting an alternative source of income (not considering SPF payments and retirements pensions through the Agency for Social Protection, e.g. pensioners).

The multiple payments made in some of these cases were found to be within the capping of SR30,000 per person while, in other cases, the amount of assistance per person, per month exceeded the capping.

Employees without proper identification

13. Audit noted that a considerable number of expatriate employees across a number of businesses did not have a valid NIN or Passport /GOP number appearing on the payrolls thus putting in doubt the credibility of the payrolls. This observation was predominant in April - June payrolls where employees NIN appeared as 111-1111-1-1-11 or other numbers, which the Civil Status confirmed to be invalid. Therefore, Audit is of the opinion that a valid proof of identification, such as, Passport No, NIN or a GOP No should have been obtained for the processing of the payrolls in question.

Businesses assisted did not pay PIT to SRC

14. The financial assistance provided to businesses included both PIT and Seychelles Pension Fund contributions payable to the respective authorities. Further, it was the businesses' responsibility to ensure the payment of such dues to the relevant authorities. However, Audit observed from a sample of 97 businesses that 11, which received assistance to the tune of R15.9m, did not pay the required PIT to the SRC.

Conclusion

15. Audit noted that the FA4JR scheme was a good initiative from the government which sustained businesses during the global economic crises caused by the pandemic. The scheme was much needed and timely brought in to facilitate the sustainability of the businesses. Audit also acknowledge the extensive work that the committee had to perform to timely dispose of the applications, which were large in number and lacking the support of required documents from businesses. However, Audit is of the view that the financial assistance should have been only provided to the businesses experiencing financial difficulties. The change in criteria from July 2020 where all tourism related businesses could be assisted regardless of their financial position might not have been a prudent decision or the most appropriate.

16. Furthermore, it was unethical of some businesses to make false/duplicate claims to receive inadmissible support at a time when the economic activities in the country were at its lowest level hence putting additional pressure on the country's scarce financial resources.

Recommendations

17. Penalties including liability for full return of payroll assistance should be imposed on businesses which provided false and misleading information. This will be in line with the declarations that all businesses signed on the application form which stated that providing any misleading statements or misrepresentation may result in penalties.
18. Overpayments of R16.8 million made should be recovered from businesses concerned.
19. Synergies between the governmental authorities should be established to ensure that correct data is collected and shared and the resulting information is easily accessible to relevant decision makers. This is of particular importance where, despite SRC collecting PIT, a large number of expatriate workers in the private sector are being paid salaries and wages on monthly payrolls without a record of valid identification (i.e. NIN, passport or GOP).
20. The Seychelles Revenue Commission should follow up on cases where PIT has not been paid to ensure collection of the same.
21. Lessons learnt should guide the authorities in the future when providing financial assistance under emergency situations.

Part One: Background Information

- 1.1. Over 2 years has lapsed since the Covid-19 pandemic broke out and the disruption of normal world order brought about with it. The virus seemed to be unstoppable at the time and national and international efforts had to be taken to manage and contain the spread and the impact of the virus on the day to day activities of the populations across the world.
- 1.2. Covid-19 preventive and impact mitigating measures have rapidly integrated in our day to day lives and has redefined many norms in our ways of living. There have been many fluctuations in its surge and with time, the world has adjusted to the “new normal” conditions as it has been termed world over.
- 1.3. Seychelles has also transitioned through the presence of the virus, our livelihood has changed and our ways of doing business has evolved. In one way or another, every Seychellois has felt the presence of Covid-19 on our islands.
- 1.4. To contain its spread, countries worldwide adopted various restrictive measures, such as, lock downs and movement restrictions to break its chain of transmission. Hence borders, airports and ports in various countries closed down which resulted in cutting-off trade links and movement between countries.
- 1.5. The first case of COVID-19 in Seychelles was reported in March 2020, but the negative impact of the COVID-19 had already been felt in the Seychelles due to the rapid decline in tourists entering the country and disruption to airlines operations. Such impact was devastating given the country’s dependence on the tourism industry¹.
- 1.6. Consequently, the former government announced several measures to mitigate the impact of COVID-19 on livelihood, and among others, the financial assistance for Job retention to private sector businesses (FA4JR) was introduced².

¹ http://www.finance.gov.sc/uploads/national_budget/Budget_Amendment_2020_summary.pdf

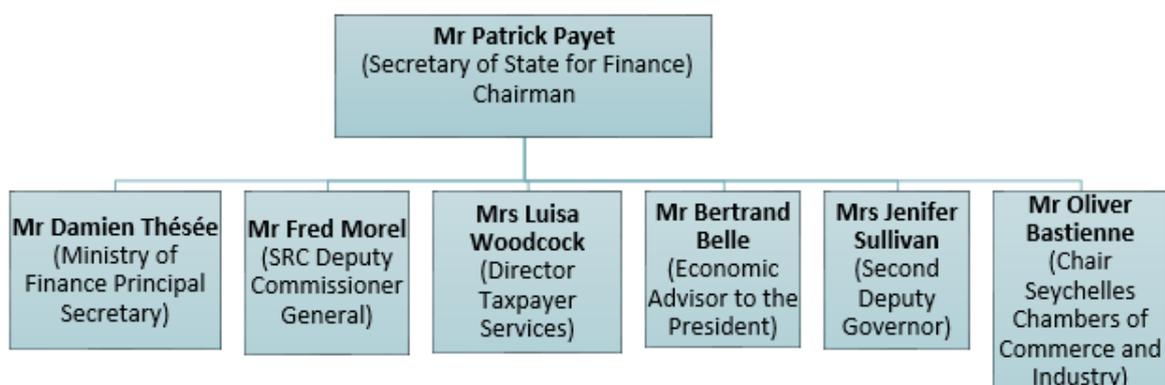
² <http://www.statehouse.gov.sc/news/4777/address-by-president-danny-faure-on-measures-to-address-the-covid-19-situation>

Financial Assistance for Job Retention (FA4JR) scheme

1.7. Following the announcement of the scheme, a committee was appointed by the President. It included members from the Ministry of Finance, Trade and Economic Planning (MoFTIEP), Central Bank of Seychelles (CBS), Seychelles Revenue Commission (SRC), Office of the President and the Seychelles Chamber of Commerce (SCCI) representing the business community.

1.8. The FA4JR committee was tasked to establish the structures, procedures and guidelines for the implementation of the Financial Assistance for Job Retention (FA4JR) scheme³. The main function of the Committee was to oversee the coordination of various activities required for the effective implementation of the scheme in a timely manner. The Committee was also responsible for the review and assessment of individual applications for financial assistance. In view of the potential conflict, the member from the SCCI was excused from this aspect of the Committee's responsibilities.

Members of the FA4JR Committee



1.9. The aim of the FA4JR was to provide financial assistance to private businesses and non-governmental organizations (NGOs) that has been negatively impacted by the COVID-19 pandemic. The scheme was to provide financial assistance through salary support so that the struggling businesses could pay their employees' salaries for the

³ <http://www.statehouse.gov.sc/news/4782/committee-for-financial-assistance-to-businesses-holds-first-meeting>.

month of April, May and June 2020. This was later revised and businesses were assisted up to March 2021. The main objective of the scheme was to ensure the policy of ‘no-redundancies’⁴. To enforce the policy, an amendment to the employment Act was also passed⁵ (Refer to Appendix 1).

Funding of the FA4JR relief scheme

1.10. A sum of SCR 1,090,531,200 under the amended budget 2020 “*New Priorities in the new reality*” was proposed and approved by the National Assembly in April 2020 to support FA4JR⁶. In June 2020, as the COVID19 situation escalated, the government requested a further SCR183,765,534 towards the scheme under the Supplementary Appropriation Bill 2020 and the financial assistance was extended up to December 2020. Thus, for the entire period under review from April to December 2020, a total of SCR 1,274,296,734 was budgeted for FA4JR, as below.

Funding FA4JR	Date	Amount
Amended budget 2020 “ <i>New Priorities in the new reality</i> ”	9 th April 2020	1,090,531,200
Supplementary Appropriation Bill, 2020 (Bill No.31 of 2020)	10 th December 2020	183,765,534
Total (April 2020- December 2020)		1,274,296,734

Source: MOFTIEP

1.11. In December 2020, as the FA4JR was coming to an end there was a further request to extend the assistance, despite the Government facing serious budgetary constraints⁷. The FA4JR was further amended and extended up to March 2021 when it was phased out.

⁴ <http://www.statehouse.gov.sc/news/4777/address-by-president-danny-faure-on-measures-to-address-the-covid-19-situation>

⁵ Act 20 of 2020, Employment (Amendment) Act 2020.

⁶ <http://www.nation.sc/articles/4236/amended-budget-for-2020-presented-for-national-assembly-consideration> Reference

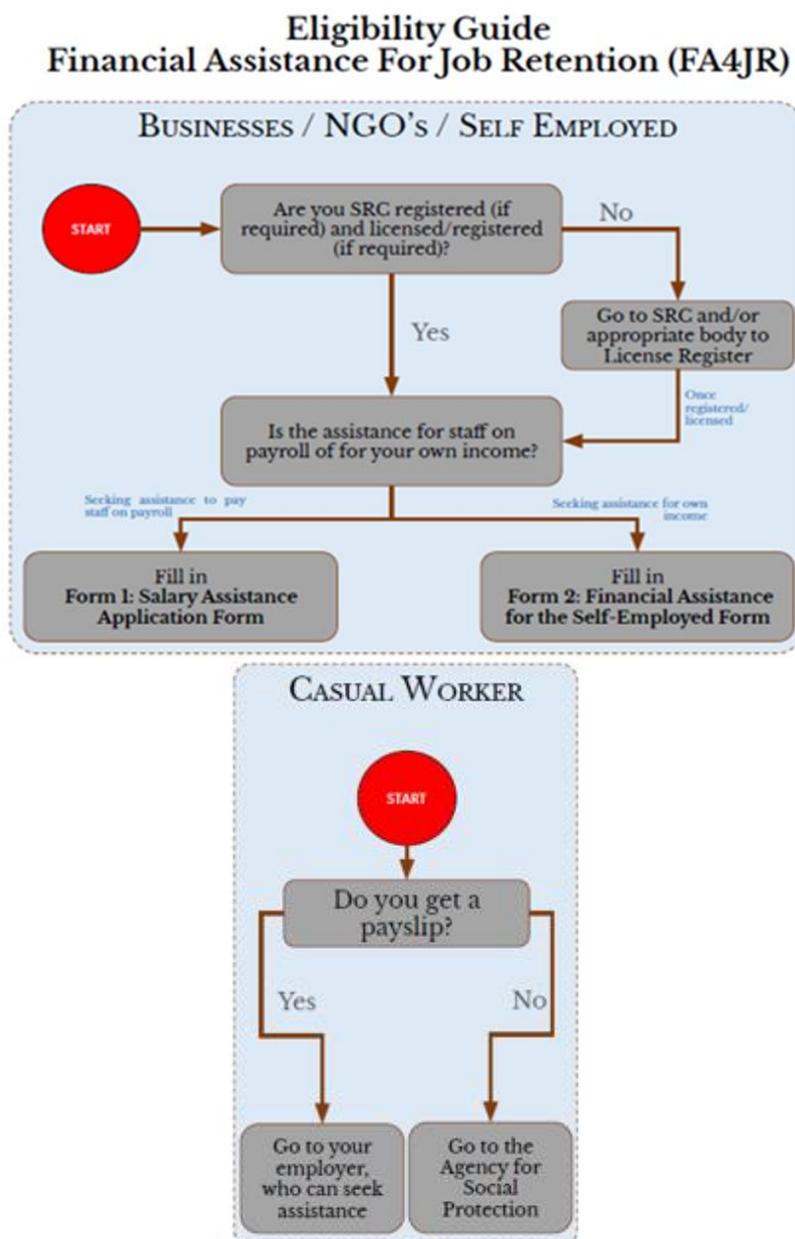
⁷ <http://www.employment.gov.sc/media-centre/publications/296-fa4jr-not-sustainable-as-it-is-government-says>

Eligibility criteria for assistance under the FA4JR

1.12. Two types of salary support were available for businesses under the FA4JR, as follows:

- Payroll assistance for employee salary (Form 1)
- Income assistance for business owners/self-employed (Form 2).

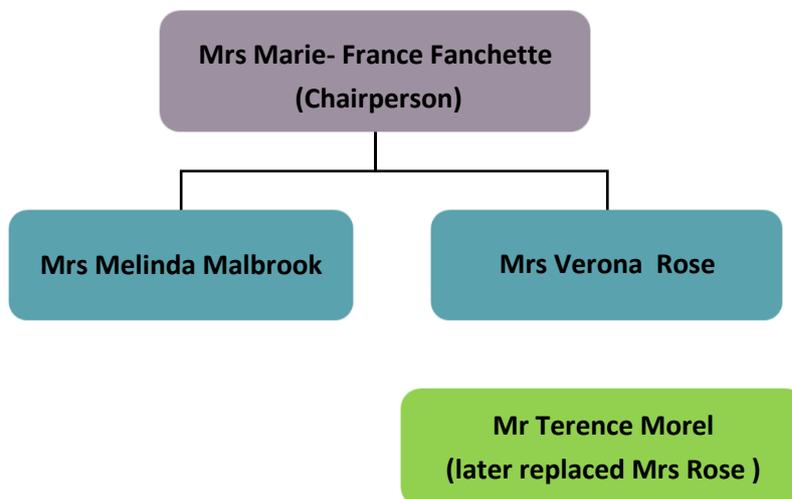
1.13. The figure below provides a guide of who qualifies and which type of assistance they should be applying for under the scheme; see **Appendix 2 and 3** for the relevant forms.



Source: FA4JR guide for analysts (MoFTIEP)

1.14. Unsuccessful applicants had the opportunity to appeal to the appeal committee of which the structure was as illustrated below.

Members of the FA4JR Appeals Committee



Source: MOFTIEP

Objectives of the special Audit

1.15. This audit was conducted partly at the request of the Finance and Public Accounts Committee (FPAC) of the 6th National Assembly and partly on own initiative of the Auditor General. The key objectives of the audit was to evaluate the implementation of the FA4JR Scheme administered by the MoFTIEP and test check adherence to the eligibility criteria set for the provision of assistance under the Scheme.

Audit Scope and Methodology

1.16. The audit covered the period April to December 2020 only. Methods included a review of documents from MoFTIEP and a review and an analysis of FA4JR portal which was maintained by the Department of Information Technology. Meetings were conducted with Officials from MoFTIEP and the Seychelles Revenue Commission.

1.17. Audit re-performed assessment on 63 businesses which received monthly or one time payments of R500,000 and above totaling R481,273,716. Audit selected a further sample of 101 businesses to perform audit test in the category which received less

than R500,000 in a month and totaled R40,982,827. The latter sample included businesses which received payroll assistance and income assistance.

- 1.18. While analyzing payroll information for detecting duplicate/or multiple payments, 15 more businesses which received a total of R15,327,593 were considered for further audit tests.
- 1.19. Thus the audit samples examined covered a total of R537,584,136 out of R1.2 billion which was paid to businesses as financial assistance during the period under review. May refer to **Appendix 4** for the audit methodology applied in this audit.
- 1.20. A draft report including the matters arising from the audit was submitted to the MoFTIEP on 07.06.2022. This was discussed in an exit meeting on 13.06.2022 with the officials of the Ministry and the written comments submitted on 17.06.2022 are now incorporated in the report to provide a balanced view.

Part Two: System description

2.1. This section outlines the processes followed for receiving financial assistance.

Application Process

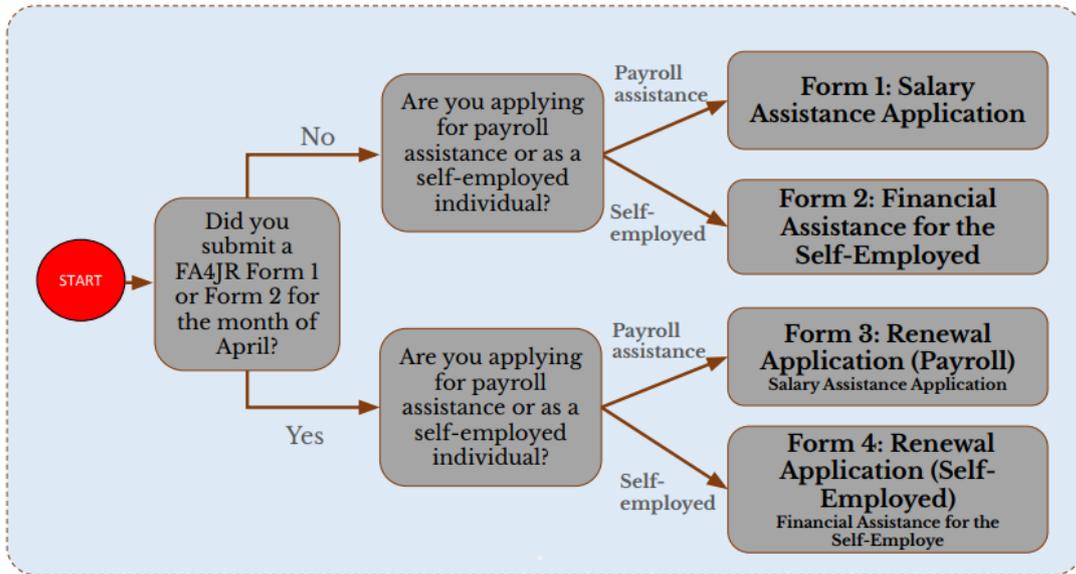
- 2.2. The application process involved the completion of primarily one of two application forms; Form 1 for Business owners and NGOs (with one or more employees) seeking payroll assistance and Form 2 for self-employed business owners and partnerships seeking financial assistance for themselves.
- 2.3. In addition, there were three other forms utilized in the scheme (**Appendix 5 and 6**).
- Form 3: for business owners seeking renewal of payroll assistance; and
 - Form 4: for self-employed individuals seeking renewal of income assistance.
- 2.4. According to MoFTIEP, these were issued to facilitate the processing of businesses that had applied for assistance before.
- 2.5. These forms were made available on the MoFTIEP website (electronic copy); ground floor of MoFTIEP head office Liberty house; Ministry of Employment, Immigration and civil status (MEIC); Independence House and at the SCCI office at providence. As the country went into lockdown in April 2021, the forms were also made available in all District Administration office on Mahe, Praslin and La Digue⁸.
- 2.6. To further adhere to the social distancing guidelines set forth by the Ministry of Health at the time, a Hotline (2828262, later changed to 190) was also set up to provide assistance with filling the forms during working hours⁹ and submission was also made available through email up until June 2020 when automatic submission was made possible on the MoFTIEP website through a portal designed by DICT (<https://MoFTIEP.egov.sc/fa4jrsubmissions>).

⁸ MoFTIEP_FA4JR F&Q

⁹ Monday – Friday 8 am to 4pm

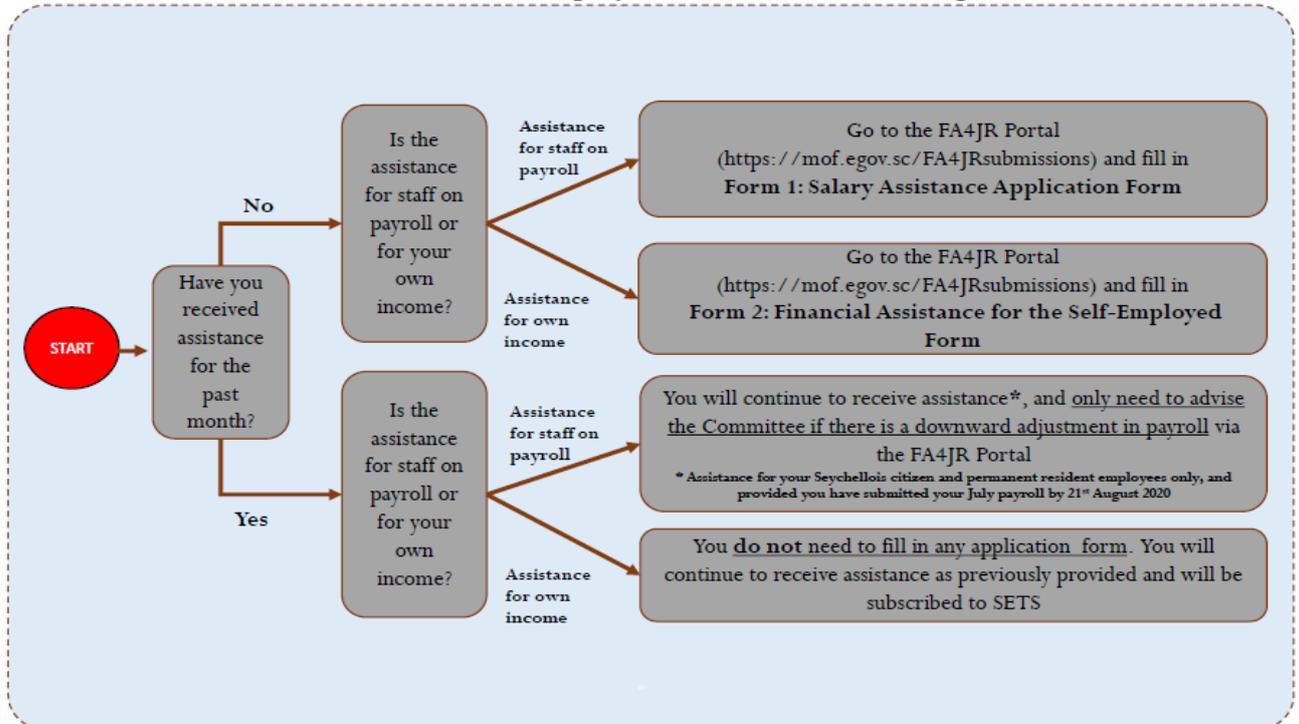
Guideline on completion of forms for the month of May 2020

Quick Guide - Which Form Should I Fill In? Financial Assistance For Job Retention Scheme for Businesses/NGOs/Self-Employed



Guide to access assistance under FA4JR from August 2020

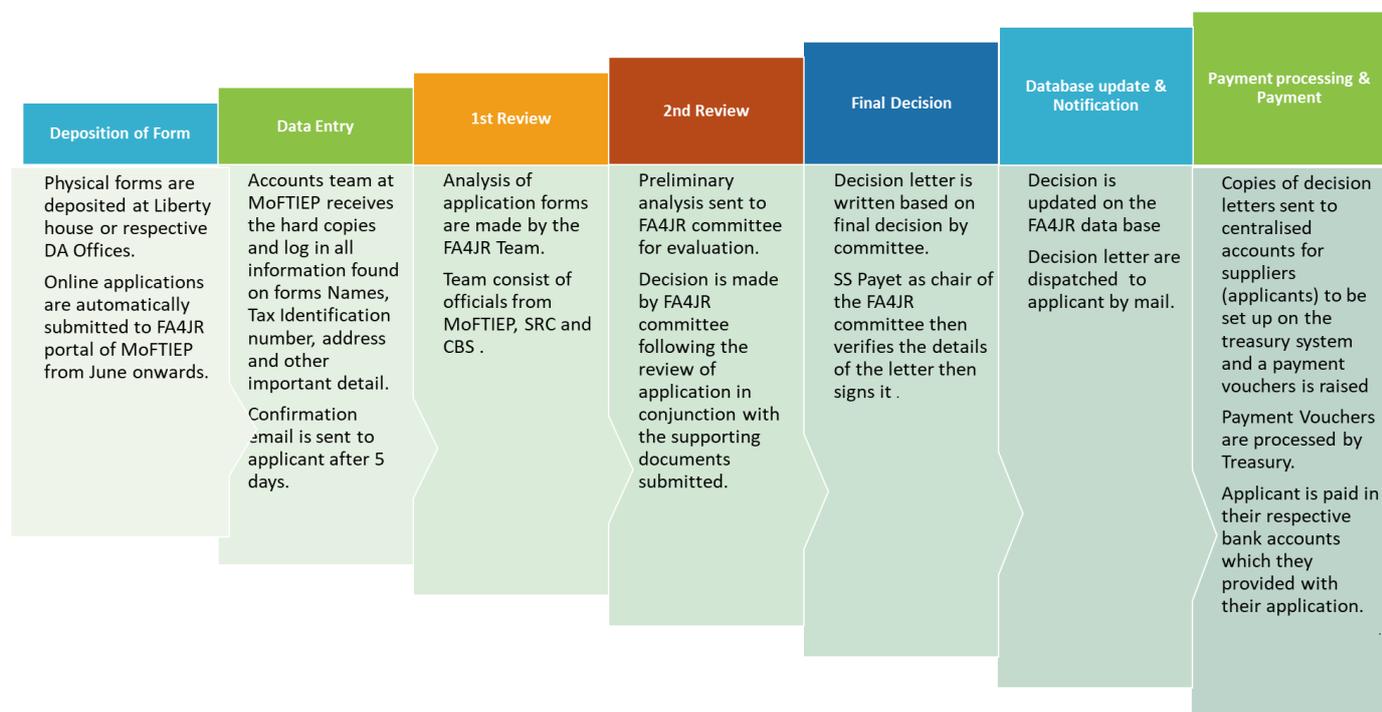
Quick Guide on Accessing the Financial Assistance For Job Retention Scheme for Businesses/NGOs/Self-Employed from the month of August 2020



Source: MOFTIEP

Processing of the FA4JR application forms

2.7. The processing of the application forms, illustrated below were conducted through various entities with the final review and outcome being made by the FA4JR committee and signed off by the Committee chair Secretary of State, Mr. Payet.



Criteria, conditions and supporting documents

2.8. The FA4JR committee assessed the businesses based on the following criteria conditions as illustrated below and required supporting documents before approving for FA4JR payments.

- Businesses must be registered with Seychelles Revenue Commission (SRC) for tax purposes and the last tax lodgment should not be later than 2017
- Businesses must have an official licensed under their regulatory framework (e.g. SLA IECD or any formal association)
- Licensed and registered businesses/ NGOs
- Be able to explain how COVID-19 has caused significant disruption to its business activity
- Prove a reduction in turn-over of more than 25%
- Be temporarily unable to pay normal salaries
- Agree that no staff are to be made redundant

- Must have been in operation prior to April 2020
- Business owners who employ one or more employees and submit a monthly payroll to SRC
- The salaries payable under FA4JR should be capped at SCR 30,000
- These salaries should incorporate only fixed allowances, exempting periodic allowances and commissions that vary month-on-month (e.g. service charge, overtime)
- These salaries would be provided to the businesses, and they in turn would pay their employees. The sum included both PIT and Seychelles Pension Fund (SPF) contribution due for the employee.
- An individual can only be assisted on the scheme if they are not getting an alternative source of income (not considering SPF payments and retirements pensions through Agency for Social Protection e.g. pensioners). This means that a beneficiary cannot appear on two payrolls - regardless of whether or not one of those payrolls is of an entity which is not on the scheme. Reference can be made to **Appendix 7** for the list of required supporting documents.

2.9. Once qualified for assistance, the business continued to receive assistance under the scheme in the consequent months, with the exception of the month of June, whereby a restricted list was introduced. If a business activity was one appearing on the restricted list, such business would have to re-apply and prove continued financial difficulties in order to continue to be assisted.

2.10. In July, businesses in the tourism sector which had previously been declined purely in relation to the sufficient funds criteria, now became eligible to be considered for assistance. For recipients of payroll support, however, the criteria were amended such that only Seychellois and permanent resident employees were to be covered, and accordingly, the businesses were required to submit a copy of a payroll excluding all GOPs (but still applying April criteria in relation to capping and single employment). For recipients of income assistance, the same value approved in prior months continued to be disbursed unaltered.

2.11. From August, businesses which were assisted in July continued to be assisted automatically, subject to the businesses receiving payroll assistance having submitted their July payroll as per above, and subject to their advisement of any downward adjustments to their payrolls. This automatic assistance continued to December. In relation to new applications, from August onwards, assistance to businesses related to the tourism sector (List B) was automatically granted provided they were up to date as at 2017 lodgments with SRC. Other businesses were expected to re-apply and to be re-evaluated based on new criteria as follows:

- Registered and/or licensed entity
- Lodged Business Tax returns in 2017 or more recently
- Been in operation/existence before March 2020
- Demonstrate that the inability to cover wages is a result of COVID-19
- Entities must be able to show that January to February 2020 turnover was at least 90% of January to February 2019 - based on activity in bank statements.
- Entities must be able to show a drop of more than 60% in turnover over the March to June 2020 period compared to the amounts banked from March to June 2019.
- Demonstrate tangibly that their drop in activity stems from the economic conditions in the country post-March 2020.

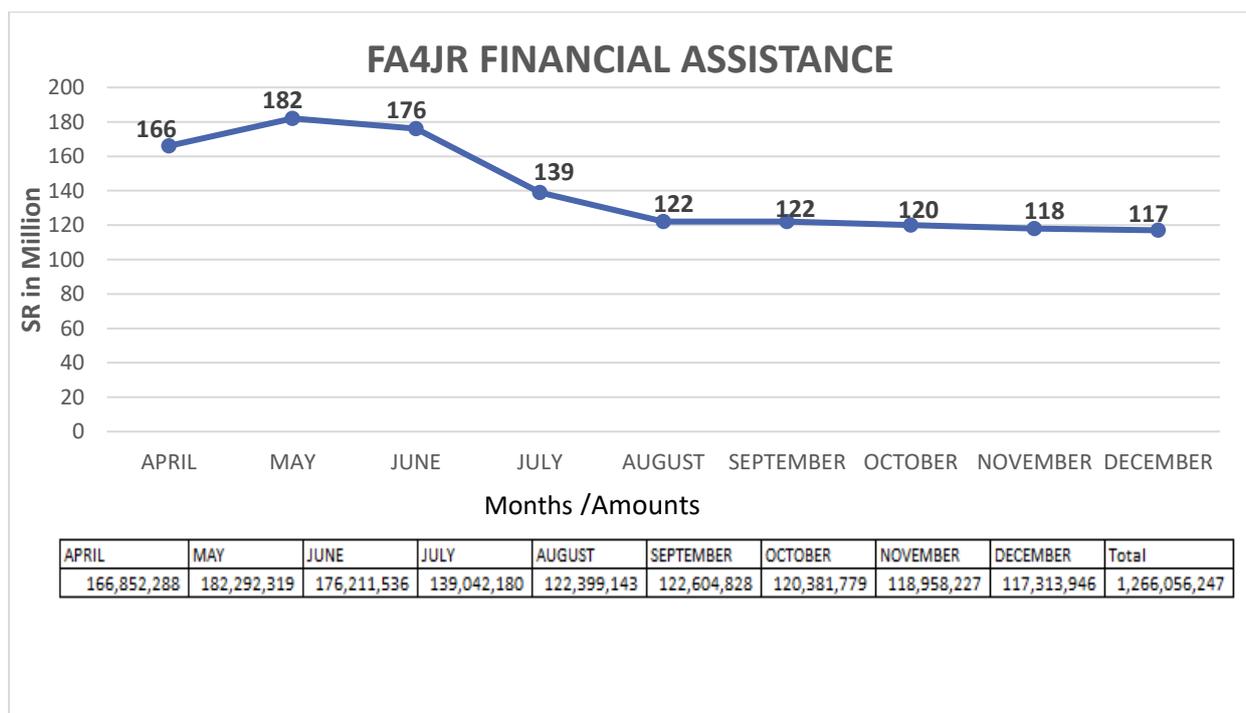
Part Three: Audit Observations

3.1 Audit made the following observations through the review of a sample of 164 beneficiaries assisted from April to December 2020 under the FA4JR scheme.

Assistance of over SR1.2b disbursed under the scheme

3.2 From April- December 2020 the government had disbursed R1,266,056,247* as financial assistance to businesses under two types of salary support as payroll assistance for employee salary and Income assistance for business owners/self-employed. This was within the budget of R1,274,296,735 approved by the National Assembly.

3.3 The graph below shows monthly disbursement of assistance to businesses. The substantial decrease from June to July was due to the expatriate workers not being considered for assistance from July onwards.



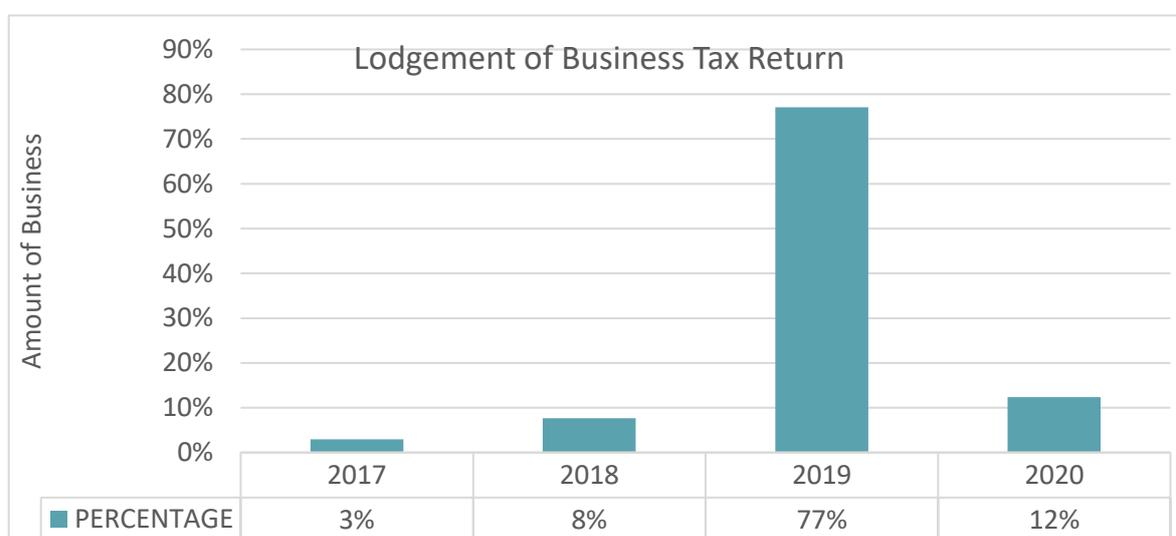
**A further sum of SR184,591,824 was disbursed under the scheme during the period January to March 2021 according to the Treasury records*

All businesses in audit sample were registered with the Seychelles Revenue Commission

3.4 It was a criteria that businesses requesting for financial assistance are either registered with SRC or other relevant authority for example, fisherman are registered with SFA and daycare are registered with IECD. In the audit sample of 179 businesses selected for testing for the above criteria, 171 businesses should be registered with SRC while the remaining 8 represented 5 fishermen and 3 NGOs. Audit noted that all 171 businesses were registered with SRC.

One business did not lodge its business tax return

3.5 All registered businesses with SRC should have lodged their business tax return from 2017 onwards before being assisted under the scheme. Audit observed one business which did not lodge the business tax return but was assisted under the scheme with R72,000. Audit was informed by the SRC that this business was registered as an association in 2014, yet it has not lodged any return since registration. Audit noted that 152 (89%) businesses were up-to date with their tax return (2019&2020).



3.6 Audit also noted that the FA4JR committee accepted the latest tax return lodgment up to year 2017. However, according to Section 57(1), Part IV of the Business Tax Act “a business liable for business tax under Section 6 shall furnish a business tax return for each tax year within three months after the end of the tax year”. Therefore the above criteria set forth by MOFTIEP being applicable in 2020 was allowing businesses that was in default with their tax return 2 years late to be assisted. Audit is of the

view that this could have been an opportunity to ensure that tax payers are up-to-date with their tax returns.

- 3.7 **Management response:** *There was an oversight by the Committee in not identifying the association had not lodged its returns as required. The Ministry is liaising with SRC to ensure that the association rectifies its outstanding obligations.*
- 3.8 *In the design of the criteria for assistance under FA4JR, the compliance with SRC tax returns was considered at length. At the point of initiation of the scheme, there was a significant portion of the business community which was in default with their tax returns and registrations with SRC, and it was determined that the scheme could provide an opportunity to improve compliance. Simultaneously, however, it was appreciated that the employees of the businesses who were in default would be the ones impacted should the assistance not be granted, as the businesses in default would not pay their employees, which would be an unfairness on employees who had no control on their employers' lodgments of returns.*
- 3.9 *The criteria of 2017 returns was therefore elected as a point of compromise, whereby businesses were assisted provided they were up to date as at 2017, however, also instructed in the letters from the Committee to remedy any outstanding lodgments. It was observed that this requirement of FA4JR assistance spurred on a number of lodgments at SRC, and also importantly, a significant number of registrations of businesses with SRC, particularly for such business activities as artists, musicians and freelancers. Such registration is expected to improve compliance in the long run. Furthermore, the SRC is currently carrying out its own audit on the basis of information received from FA4JR for a number of businesses, and accordingly, the scheme is likely to have improved tax compliance within the business community in the country.*

Only one unlicensed business was assisted under the FA4JR

- 3.10 According to the MOFTIEP, only entities in the formal sector who were registered and licensed as required by their regulatory body were to be assisted under the FA4JR.
- 3.11 Audit reviewed the sampled businesses based on the above criteria with various bodies, such as, SLA, IECD and SFA, and noted that all businesses assisted, except for one, were licensed and hence, met the required eligibility criteria.

3.12 As for the unlicensed business, which received SR175,000 in assistance, the owner used the license details for another business that he owned to apply for FA4JR. Through information from SLA we noted that as per the owner’s declaration at SLA, the business was not operational since 2018 due to lack of staff and work. Therefore, since it was not operational, it should not have qualified for assistance under the scheme. Furthermore, the applicant had provided incorrect information in applying for the assistance.

3.13 **Management response:** *The business was up to date with its tax obligation, however, it was a Committee error not identifying the absence of a license.*

Lack of submission of supporting documents by businesses

3.14 According to the FA4JR criteria, the businesses seeking financial assistance under the scheme from April must be experiencing significant negative economic disruption caused by COVID-19. Further, the businesses must show a decline of 25% in turnover from post March 2020 revenue, which had impacted on their ability to pay normal wages and outgoings fully. Bank statement and cash flow records were expected to be provided by the applicant in evidence to establish the financial status.

3.15 Audit observed that out of 164 sampled businesses, 15 businesses did not provide cash flow; four did not provide local currency bank statement whilst one hotel establishment did not have a foreign currency account despite the nature of the business.

3.16 Despite the fact that not all documents required to have been submitted were not submitted in support of the applications made, an amount of SR26,441,572 was disbursed towards these businesses from April-December 2020. In the absence of the required documents, it is doubtful if the set criteria were strictly applied for the assessment of the eligibility of the applicants.

Documents not submitted and the number of businesses

Businesses assisted	Cash flow Statement	Local Bank Statement	Foreign Bank Statement
Payroll Assistance	4	-	1
Income Assistance	10	3	-
Income & Payroll Assistance	1	1	-
Total	15	4	1

- 3.17 **Management Response:** *In relation to Income Assistance, the Committee analysed the bank statements for credits and debits in lieu of cashflow in many instances where these were not provided, particularly in view of challenges applicants often faced in filling in a reliable cashflow statement.*
- 3.18 *The foreign bank statements for the one payroll assistance applicant referenced was in a format accepted by the committee, however, there was no stamp from the bank.*
- 3.19 *The Ministry is undertaking a review to locate the local bank statements for the instances where the same is missing. In view of the manual nature of the process, certain documents may not as yet be part of the scanned and/or fully completed files.*

Businesses on “June restricted” list assisted under FA4JR

- 3.20 The FA4JR committee introduced a June 2020 restricted list which was applicable to business only on Mahe since on Praslin and La Digue all businesses were interrelated and dependent on the tourism sector. The businesses on this list were not to be assisted unless they justified their case. Refer to **Appendix 8** for the press release issued on this matter.
- 3.21 In evaluating the application of this criterion, Audit noted that ten businesses were on the restricted list. Of the ten, (a) six businesses were not assisted from June onwards; (b) one take away outlet was not assisted for the month of June only but assisted thereafter; and (c) the remaining 3 businesses which includes professional services were assisted with R360,187 for the months of June to December. Audit did not sight justification for assisting these businesses on the restricted list.
- 3.22 Audit was informed that as of July the restricted list was no longer applicable even for businesses on Mahe. However, Audit did not sight any formal documentation in support of the revoke. To note that some businesses on the restricted list were assisted from July onwards.
- 3.23 **Management response:** *The restricted list was designed based on the industry sectors which the Committee determined had been able to resume a reasonable*

June restricted list (any of those business will need to justify their case)

- Day Care /Child Minding operators
- Hairdresser/ Barber shop
- Retailer/ wholesaler/importer of groceries
- Professional services (Auditors, tax agent, lawyers, corporate service providers)
- Takeaway/Tuck shop operators
- Medical Services
- Construction Class 1 and 2
- Omnibus operators (those that have contract with Government)

amount of business activity as at June 2020 despite the impact of the pandemic. They determined that in accordance, these business classes would no longer be automatically assisted, however, maintained the avenue for those who were still in need to be considered on a case by case basis on the same criteria set as previously published. In view that the exercise to remove these businesses in June was undertaken, there was no need to undertake any further exercise or apply any further restricted list from July (since all relevant businesses had already been removed).

- 3.24 *In view that the industry sector was a free-type field, and there was no automated manner at the time of filtering the businesses by industry class, a manual exercise was undertaken on a spreadsheet of the recipients of assistance to gauge the business class and determine which businesses fell within the restricted list. Committee discretion was however utilized in relation to this list as well - for instance, a hairdressing saloon may not be removed from receipt of assistance if it was clear that it was operating purely out of a hotel environment. Three files are being reviewed further.*
- 3.25 *The manual review and lack of standardized industry classifications did pose difficulties with the process, and the need for more standardization was recognized as a result of the exercise.*

An overpayment of R16.8m observed

- 3.26 Audit reviewed the sampled payrolls received from MOFTIEP and re-computed the amount of admissible assistance based on set criteria/conditions as follows:
- Comparison of March payroll to April - December to remove any new employee, which was not included on the March payroll. In cases, where March payroll were not available Audit used the April payroll;
 - Salary increases and non-fixed allowances from March/ April payroll were also adjusted;
 - Capping of salaries at R30,000
 - Removal of resignations and termination based on payroll amendments submitted by the business or when referring to payroll submitted to SRC;
 - Removal of GOP holders who were out of the country from April to June;
 - Removal of all expatriate workers who were included on the payroll from July to December.

3.27 When audit applied these conditions Audit arrived at R348,995,895 against a total of R364,106,042 which was paid by MOFTIEP resulting to an overpayment of R15,110,147, as shown below:

MOFTIEP payments	Audit assessment	Overpayments
364,106,042	348,995,895	15,110,147

3.28 The non-application of the criteria/conditions by the committee in 47 businesses were the main reason for the overpayment of SCR 15,110,147. Further, the applicants not informing the committee of employees who were no longer in employment; applying increases in salaries/allowances; adding employees on multiple payrolls; and including new employees on payroll had also contributed to the latter.

3.29 Furthermore, Audit observed R1.7 million related to 10 employees who were assisted on more than one payroll, two of which appeared on five different payrolls. This was contrary to the criteria which stated that an individual can only be assisted on the scheme if they are not getting an alternative source of income (not considering SPF payments and retirements pensions through the Agency for Social Protection e.g. pensioners).

3.30 This means that a beneficiary cannot appear on two payrolls - regardless of whether or not one of those payrolls is of an entity, which is not on the scheme. Audit noted that MoFTIEP did remove a number of individuals who appeared on more than one payroll when assessing their applications for financial assistance. However, there was no system in place other than personal knowledge to identify and remove employees who were appearing on more than one payroll of one business entity or affiliated businesses.

3.31 **Management response:** *The Ministry will be pursuing refunds of overpayments in any instances identified and verified. The*

FA4JR CRITERIA

- Only employees appearing on the March payroll were eligible for assistance. Therefore new recruits and salary increment as of April 2020 were not eligible for assistance or accepted.
- The salaries payable under FA4JR should be capped at SCR 30,000.
- These salaries should incorporate only fixed allowances, exempting periodic allowances and commissions that vary month-on-month (e.g. service charged, overtime).
- An individual can only be assisted on the scheme if they are not getting an alternative source of income (not considering SPF payments and retirements pensions through Agency for Social Protection e.g. pensioners). This means that a beneficiary cannot appear on two payrolls - regardless of whether or not one of those payrolls is of an entity which is not on the scheme.
- Salary were not applicable for foreign workers with valid GOP that was out of the country.
- As of July 2020 expatriate workers were not to be assisted under FA4JR

procedure relied in part on a certain level of honesty and integrity from the business community in relation to their applications. The overpayments referenced above were often due to dishonesty of the applicants in claiming assistance for amounts which they were aware should not qualify under the scheme. In view of the number of businesses receiving assistance, full monthly manual review of payrolls of each business would not have been administratively possible. The Committee also had constraints in relation to their ability to cross-check the payrolls with SRC in view of the need to disburse funds by a date which pre-dated payroll lodgments to SRC. Overpayments could accordingly only ever be determined in retrospect relative to such accounts.

Overpayment of assistance in respect of casual workers

- 3.32 The FA4JR payroll assistance was for business owners who employ one or more employees and the monthly payroll are submitted to SRC. Casual worker, domestic worker and informal workers not on payroll were not covered under the scheme.
- 3.33 Audit noted that MoFTIEP did not use the payroll from SRC to compare with payrolls received from businesses. Therefore, this criteria was not evaluated during the assessment process by MoFTIEP.
- 3.34 Audit noted that the committee approved monthly payments of SCR59,500 for one business totaling SCR535,500 for the period April to December 2020 towards the salaries of the casual workers. However, the actual payments made to the above business was a sum of SCR1,219,500 for the same period indicating an overpayment of SCR684,000 for which Audit did not sight payrolls or any other supporting documents.
- 3.35 **Management response:** *Cross-checking of the SRC payroll with the FA4JR submitted payroll was administratively not possible at the time of the scheme, particularly given the prevalence of manual payroll submissions and the lack of consistent formatting of electronic payrolls. Furthermore the deadline for submission of payrolls to SRC being 21st of the subsequent month meant that waiting for such information prior to payment of salaries would have delayed salary disbursements by close to a full month. Information relating to the recipients of assistance under the scheme were however shared with SRC and they are undertaking audits on the*

basis of such information. The Ministry will be pursuing refunds of the overpayment identified and verified.

Employees without proper identification

- 3.36 Audit noted that a considerable number of expatriate employees across a number of businesses did not have a valid NIN or Passport /GOP number. This can be viewed as serious shortcoming to assess the credibility of the submitted payrolls on the ground that, these employees did not have a valid proof of identification. It should be noted that a valid proof of identification can be considered as the most important reference when conducting any official transactions.
- 3.37 This observation was predominant in April - June payrolls where the employees NIN appeared as 111-1111-1-1-11, which the Civil Status confirmed to be invalid. Audit also observed a few businesses, which used their own employee number instead of an identification number. Therefore, Audit is of the opinion that a valid proof of identification, such as, NIN, GOP or Passport number should have been in the set of criteria announced by the Authorities. In view of the presence of invalid identification numbers or the absence of identification numbers, the risk of payments being made to ineligible employees could not be ruled out.
- 3.38 *Management response: The practice of utilization of invalid NIN on payroll documents is acknowledged to be a challenge which is relevant even to payroll submissions to SRC and is identified as a wider national issue for review. Given the number of employees covered by the scheme, individual review of identification documents against each listed employee for the months April to June (when expatriate employees were covered) would have presented as administratively challenging, particularly considering the timeframe within which disbursements were required to be issued for salaries.*

Businesses assisted did not pay PIT to SRC

- 3.39 The financial assistance provided in terms of payroll assistance was paid to the businesses with the condition that they were responsible to pay (a) salaries to their respective employees; (b) PIT to SRC; and (c) applicable contributions to Seychelles Pension Fund. However, Audit observed from a sample of 97 businesses examined that 11 businesses that received a sum of R15.9m did not pay the required PIT to SRC.

Audit was informed by the SPF that 90 businesses out of the 97 businesses were making payments to SPF. However, three businesses were not registered with SPF, three were not up to date with pension payment and one business had ceased operation since 2016.

3.40 **Management Response:** *Letters issued to the businesses receiving payroll assistance explicitly stated that it was the business's responsibility to pay PIT and SPF contributions, thus any business' failure to do the same was in default of the respective legislations. Data relating to the disbursements under FA4JR have been shared with SRC and are being utilized for audit of businesses as necessary.*

Non-adherence to prescribed document format

3.41 Audit noted that MOFTIEP provided guidelines on criteria to follow and a format of documents to be used by businesses when applying. This was also stated on the application forms prescribed for use. As of June 2020, when the portal became online, all documents were expected to be submitted in that format. This was done to ensure that committee members were able to review and analyze these documents efficiently.

3.42 However, we noted that not all businesses did abide to these requirements and some documents were provided in pdf format or hard copy thus making it challenging for the committee to analyze. This was a challenge even for Audit. Audit is of the view that adherence to the prescribed procedures could have facilitated better processing and an effective review of assessments while reducing errors.

Management Response: *As part of the design of the process, the requested format for submission of documents was intended to increase efficiency and speed of processing applications whilst facilitating additional verifications. In view that the insistence on requested formatting would have resulted in delays with salary disbursements to employees (who had no ability to influence the document formatting), the Committee compromised in this regard.*

Amendment of
Cap 69 as last
amended by
Act 24 of 2016

2. The Employment Act is amended as follows —

- (a) by inserting after section 39 the following section —

“39A. (1) Notwithstanding anything to the contrary in this Act, an employer shall not, whether with the agreement of the worker or otherwise —

Prohibition
against
deferment or
reduction of
wages.

- (a) defer the payment of wages, whether partly or otherwise, of a worker, or
- (b) reduce the wages of a worker,

without first initiating and complying with the negotiation procedure.

(2) Part 1A of schedule 1 shall, *mutatis mutandis*, apply to negotiation procedure under this section.

(3) Where consequent to the negotiation procedure, the competent officer determines —

- (a) that payment of the wages may be deferred or that the wages may be reduced, as the case may be, the employer shall be entitled to defer payment of, or reduce, the wages in



EMPLOYMENT (AMENDMENT) ACT, 2020

(Act 20 of 2020)



I assent

Danny Faure
President

1st June, 2020

AN ACT to amend the Employment Act, Cap 69; to regulate the deferment of payment, and the reduction, of wages of a worker pending the termination of the Government programme for salary support to workers as a result of the Covid-19 pandemic; to restrict the lay-off or redundancy of Seychellois workers in certain circumstances; to suspend any notice given to a worker until after 1st July 2020; and for matters incidental thereto.

ENACTED by the President and the National Assembly.

Short title

- 1. This Act may be cited as the Employment (Amendment) Act, 2020.

(7) This section shall lapse on termination of the Government programme for salary support to employees in the private sector as a result of the Covid-19 pandemic.”

(b) by inserting after subsection 51 the following section —

Restriction on lay-off and redundancy of a Seychellois worker

51A. An employer shall not be allowed to temporarily lay off or make redundant a Seychellois worker, if the employer —

- (a) is employing a non-Seychellois worker in a similar post as the Seychellois worker; and
- (b) has not initiated the negotiation procedure to temporarily lay-off or make redundant, as the case may be, the non-Seychellois worker.

(c) by inserting after subsection 81(1) the following section —

Suspension of negotiation procedure

“81A. (1) Notwithstanding any other provision to the contrary in this Act, where —

- (a) an employer initiates, during the period from 20th March 2020 to 30th June 2020, the negotiation procedure for —

accordance with the directions issued by the competent officer, or

- (b) that payment of the wages shall not be deferred or that the wages shall not be reduced, as the case may be, the employer shall comply with the determination.

(4) In making a determination under this section the competent officer shall take into account all relevant matters and shall, notwithstanding any other time-limit set out in this Act or any other law, make a determination within a period of 14 days from the start of the negotiation procedure.

(5) The competent officer shall allow a deferment of the payment of the wages or a reduction of the wages, as the case may be, on being satisfied that the consent on the part of the worker to the deferment or reduction was obtained without any threat, duress, fraud or mistake.

(6) This section shall not apply to a worker in respect of whom the employer has not received full salary support from the Government without prejudice to the right of a worker to initiate a grievance procedure under Part III of Schedule 1.

sections 48 and 51 in respect of a non-Seychellois worker, or a worker in respect of whom the employer has not received full salary support from the Government.

(4) Any negotiation procedure initiated or applied for prior to 20th March, 2020, shall remain valid.

I certify that this is a correct copy of the Bill which was passed by the National Assembly on 19th May, 2020.

Mrs. Tania Isaac
Deputy Clerk to the National Assembly

(i) the reduction, or deferment of payment, of wages of a worker;

(ii) the temporary lay-off of a worker; or

(iii) terminating the contract of employment of a worker on the ground of redundancy; and

(b) the competent officer, prior to 1st July 2020 approves, as the case may be —

(i) the reduction, or deferment of payment, of wages of a worker;

(ii) the temporary lay-off of a worker; or

(iii) the termination of the contract of employment of a worker on the ground of redundancy;

any notice given by an employer to a worker, on the basis of such approval shall not take effect prior to 1st July, 2020.

(2) Section 39A and subsection (1) shall be deemed to have come into operation on 20th March, 2020.

(3) Subsection (1) shall not apply to the negotiation procedure under

Appendix 2: Form 1

MINISTRY OF FINANCE, TRADE, INVESTMENT AND ECONOMIC PLANNING FINANCIAL ASSISTANCE FOR JOB RETENTION																
																
APPLICATION FORM 1																
APPLICATION FORM FOR FINANCIAL ASSISTANCE OF PAYROLLS																
This application form is for completion ONLY by business owners who employ one or more employees and submit a monthly payroll to SRC																
Note to Applicants: All sections which have an asterix (*) are compulsory. Other sections are to be filled in based on its applicability to your business Please fill in using block letters																
A Business Information																
1. Type of Business (Please tick as appropriate) * <input type="checkbox"/> Company <input type="checkbox"/> Sole trader <input type="checkbox"/> Partnership <input type="checkbox"/> Trust <input type="checkbox"/> Cottage Industry <input type="checkbox"/> NGO/Association <input type="checkbox"/> Others Specify.....																
2. Taxpayer Identification Number (TIN) *	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
3. Business Registration Number (BRN) *	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
4. Employer Identification Number (Seychelles Pension Fund) *	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
5. Other Registration Number (Specify)	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
6. License Number	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
7. Name of Business *	<table border="1" style="width: 100%; height: 40px;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>															
8. Full name of Authorised person *	<table border="1" style="width: 100%; height: 40px;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>															
9. National Identity Number (NIN) of Authorized Person *	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>															
10. Postal Address for service of notices *	<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 100%;"></td></tr> </table>															
11. Address where business is conducted*	<table border="1" style="width: 100%; height: 40px;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>															
12. Full Details of Nature of Business as per TIN * (E.g. the kind of manufacturer, retailer, hotel, etc)	<table border="1" style="width: 100%; height: 40px;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>															
13. Business Telephone Number*	<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 100%;"></td></tr> </table>															
14. Authorized Person's Mobile number*	<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 100%;"></td></tr> </table>															
15. E-Mail Address*	<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 100%;"></td></tr> </table>															

B Employees Information	
16. How many employees does your Organisation have? *	
<input type="checkbox"/> Number of Seychellois employees	<input type="checkbox"/> Number of Non-Seychellois employees
<input type="checkbox"/> Number of Casual Employees	<input type="checkbox"/> Total number of employees
C Financial Assistance Details	
17. Total 2019 Turnover (SCR) *	
18. Total Payroll for April 2020 (SCR) *	
19. Assistance requested for which month (MM-YYYY) *	<input type="text"/> M <input type="text"/> M <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y <input type="text"/> Y
20. Sum of salary assistance being requested (SCR)*	
D Bank Details for Payment of Support	
21. Bank Name*	<input type="text"/>
22. Bank Address *	<input type="text"/>
23. Account Name *	<input type="text"/>
24. Bank Account Number *	<input type="text"/>
E Supporting Documents	
Please tick documents which have been submitted with the application *	
<input type="checkbox"/>	Profit and loss statement for 2019 (only for entities with turnover above SR 25 million) *
<input type="checkbox"/>	Payrolls for February, March and April 2020 *
<input type="checkbox"/>	Electronic copy of April Payroll has been emailed to fa4jr@finance.gov.sc. (Templates are available at https://www.src.gov.sc/resources/Forms/2018/PayrollElectronicJune2018_10Employees.zip for up to 10 employees, and https://www.src.gov.sc/resources/Forms/2018/PayrollElectronicJune2018.zip for more than 10 employees) *
<input type="checkbox"/>	Copy of bank statements for all local business accounts for the period January - March 2020 *
<input type="checkbox"/>	Copy of bank statements for all international business bank accounts for the period January-March 2020 (if applicable)
<input type="checkbox"/>	List of all contracts with the Government of Seychelles
<input type="checkbox"/>	Cashflow statement for the period January - June (2020 (as per Annex A) *
<input type="checkbox"/>	Most Recently Filed Business Tax Return/Presumptive Tax Return Statement *
<input type="checkbox"/>	Details of existing contracts with domestic third parties, if applicable (Annex B)
F Declaration *	
(Please tick)	
<input type="checkbox"/>	I declare that the particulars shown herein and evidence provided supplementary hereto, are true and correct in every particular.
<input type="checkbox"/>	I am aware that any misleading statement or misrepresentation made may result in penalties including liability for full return of all payroll assistance provided.
<input type="checkbox"/>	I am aware that the information provided within this application form and any documents and information supplementary thereto may be utilized by the Seychelles Revenue Commission and the Ministry responsible for Finance as is necessary for their assessment and follow up analytics.
<input type="checkbox"/>	I hereby authorize the Ministry responsible for Finance to request information from third parties as they may deem necessary for their assessment of the request for payroll assistance being provided hereunder.
<input type="checkbox"/>	I am aware that subject to approval of payroll assistance hereunder, the business name hereunder will be published as having been approved for such payroll assistance via such media as the Ministry responsible for Finance deems appropriate.
I,, declare that I am duly authorized to make this declaration. (Kindly insert your name in the space provided)	
Signature:	Date:
For any assistance, kindly contact: tel 2828262 or email: fa4jr@finance.gov.sc	

Appendix 3: Form 2

**MINISTRY OF FINANCE, TRADE, INVESTMENT AND
ECONOMIC PLANNING**
FINANCIAL ASSISTANCE FOR JOB RETENTION



APPLICATION FORM 2
APPLICATION FORM FOR THE FINANCIAL ASSISTANCE OF SELF-EMPLOYED

This application form is for completion by self-employed individuals who are NOT on a payroll. You must be registered with SRC and/or appropriately licensed in order to apply.

Note to Applicants:

All sections which have an asterisk (*) are to be filled in compulsorily. Other sections are to be filled in based on its applicability to your Business
Please fill in using block letters

A Business Information

1. Type of Business (Please tick as appropriate) *	
<input type="checkbox"/> Cottage Industry	<input type="checkbox"/> Individual Employer
<input type="checkbox"/> Sole trader	<input type="checkbox"/> Partnership
<input type="checkbox"/> Others Specify.....	
2. Taxpayer Identification Number (TIN) *	<input type="text"/>
3. Business Registration Number (BRN)	<input type="text"/>
4. National Identity Number (NIN) of Owner *	<input type="text"/>
5. Other Registration Number (Specify)	<input type="text"/>
.....	
6. License Number	<input type="text"/>
7. Name of Business *	<input type="text"/>
	<input type="text"/>
8. Full name of Owner *	<input type="text"/>
	<input type="text"/>
9. Postal Address for service of notices *	<input type="text"/>
	<input type="text"/>
10. Address where business is conducted*	<input type="text"/>
	<input type="text"/>
11. Full Details of Nature of Business as per TIN and/or Licence * (E.g. the kind of manufacturer, retailer, hotel, etc)	<input type="text"/>
	<input type="text"/>
12. Business Telephone Number*	<input type="text"/>
13. Owner's Mobile number*	<input type="text"/>
14. E-Mail Address*	<input type="text"/>

B Employees Information	
15 Do you employ any staff? *	
<input type="checkbox"/> Yes <input type="checkbox"/> No (if no, please proceed to Section C Financial Details)	
16 How many staff do you employ?	
<input type="checkbox"/> Number of Seychellois employees	<input type="checkbox"/> Number of Non-Seychellois employees
<input type="checkbox"/> Number of casual employees	<input type="checkbox"/> Total Number of employees
17 Have you requested assistance through Government's Salary Assistance for the salaries of your staff?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
C Financial Details	
18 Average Monthly Income from Business (in SCR)*	<input type="text"/>
19 Do you receive any other income? (Eg. Directors fees, Dividends) *	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, kindly specify all such income including amount:	
<input type="text"/>	
D Financial Assistance Details	
20. Assistance requested for which month (MM-YYYY) *	<input type="text" value="MM"/> <input type="text" value="YYYY"/>
21. Sum of assistance being requested (in SCR)*	<input type="text"/>
22. Justification for applying for requesting financial assistance*	<input type="text"/>
	<input type="text"/>
E Bank Details for Payment of Support	
23. Bank Name *	<input type="text"/>
24. Bank Address *	<input type="text"/>
25. Account Name *	<input type="text"/>
26. Bank Account Number *	<input type="text"/>
F Declaration *	
Please review the following and tick if you can confirm	
<input type="checkbox"/> I am not on the payroll of any other business	
<input type="checkbox"/> I am not receiving any income other than as disclosed herein	
<input type="checkbox"/> I confirm my business has been significantly impacted by Covid-19	
<input type="checkbox"/> I confirm I have experienced a greater than 25% reduction in turnover	
You are required to provide satisfactory evidence of these items, and claims made hereunder, to the satisfaction of the FA4JR Committee. In the event of eligibility but the inability to appropriately prove extent of prior income, the maximum provided hereunder will be SCR 5,804.00	
If you are a partnership (registered as such on your BRN and with SRC) please complete Annex C - Partnership Information with full details of all partners, and provide satisfactory evidence of the prior income of each of the partners in addition to the above.	

Appendix 4: Audit Methodology

The following were used in the audit process to gather relevant information and evidence related to the FA4JR scheme.

An entry meeting was held on the 16th December 2020 with high officials of the MOFTIEP involved in the FA4JR. This was headed by Secretary of State (SS) Patrick Payet who was also the chairman of the FA4JR committee. This was followed by various telephone and email correspondences with SS Payet and his staff to seek supplementary assistance and clarification related to the FA4JR.

Audit reviewed of the MOFTIEP FA4JR portal as the primary source of information on applicants and beneficiaries.

Where information/documentation were lacking in the database Audit liaised with officials of the MOFTIEP and was provided with either hard copy and/or digital copies of documents where available.

Audit was also provided and utilized several documents received from MOFTIEP such as list of daycare centers/childminders, Fishermen (Longline), Artists/entertainers, SLA license register for verification purposes. These were the same supporting document used by MOFTIEP in the processing of FA4JR applications.

The FA4JR database also had a link to an SRC database and this was the source of information used by Audit for Tax related information. Audit also liaised with the SRC for payrolls and further clarification.

Audit also reviewed bank statements, monthly payrolls, general ledger (GL) listing and payment voucher (PV) records from both MOFTIEP headquarters and Treasury related to FA4JR payments.

Audit was also provided with a preliminary unpublished report drafted by the FA4JR committee dated March 2021. The report provided an insight on the running of the FA4JR from the committee perspective. The same was reviewed and relevant points were noted.

Audit also reviewed MOFTIEP press releases, newspaper articles and news bulletin from different media sources to gather information related to FA4JR as MOFTIEP made several press conferences during the roll out of the scheme.

Sampling

Audit selected all businesses which received monthly contribution of R500,000 and above to perform audit test. Sample selection was carried on businesses which received monthly disbursement of less than R500,000.

Therefore the FA4JR beneficiaries were separated into two categories;

Group 1: Businesses that were assisted with more than R500, 000 per month.

Group 2: Businesses that were assisted with less than R500, 000 per month.

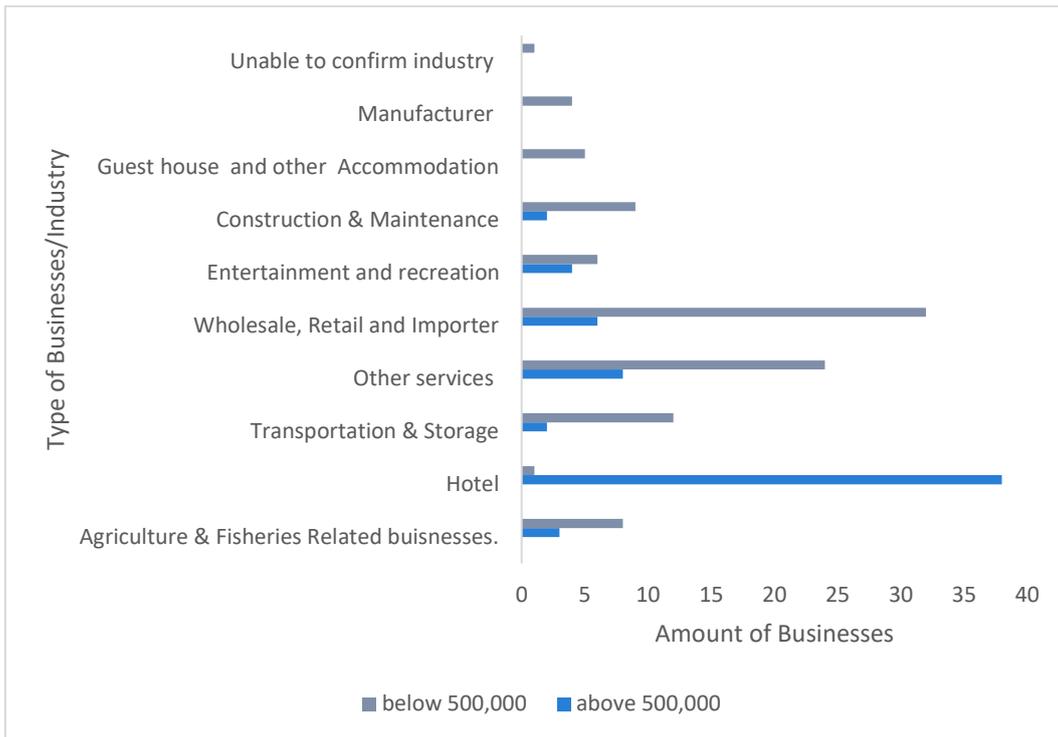
Group 1, was deemed the high risk population given the sum they were being assisted with. Therefore all 63 businesses which fell into this category were reviewed. They all requested payroll assistance under Form 1 and the majority 61% (n= 38) were hotels as illustrated in Figure below. The total sum of SR R481,273,716 was assisted to those businesses.

While analyzing payroll information for detecting duplicate/or multiple payments, 15 more businesses which received total assistance amounting to R15,327,593 were considered for further audit tests.

For Group 2 which consisted of the largest number of beneficiaries were segregated into various payment categories (i.e: less than R5804, R5804, 10,000 - 20,000 etc...) sample size was hence calculated and a random sample of businesses were selected by Audit from each payment category. Care was taken to include a wide variety of businesses (tourism and non-tourism related), a mix of payroll assistance and income support. Some businesses were also chosen for review following their link to another business that Audit had reviewed.

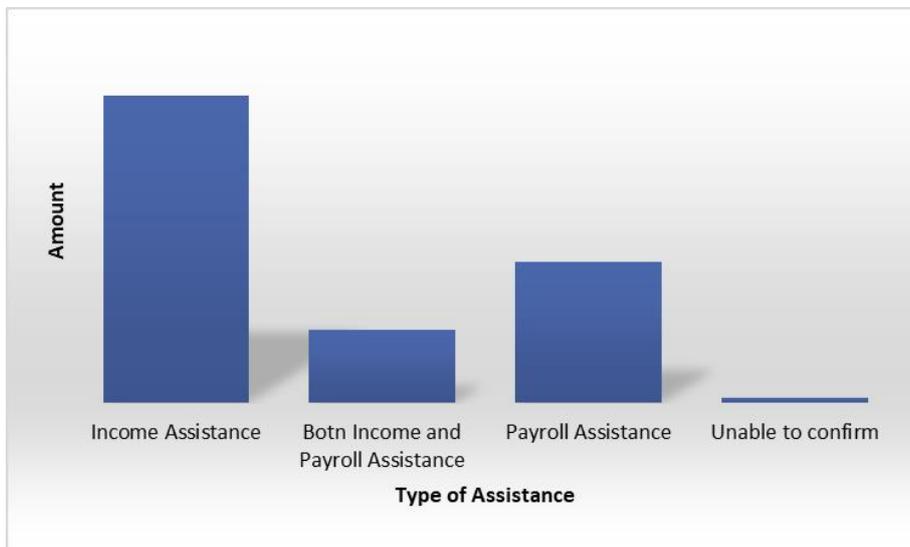
A total of 102 businesses were hence reviewed by Audit in this group, of which one was declined and moved to Group 3 hence remaining 101 businesses under review as presented in Group B below. These 101 businesses were assisted under either Form 1 (Payroll assistance), Form 2 (income assistance) or both. See **Figure** below presents this breakdown of sample according to type of assistance. A total sum of R40,982,827 was used to assist these businesses.

Figure: Classification of sample according to business/industry.



Source: OAG analysis from FA4JR database

Figure : Type of assistance for businesses assisted with less than R500,000



Source: OAG Analysis

Audit also took an additional random sample of 25 businesses that was declined assistance under the FA4JR scheme. This also included the one business that was observed above hence a total of 26 sample was reviewed. Of which ten were subsequently assisted following the process of appeal at a total sum of R 2,142,957.61.

Appendix 5: Form 3

MINISTRY OF FINANCE, TRADE, INVESTMENT AND ECONOMIC PLANNING FINANCIAL ASSISTANCE FOR JOB RETENTION																	
APPLICATION FORM 3 - RENEWAL APPLICATION APPLICATION FORM FOR FINANCIAL ASSISTANCE OF PAYROLLS Please only complete this application form IF YOU HAVE COMPLETED AND SUBMITTED A FULLY COMPLETED FORM 1 AND ALL SUPPORTING DOCUMENTS TO THE FA4JR COMMITTEE IN A PRIOR MONTH																	
<p style="font-size: small;">This application form is for completion ONLY by business owners who EMPLOY ONE OR MORE EMPLOYEES ON A PAYROLL SUBMITTED TO SRC AND/OR FOR WHOM SEYCHELLES PENSION FUND CONTRIBUTIONS HAVE BEEN MADE PRIOR TO MARCH 2020.</p>																	
<p>Note to Applicants: All sections which have an asterix (*) are compulsory. Other sections are to be filled in based on its applicability to your business Please fill in using block letters</p>																	
A Business Information																	
1. Type of Business (Please tick as appropriate) *	<table style="width: 100%; border: none;"> <tr> <td style="border: none;"><input type="checkbox"/> Company</td> <td style="border: none;"><input type="checkbox"/> Sole trader</td> <td style="border: none;"><input type="checkbox"/> Partnership</td> <td style="border: none;"><input type="checkbox"/> Trust</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Cottage Industry</td> <td style="border: none;"><input type="checkbox"/> NGO/Association</td> <td colspan="2" style="border: none;"><input type="checkbox"/> Others Specify.....</td> </tr> </table>		<input type="checkbox"/> Company	<input type="checkbox"/> Sole trader	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust	<input type="checkbox"/> Cottage Industry	<input type="checkbox"/> NGO/Association	<input type="checkbox"/> Others Specify.....								
<input type="checkbox"/> Company	<input type="checkbox"/> Sole trader	<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust														
<input type="checkbox"/> Cottage Industry	<input type="checkbox"/> NGO/Association	<input type="checkbox"/> Others Specify.....															
2. Taxpayer Identification Number (TIN) *	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>																
3. License Number or Other Registration Number (Specify) <small>(If registered or licensed by IECD, as an Individual Fisherman, Individual Farmer or Fisherman, please ensure you complete this section)</small>	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>																
4. Name of Business *	<table border="1" style="width: 100%; height: 40px; border-collapse: collapse;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>																
5. Full name of Authorised person *	<table border="1" style="width: 100%; height: 40px; border-collapse: collapse;"> <tr><td style="width: 100%;"></td></tr> <tr><td style="width: 100%;"></td></tr> </table>																
6. National Identity Number (NIN) of Authorized Person *	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 12.5%;"></td><td style="width: 12.5%;"></td> </tr> </table>																
7. Business Telephone Number*	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr><td style="width: 100%;"></td></tr> </table>																
8. Authorized Person's Mobile number*	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr><td style="width: 100%;"></td></tr> </table>																
9. E-Mail Address*	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr><td style="width: 100%;"></td></tr> </table>																

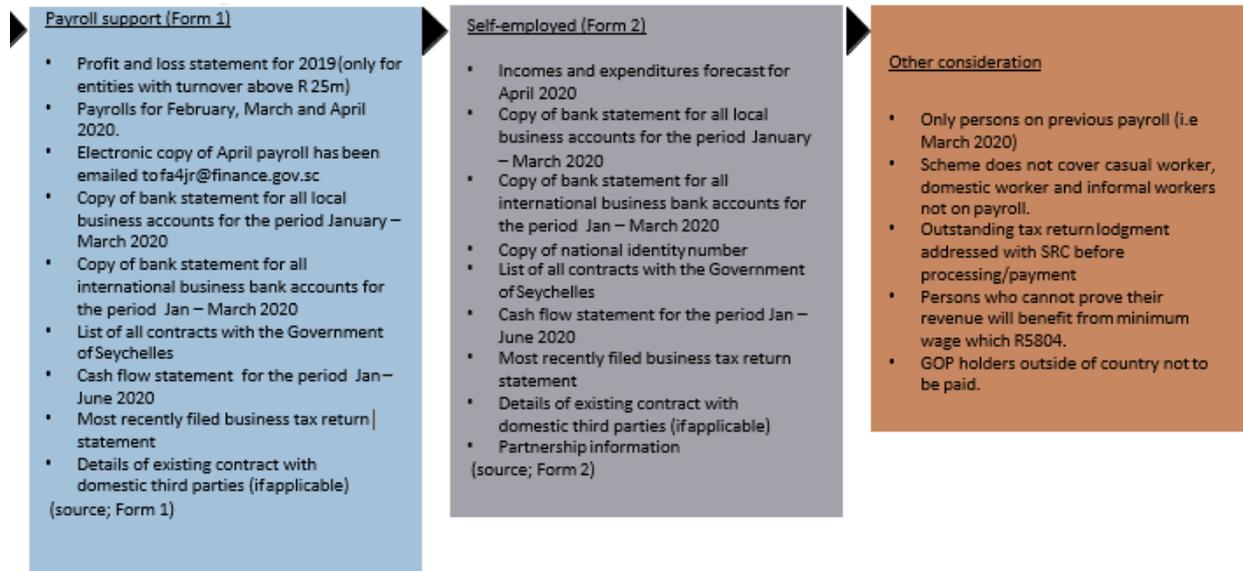
B Employees Information	
10. How many employees does your Organisation have? *	
<input type="checkbox"/> Number of Seychellois employees	<input type="checkbox"/> Number of Non-Seychellois employees
<input type="checkbox"/> Number of Casual Employees	<input type="checkbox"/> Total number of employees
C Financial Assistance Details	
11. Total Payroll for month of application 2020 (SCR) *	
12. Assistance requested for which month (MM-YYYY) *	<input type="checkbox"/> M <input type="checkbox"/> M <input type="checkbox"/> Y <input type="checkbox"/> Y <input type="checkbox"/> Y <input type="checkbox"/> Y
13. Sum of salary assistance being requested (SCR)*	
D Supporting Documents	
THE FOLLOWING DOCUMENTS ARE COMPULSORY, PLEASE TICK TO CONFIRM YOU HAVE SUBMITTED WITH YOUR APPLICATION	
Please tick documents which have been submitted with the application *	
<input type="checkbox"/>	Electronic copy of Payroll for the month of application has been emailed to payroll.fa4jr@finance.gov.sc. (Templates are available at https://www.src.gov.sc/resources/Forms/2018/PayrollElectronicJune2018_10Employees.zip for up to 10 employees, and https://www.src.gov.sc/resources/Forms/2018/PayrollElectronicJune2018.zip for more than 10 employees) *
<input type="checkbox"/>	Copy of bank statements for all local business accounts for the full month of April 2020 *
<input type="checkbox"/>	Copy of bank statements for all international business bank accounts for the full month of April 2020 (if applicable)
If there have been any relevant changes in information compared to last month's submission, please list and explain below (and on an attached sheet as may be necessary).	
<div style="border: 1px solid black; height: 40px;"></div>	
E Declaration *	
I declare that the particulars shown herein and evidence provided supplementary hereto, are true and correct in every particular.	
I am aware that any misleading statement or misrepresentation made may result in penalties including liability for full return of all payroll assistance provided.	
I am aware that the information provided within this application form and any documents and information supplementary thereto may be utilized by the Seychelles Revenue Commission and the Ministry responsible for Finance as is necessary for their assessment and follow up analytics.	
I hereby authorize the Ministry responsible for Finance to request information from third parties as they may deem necessary for their assessment of the request for payroll assistance being provided hereunder.	
I am aware that subject to approval of payroll assistance hereunder, the business name hereunder will be published as having been approved for such payroll assistance via such media as the Ministry responsible for Finance deems appropriate.	
I,, acknowledge, agree to and confirm all declarations above and declare that I am duly authorized to make this declaration hereunder. (Kindly insert your name in the space provided)	
Signature:	Date:
For any assistance, kindly contact: tel 190 or email: queries.fa4jr@finance.gov.sc	

Appendix 6: Form 4

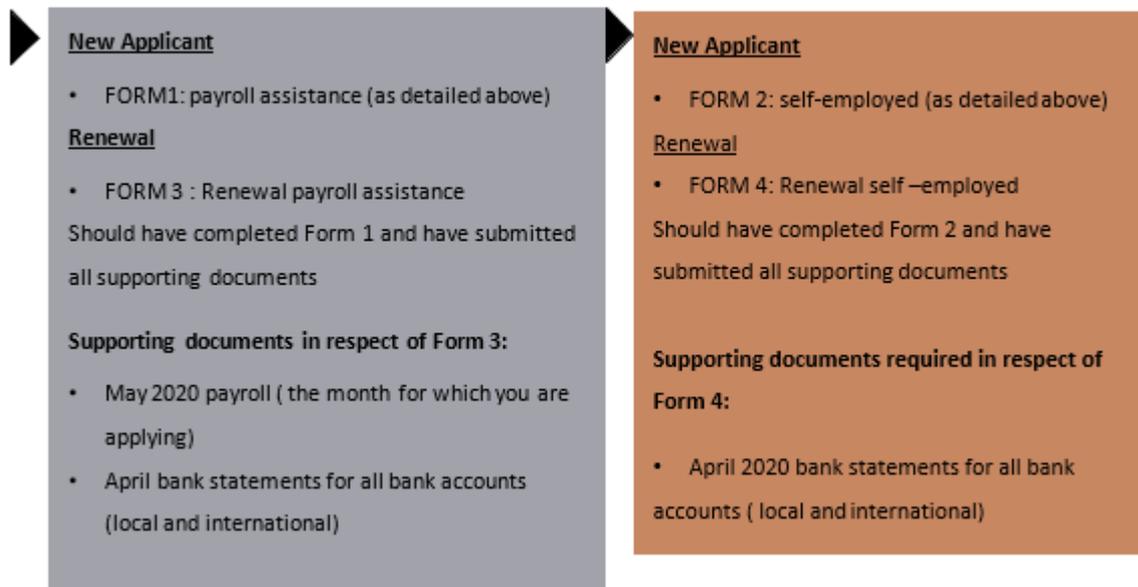
MINISTRY OF FINANCE, TRADE, INVESTMENT AND ECONOMIC PLANNING FINANCIAL ASSISTANCE FOR JOB RETENTION														
APPLICATION FORM 4 - RENEWAL APPLICATION APPLICATION FORM FOR THE FINANCIAL ASSISTANCE OF SELF-EMPLOYED														
<p>Please only complete this application form IF YOU HAVE COMPLETED AND SUBMITTED A FULLY COMPLETED FORM 2 TO THE FA4JR COMMITTEE IN A PRIOR MONTH</p> <p>This application form is for completion by self-employed individuals who are NOT on a payroll. You must be registered with SRC and/or appropriately licensed in order to apply.</p>														
<p>Note to Applicants: All sections which have an asterisk (*) are to be filled in compulsorily. Other sections are to be filled in based on its applicability to your Business Please fill in using block letters</p>														
A Business Information														
1. Type of Business (Please tick as appropriate) * <input type="checkbox"/> Cottage Industry <input type="checkbox"/> Individual Employer <input type="checkbox"/> Sole trader <input type="checkbox"/> Partnership <input type="checkbox"/> Others Specify.....														
2. Taxpayer Identification Number (TIN) *		<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>												
3. Business Registration Number (BRN)		<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>												
4. National Identity Number (NIN) of Owner *		<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>												
5. Other Registration Number (Specify)		<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>												
<small>If registered or licensed by IECD, as an Individual Fisherman, Individual Farmer or Fisherman, please ensure you complete this section</small>														
6. Name of Business *		<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> </table>												
8. Full name of Owner *		<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> </table>												
9. Business Telephone Number*		<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> </table>												
10. Owner's Mobile number*		<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> </table>												
11. E-Mail Address*		<table border="1" style="width: 100%; height: 20px;"> <tr><td style="width: 10%;"></td><td style="width: 10%;"></td></tr> </table>												
B Employees Information														
12 Do you employ any staff? * <input type="checkbox"/> Yes <input type="checkbox"/> No (if no, please proceed to Section C Financial Details)														
13 How many staff do you employ? <input type="checkbox"/> Number of Seychellois employees <input type="checkbox"/> Number of Non-Seychellois employees														

<input type="checkbox"/> Number of casual employees	<input type="checkbox"/> Total Number of employees						
14 Have you requested assistance through Government's Salary Assistance for the salaries of your staff?							
<input type="checkbox"/> Yes	<input type="checkbox"/> No						
C Financial Assistance Details							
15. Assistance requested for which month (MM-YYYY) *	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px; text-align: center;">M</td> <td style="width: 20px; height: 20px; text-align: center;">M</td> <td style="width: 20px; height: 20px; text-align: center;">Y</td> </tr> </table>	M	M	Y	Y	Y	Y
M	M	Y	Y	Y	Y		
16. Sum of assistance being requested (in SCR)*							
17. Justification for applying for requesting financial assistance*							
D Supporting Documents							
<p>THE FOLLOWING DOCUMENTS ARE COMPULSORY, PLEASE TICK TO CONFIRM YOU HAVE SUBMITTED WITH YOUR APPLICATION</p> <p>Please tick documents which have been submitted with the application *</p> <p><input type="checkbox"/> Copy of bank statements for all local business accounts for the full month of April 2020 *</p> <p><input type="checkbox"/> Copy of bank statements for all international business bank accounts for the full month of April 2020 (if applicable)</p> <p><input type="checkbox"/> Partnership Information (Annex C) (relevant only for partnerships registered as such on their BRN and with SRC)</p> <p>If there have been any relevant changes in information compared to last month's submission, please list and explain below (and on an attached sheet as may be necessary).</p> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>							
E Declaration *							
<p>I AM NOT ON THE PAYROLL OF ANY OTHER BUSINESS</p> <p>I AM NOT RECEIVING ANY INCOME OTHER THAN AS DISCLOSED HEREIN OR IN MY PRIOR MONTH APPLICATION</p> <p>I CONFIRM THAT MY BUSINESS HAS BEEN SIGNIFICANTLY IMPACTED BY COVID-19</p> <p>I CONFIRM THAT I HAVE EXPERIENCED A GREATER THAN 25% REDUCTION IN TURNOVER</p> <p>I declare that the particulars shown herein and evidence provided supplementary hereto, are true and correct in every particular.</p> <p>I am aware that any misleading statement or misrepresentation made may result in penalties including liability for full return of all payroll assistance provided.</p> <p>I am aware that the information provided within this application form and any documents and information supplementary thereto may be utilized by the Seychelles Revenue Commission and the Ministry responsible for Finance as is necessary for their assessment and follow up analytics.</p> <p>I hereby authorize the Ministry responsible for Finance to request information from third parties as they may deem necessary for their assessment of the request for payroll assistance being provided hereunder.</p> <p>I am aware that subject to approval of payroll assistance hereunder, the business name hereunder will be published as having been approved for such payroll assistance via such media as the Ministry responsible for Finance deems appropriate.</p> <p>I,, acknowledge, agree to and confirm all declarations above and declare that I am duly authorized to make this declaration. <i>(Kindly insert your name in the space provided)</i></p> <p>Signature: Date:</p> <p>For any assistance, kindly contact: tel 190 or email: queries.fa4jr@finance.gov.sc</p>							

Appendix 7: Supporting documents required with application Forms.



Month of May



Month of June

- All businesses approved for April and/or May will be automatically qualified for June 2020 disbursement with the same amount except for those on restricted list (List A below) However restricted list not applicable to Businesses on Praslin and La Digue
- GOP holders outside of country not to be paid.
- Capping R30,000 in respect of any individual salaries in excess of this amount.
- Re-application for those that meet the criteria but was refused in April or May.
- Any change in payroll downward will need to advise the committee

List A: Restricted list from June 2020 onwards (any of those businesses will need to justify their case)

- Day Care /Child Minding operators
- Hairdresser/ Barber shop
- Retailer/ wholesaler/importer of groceries
- Professional services (Auditors, tax agent, lawyers, corporate service providers)
- Takeaway/Tuck shop operators
- Medical Services
- Construction Class 1 and 2
- Omnibus operators (those that have contract with Government)

Month of July

- Wages for Seychellois and permanent residence employees only
- Employees have been in continuous employment with company since April 2020.
- Businesses categories that are heavily reliant on tourism arrival. Entities in the category listed below (List B, Tourism sector) that had applied for assistance but were not eligible solely due to having sufficient funds are being assisted from 1st July onwards
- Automatic qualification to all businesses previously assisted up until 30th June 2020.
- According to MOFTEP following discussions with the private sector, Government decided to remove the list of restricted sectors in July. Therefore all sectors were eligible for assistance under the FA4JR.

List B: Tourism Sector Category (assisted since July 2020 even if they had sufficient funds (some may have been refused April - June)

However Businesses should rectify any tax issues with SRC before submitting their application

- Hotels/ Self Catering/Guests House
- Restaurants
- Transportation(Taxi, Car Hire, Bicycle Operators, Omnibus operators that do not have any contract)
- Tour Guide /Operators
- Yacht/Boat Charters/Operators
- Destination Management Companies/Operators
- Diving Centers/Operators
- Artisans/Boutiques at the tourism establishments
- SPA at the tourism establishments
- Airlines
- Other related tourism activities which are wholly reliant on tourism

Month of August - **December**

Businesses which were assisted in July continued to be assisted automatically till December. In respect of new application from August on-wards; only businesses related to tourism sector (List B) automatically qualify and other businesses are expected to re-apply and re-evaluated based on new criterion as follows:

- Registered and/licensed entity
- Lodged Business Tax returns in 2017 /more recently.
- Been in operation /existence before March 2020
- Demonstrate that the inability to cover wages is a result of COVID-19
- Entities must be able to show that January to February 2020 turnover was at least 90% of January – February 2019- based on activity in bank statements.
- Entities must be able to show a drop of more than 60% in turnover over the March to June 2020 period compared to the amounts banked from March to June 2019
- Demonstrate tangibly that their drop in activity stems from the economic conditions in the country post March 2020

[Payroll support \(Form 1\)](#)

[Self-employed \(Form 2\)](#)

Other Consideration

- Only businesses with amendment in payroll to submit payroll on a monthly basis from September 2020.
- No new recruitment or salary increase under this scheme
- Self-employed being directed to SETS
- Application on online portal only

(source: press release 17/08/2020 _MoFEP)

Appendix 8: Press Release June 2020



Ministry of Finance, Trade, Investment and Economic Planning
Liberty House, P.O Box 313, Victoria, Mahé, Seychelles

Press Release

Amended Procedures for Assistance for Job Retention for the month of June 2020

Monday 8th June 2020: The FA4JR committee announces new procedures for the application process for the month of June 2020.

1. All businesses that have been approved for April and/or May will be automatically qualified for June 2020 disbursement with the same amount except for the businesses on the restricted list
 - a. Restricted list; (any of those businesses will need to justify their case)
 - i. Day Care/Child Minding operators,
 - ii. hair dresser/barber shop,
 - iii. retailer/wholesaler/importer of groceries
 - iv. professional services (auditors/tax agent, lawyers, corporate service providers),
 - v. takeaway/tuck shop operators,
 - vi. Medical services
 - vii. Construction class 1 and 2, and
 - viii. Omnibus operators (those that have a contract with Government).
2. the capping of SCR 30,000 and GOP out of the country will still remain
3. all applicants that have received a decline letter for the month of April/May 2020 and are not on the restricted list will need to complete the application again.
4. all businesses will need to fill form 1 and/or 2 and this can be done through the hard copy submission or online portal. There will be an automatic acknowledgement through the online portal. The online portal will be available from Friday 12th June 2020.
5. Businesses will need to ensure they fill the correct form. Failure to do so will automatically delay the application process for their business since the documents will need to be re-submitted.
6. Applicants that have outstanding tax return lodgement with SRC will need to show proof that this has been finalised by providing a tax clearance certificate or latest tax return lodge.
7. Applicants will need to show proof that they have paid the April 2020 income tax and SPF employees' liability to SRC and SPF respectively.

8. Any existing applicants that have a change in payroll downward will need to advise the committee by Friday the 12th June 2020
9. The application process will be opened;
 - a. Hard Copies applications: from Wednesday the 10th of June to Wednesday the 17th of June 2020.
 - b. Online applications: from Friday 12th of June to Friday Monday 22nd of June 2020.
10. All District Administrators office and MFTIEP will have a logging system for all hard copies applications. Thus, all applicants will need to ensure they sign the logbook.

For any further enquiries, please call 190 during working hours or email queries.fa4jr@finance.gov.sc

.....
END

Source: MOFTIEP