



Anti-money laundering and counter-terrorist financing measures

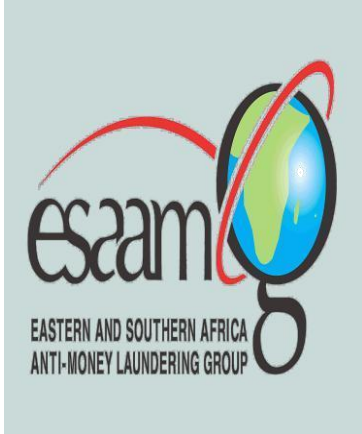
Seychelles

13th Enhanced Follow-up Report & 6th Technical Compliance Re-Rating

April 2026

Follow-Up Report





The Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) was officially established in 1999 in Arusha, Tanzania through a Memorandum of Understanding (MOU). As at the date of this Report, ESAAMLG membership comprises of 22 countries and also includes a number of regional and international observers such as AfDB, Afreximbank, AUSTRAC, COMESA, Commonwealth Secretariat, East African Community, Egmont Group of Financial Intelligence Units, FATF, GIZ, IMF, SADC, United Kingdom, United Nations, UNODC, United States of America, World Bank and World Customs Organization.

ESAAMLG's members and observers are committed to the effective implementation and enforcement of internationally accepted standards against money laundering and the financing of terrorism and proliferation, in particular the FATF Recommendations.

For more information about the ESAAMLG, please visit the website: www.esaamlg.org

This document and/or any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

This report was approved by the ESAAMLG Task Force of Senior Officials at the March meeting in Arusha, United Republic of Tanzania 2026.

Citing reference:

ESAAMLG (2026), *Anti-money laundering and counter-terrorist financing measures - Seychelles, 13th Enhanced Follow-up Report & 6th Technical Compliance Re-Rating*, ESAAMLG, Dar es Salaam

<http://www.esaamlg.org>

© 2026 ESAAMLG. All rights reserved.

No reproduction or translation of this publication may be made without prior written permission. Applications for such permission, for all or part of this publication, should be made to the ESAAMLG Secretariat, P. O. Box 9923, Dar es Salaam-United Republic of Tanzania Tel: +255 22 2667895/7679

Fax No: +255 22 2668745

Email: contact@esaamlg.org.

SEYCHELLES: 13TH ENHANCED FOLLOW UP REPORT & 6TH REQUEST FOR RE-RATING

I. INTRODUCTION

1. The Seychelles AML/ CFT framework was assessed against the FATF 2013 Methodology and the 2012 FATF Recommendations in the Second Round of Mutual Evaluations conducted by ESAAMLG. The Mutual Evaluation Report (MER) was adopted by the ESAAMLG Council of Ministers in September 2018. According to the MER, Seychelles was Compliant (C) on 10 Recommendations, Largely Compliant (LC) on 10 Recommendations, Partially Compliant (PC) on 16 Recommendations and Non-Compliant (NC) on 4 Recommendations. Out of the 11 Immediate Outcomes (IOs), Seychelles was rated Moderate Level of Effectiveness on one (1) IO and Low Level of Effectiveness on 10 IOs. Details of the MER ratings are provided in Table 1.1. This follow-up report assesses the progress made by Seychelles to resolve the technical compliance shortcomings identified in its MER. In general, countries are expected to have corrected most or all their technical compliance shortcomings by the end of the third year of follow-up at the latest. This report does not cover the progress made by Seychelles in improving its effectiveness. Progress in this area will be assessed as part of a subsequent follow-up assessment. If sufficient progress has been made, the Immediate Outcome ratings may be reviewed.
2. This follow-up report assesses the progress made by Seychelles to address the technical compliance deficiencies identified in its MER. New Technical Compliance (TC) re-ratings are given where sufficient progress has been made. The report does not cover the progress made by Seychelles in improving its effectiveness.
3. The following experts (assisted by Mofokeng Ramakhala, Kgomotsego Mooketsi, Edgar Mutebi and Tirivafi Nhundu (from the Secretariat) assessed Seychelles' request for TC re-ratings and prepared its follow up report:
 - Zenobia Barry (Namibia)
 - Vilho Nkandi (Namibia)
 - Motsisi Mongati (Botswana)
 - Refilwe Nasha (Botswana)
 - Sarah Moatle Molale (Botswana)
 - Patrick Okettayot (Uganda)
 - Erivelto Teixeira Moreira Bastos (Angola)
 - Minervina inglês Lopes (Angola)
 - Haja Lalao Razanamanana (Madagascar)
4. Section III of this report summarises the progress made by Seychelles on technical compliance. Sec IV sets out conclusions and contains a table of Recommendations for which a new rating has been given.

II. KEY FINDINGS OF THE MUTUAL EVALUATION REPORT

5. The Mutual Evaluation Report (MER) of Seychelles was adopted by the ESAAMLG Council of Ministers in September 2018. The MER ratings for Seychelles are set out in Table 1.1. Given these results; Seychelles was placed in the enhanced follow-up process.

Table 1.1. Technical compliance ratings⁵ September 2018

R 1	R 2	R 3	R 4	R 5	R 6	R 7	R 8	R 9	R 10
PC	PC	LC	PC	PC	PC	NC	NC	C	LC
R 11	R12	R 13	R 14	R 15	R 16	R 17	R 18	R 19	R 20
C	LC	C	C	NC	PC	LC	C	PC	C
R 21	R22	R 23	R 24	R 25	R 26	R 27	R 28	R 29	R 30
C	LC	LC	LC	PC	PC	LC	PC	PC	C
R 31	R32	R 33	R 34	R 35	R 36	R 37	R 38	R 39	R 40
C	LC	PC	PC	PC	C	PC	NC	PC	LC

III. OVERVIEW OF SEYCHELLE'S PROGRESS

6. Since the adoption of its MER in September 2018, Seychelles has taken measures aimed at addressing the technical compliance deficiencies identified in its MER. As a result of this progress, 1 Rec was re-rated (upgraded) to C, 4 Recs were re-rated (upgraded) to LC while 1 Rec was re-rated (PC) as highlighted in the Table 1.2 below:

Table. 1.2 Technical Compliance – September 2021

1	2	3	4	5	6	7	8	9	10
C	LC	LC	PC	PC (LC)	PC	PC	NC	C	LC
11	12	13	14	15	16	17	18	19	20
C	LC	C	C	NC	LC	LC	C	PC (C)	C
21	22	23	24	25	26	27	28	29	30
C	LC	LC	LC	PC (LC)	LC	LC	PC (LC)	LC	C
31	32	33	34	35	36	37	38	39	40
C	LC	PC (PC)	PC (LC)	LC	C	LC	LC	LC	LC

7. In April 2023 Seychelles was re-rated on Recs 5,19,25, 28 and 34 where Seychelles progressed from PC to LC for Recs 5, 25 and 34; and progressed from PC to C for Recs 19 and 28. Seychelles submitted re-rating requests for Recs 6,7,15, and 33 as well, but was not re-rated during that cycle.
8. In 2024 Seychelles addressed all deficiencies noted for Rec 4 and was re-rated from PC to C, addressed some deficiencies noted in Rec 8 and was re-rated from NC to PC. Reviewers considered progress made for Rec 6 and 7 but concluded that not all deficiencies were addressed and maintained the rating PC for both Rec 6 and 7. Recs 15 and 33 were not submitted for re-rating. Table 1.3 shows Seychelles technical compliance as of April 2024.

Table 1.3: Seychelles Technical Compliance Re-Rating, August 2025

R 1	R 2	R 3	R 4	R 5	R 6	R 7	R 8	R 9	R 10
C	LC	LC	C	LC	PC	PC	LC	C	LC
R 11	R12	R 13	R 14	R 15	R 16	R 17	R 18	R 19	R 20
C	LC	C	C	PC	LC	LC	C	C	C
R 21	R22	R 23	R 24	R 25	R 26	R 27	R 28	R 29	R 30
C	LC	LC	LC	LC	LC	LC	LC	LC	C
R 31	R32	R 33	R 34	R 35	R 36	R 37	R 38	R 39	R 40
C	LC	C	LC	LC	C	LC	LC	LC	LC

9. **Recommendation 15 - New Technologies (Originally rated NC -Re-rated PC in the 12th FUR-Proposed rating- LC)**

	Year	Rating
MER	2018	NC
FUR 1	2021	NC
FUR 2	2024	NC
FUR 3	2025	↑PC
FUR 4	2026	↑LC

10. **Criterion 15.1: (Mostly Met).** At the time of the 12th FUR in August 2025 this criterion was partly met on the incorrect basis that the NRA of July 2022 focusing specifically on virtual assets and virtual asset providers was relevant for purposes of requirements in 15.1(see 12th FUR, c.15.1). Reviewers reiterate that the scope of criterion 15.1 covers (a)

countries and (b) financial institutions and it is a to-do requirement. The foregoing notwithstanding, Reviewers have noted that in terms of the Seychelles excerpt of the 2022/3 NRA report, Seychelles has identified and assessed the ML/TF risks associated with new products and new business practices including new delivery mechanisms, and the use of new technologies for both new and pre-existing products. However, reviewers noted that identification and assessment of ML/TF risks in this regard was limited to the banking and insurance sectors only, leaving other sectors (Capital Market, Microfinance, etc) unassessed. As a result, reviewers hold the view that the potential ML/TF risks that may be posed through introduction of new products, including new delivery channels for both new and pre-existing products in the aforementioned sectors remain a concern. This may hamper application of proportionate preventative measures in respect of the said sectors.

11. Regarding risk assessment by Financial Institutions, Section 32(4) of the AML/CFT Act requires that FIs should undertake risk assessments prior to the launch or use of new products, practices and technologies. This aspect of legal requirement has already been considered in criterion 15.2 where it relates [see 12th FUR c.15.2]. Nonetheless, Seychelles has specifically referred reviewers to specific sections of the documents that have demonstrated FIs under the purview of relevant supervisory authorities in the country have assessed the ML/TF risks that may arise in relation to the development of new products and new business practices, including new delivery mechanisms, and the use of new or developing technologies for both new and pre-existing products. **Hence c.15.1 is re-rated Mostly Met.**
12. **Criterion 15.2 - (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.2]. **Hence, c.15.2 remains Met.**
13. **Criterion 15.3: (Met):**
14. **Criterion 15.3 (a): (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.3(a)]. **Hence, c.15.3(a) remains Met.**
15. **Criterion 15.3 (b): (Met) -** The 12th FUR established that Seychelles had not demonstrated a full operationalisation of a Risk Based supervision approach commensurate with risks identified. Further, the country did not have a Risk Based Supervision Policy or Manual in place that would assist them in monitoring high risk institutions. To address the above deficiency, Seychelles submitted a document titled AML/CFT Risk Based Supervision Manual developed by the Financial Services Authority (FSA) of Seychelles. The Manual is intended to cover 7 sectors, including virtual assets service providers under the purview of FSA. Among others, the manual indicates that the risk assessment process at the FSA will identify clusters of reporting entities that are classified as high, medium and low risks and this would then be used to determine a schedule of on-site and off-site inspections with larger, more complex and riskier entities being inspected more regularly. The manual covered the aspect of intensity and frequency of high, medium or low risks entities. Besides the manual, Seychelles requires every supervisory authority, including FSA, to develop and

implement a risk-based approach to supervision [section 58(2) of the AML/CFT Act 2025].
The rating of **c.15.3(b)** is re-rated as **Met**.

16. Criterion **15.3 (c): (Met)**. The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.2]. Hence, **c.15.3(c)** remains **Met**.
17. Based on the above analysis, and there is no more deficiency in **c.15.3(b)**, the overall rating for **c.15.3** is **therefore re-rated to Met**.
18. **Criterion 15.4:(Met)** – The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.4(a) and (b)]. Hence, **c.15.4** remains **Met**.
19. **Criterion 15.5: (Met)**. The 12th FUR established that Seychelles had not demonstrated the full practical conclusiveness of enforcement measures, as it remained unclear whether all VASPs operating in the country met the requirements following the expiry of the compliance notice in December 2024, or whether penalties beyond warnings had been applied to non-compliant operators. The absence of evidence on comprehensive enforcement outcome limited confirmation of full implementation in practice.
20. Reviewers note actions that Seychelles has taken and continues to take to identify VASPs that operate or continue to operate without licence in contravention of section 5 of the VASP Act. Section 5 of the VASP Act states that, *“No person shall carry on, or purport to carry on, the business of virtual asset services, or hold himself or herself or itself out as carrying on that business, in or from Seychelles, unless that person is licensed to do so by the Authority under this Act”* A person who contravenes subsection (1), (2) or (3) commits an offence and is liable on conviction to a fine or imprisonment, or both, as specified under section 33. While Seychelles has identified unlicensed VASPs, there is no evidence that it has imposed the sanctions envisaged in section 5(4) of the VASP Act. Nevertheless, there is evidence that such cases have been referred to the relevant investigatory authorities for criminal investigation as part of enforcement action taken. This would also enable the country to apply appropriate sanctions in line with Section 33 of the VASP Act. Moreover, Seychelles has applied cease and desist measures to some of the VASPs identified as operating without licence or registration. Therefore, **c.15.5** is re-rated as **Met**.
21. **Criteria 15.6: (Met):**
22. **Criterion 15.6 (a) - (Met)**. The 12th FUR established that the FSA had not yet developed a risk-based supervision (RBS) manual, conducted a sectoral risk assessment, or undertaken any RBS inspections to ascertain VASP compliance with national AML/CFT requirements. Under the current FUR, Reviewers note that Seychelles submitted a document titled AML/CFT Risk Based Supervision Manual developed by the Financial Services Authority (FSA) of Seychelles. The Manual is intended to cover 7 sectors, including virtual assets service providers under the purview of FSA. Among others, the manual indicates that the risk assessment process at the FSA will identify clusters of reporting entities that are classified as high, medium and low risks and this will then be used to determine a schedule of on-site and off-site inspections with larger, more complex and riskier entities being inspected more regularly. Besides the manual, Seychelles requires every supervisory

authority, including FSA, to develop and implement a risk-based approach to supervision [section 58(2) of the AML/CFT Act 2025. There is therefore a basis that will enables Seychelles to ensure that VASPs are subject to adequate regulation and risk-based supervision or monitoring by a competent authority, including systems for ensuring their compliance with national AML/CFT requirements. Hence c.15.6(a) **is re-rated Met.**

23. **Criterion 15.6 (b) - (Met)** – The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.6 (a) and (b)]. Hence, c.15.6(b) remains **Met.**

24. The overall re-rating for **c.15.6 is met.**

25. **Criterion 15.7 - (Met)** – The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.7]. **Hence, c.15.7 remains Met.**

26. **Criterion 15.8 (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.8(a) and (b)]. **Hence, c.15.8 remains Met.**

27. **Criterion 15.9 (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.9(a) and (b)]. **Hence, c.15.9 remains Met.**

28. **Criterion 15.10: (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.10]. **Hence, c.15.10 remains Met.**

29. **Criterion 15.11: (Met).** The legal framework and measures taken by the country to address the requirements of this criterion have not changed since the 12th FUR in August 2025 [see 12th FUR c.15.11]. **Hence, c.15.11 remains Met.**

Overall Conclusion and Weighting

30. Seychelles has put in place laws and other measures to address requirements of Recommendation 15, in particular, in its VASPs Sector. The country has shown sufficient progress in meeting the criteria requirements of this Recommendation save a minor shortcoming noted in c.15.1. **Seychelles is therefore re-rated Largely Compliant in Recommendation 15.**

IV. CONCLUSION

31. Seychelles has made sufficient progress on Recommendation 15, since its last review in August 2025.

32. Considering overall progress made by Seychelles since the adoption of its MER, its technical compliance with the FATF Recommendations is shown in Table 4.1.

Table 4.1: Technical Compliance Re-rating, March 2026

R.1	R.2	R.3	R.4	R.5	R.6	R.7	R.8	R.9	R.10
C	LC	LC	C	LC	PC	PC	LC	C	LC
R.11	R.12	R.13	R.14	R.15	R.16	R.17	R.18	R.19	R.20
C	LC	C	C	LC	LC	LC	C	C	C
R.21	R.22	R.23	R.24	R.25	R.26	R.27	R.28	R.29	R.30
C	LC	LC	LC	LC	LC	LC	LC	LC	C
R.31	R.32	R.33	R.34	R.35	R.36	R.37	R.38	R.39	R.40
C	LC	C	LC	LC	C	LC	LC	LC	LC

33. Seychelles will remain in the enhance follow-up and will continue to inform the ESAAMLG of the progress made in improving and implementing its AML/CFT measures.

-END OF DOCUMENT-