



Annual Report

2020

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SCAA Annual Report 2020

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Seychelles International Airport, Pointe Larue, Mahé, Seychelles

June 2021

Chairman & CEO's Report



Against the backdrop of an excellent business year for SCAA, where Seychelles International Airport, celebrated record passenger numbers, it would have been impossible to foresee the challenges 2020 would bring. The unexpected COVID-19 pandemic, with its subsequent border closures and collapse in travel, delivered a crisis of unprecedented magnitude and created havoc for the global aviation industry. SCAA has not been spared from the crisis, making 2020 the most challenging year in its history.

Traffic and Financial Snapshot

2020 kicked off on a good note, where we recorded an increase in passenger arrivals for the months of January and February over 2019 figures, by 11% and 3% respectively. We were on track to achieve another year of excellent traffic and business performance. In March, International passenger arrivals quickly plunged by 49% at Seychelles International Airport (SIA) and domestic passenger traffic also declined by 43% over the same period last year.



Similarly, as was the case for the majority of countries, in a bid to keep the virus at bay, we had to close our borders from April to July for international scheduled operations, only allowing repatriation and cargo flights to continue. For the first time ever, traffic at SIA airport was at a standstill and this contributed to the drastic decline in passenger throughput recorded at year end, by 67%, from 1.2 million to 401,663. Aircraft movements dropped by 53%, with a total of 19,923 landings, while total cargo throughput fell by 41% to 6451 tonnes. The sharp reversal of traffic growth was felt across all the airport business community, from aviation to retail and car-hire operators and inevitably created a deep dent in our revenues. SCAA closed the financial

year 2020, with a total revenue of SCR269.4 million, 47% below previous year. Total expenditure (including depreciation) amounted to SR 317.9 million, resulting in a total net loss, (after depreciation and business tax) of SR33.89m.

Our Strategic Response

Under the leadership of our Board and Management Team, SCAA's immediate strategic response to the crisis was guided by the following principles: 'protect our people', 'no compromise to safety and security', 'Safeguard our connectivity and boost confidence in the travelling public' and 'maintain our financial sustainability'. Alongside these principles, we were also guided by public health and ICAO guidelines and recommendations. The strategies implemented allowed SCAA to continue functioning and effectively maintain business continuity at our airports.

Some of the key actions that were taken were as follows: we developed a comprehensive 'COVID-19 Guidelines & Standard Operating Procedures' to keep our people, passengers and visitors safe whilst at SIA and Praslin airport; we significantly reduced our operating expenses and capital expenditure through implementation of various cost cutting measures and capping our critical capital expenditures at SCR 58 million; we also extended financial relief measures to the airline operators, concessionaires and other business tenants. SCAA also actively participated and contributed to high level national discussions on the country's COVID-19 response and recovery measures, alongside the Ministry of Tourism, Civil Aviation, Ports and Marine, Health and other key stakeholders.

Overall, the cost cutting strategies and other measures implemented had a direct impact on the achievement of planned activities and projects for the year which also undeniably dampened staff morale and affected performance targets. However, we are proud to say that despite the setbacks, we were able to safeguard our staff salaries and retain 100% of our workforce, undeniably our greatest asset.

Creating a COVID Safe Environment for Our People

As we navigated the crisis, at all times, we maintained focus on the importance of the health and safety of our frontline workers, while maintaining critical airport functions. With the support of our Health & Safety Unit, education sessions and health measures rolled out across all our offices and the terminals in line with international standards. Close attention was given to cleaning and hygiene, staff protection and physical layout. Masks, gloves and hand sanitizers were made available to all staff and airport workers. SCAA also implemented strict temperature screenings and contact tracing measures at specific offices and gate access points. In line with national guidelines, non-operational staff were also allowed to work from home as a precautionary measure to reduce the risk of transmission.

Key Achievements

Although it has been a year dominated by the financial impact of COVID-19, we haven't lost sight of other critical programs that contributes towards our success, particularly in the areas of safety and airport operations. We are proud to highlight some of our notable achievements. SCAA successfully relocated and modernized its Emergency Operations Centre (EOC). We now have a fully equipped central command and control facility where the principles of emergency preparedness and emergency management can effectively and efficiently be carried out.

In line with new health measures and guidelines, the Airport Management team coordinated the implementation of all the necessary physical modifications and additions to the Terminal facilities, as well as adjustment of procedures and processes at both landside and airside were implemented which successfully allowed for the resumption of international commercial operations.

The Aviation Security Division have also successfully introduced a centralized Airport Permit Office on the concourse of the Seychelles International Airport. The office is fully staffed and provides for a more conducive work environment, as well as being more accommodating to its customers.

Despite the downturn in passengers and landings, and re-arrangement of manpower as per their business continuity plan, The Air Navigation Services (ANS) continued to perform and maintained continuity and availability of Air Traffic Services (ATS), Aeronautical Information Services (AIS) and Search And Rescue (SAR) services at all times. The ANS' dynamic team also placed tremendous efforts and progressed in the Air Traffic Management (ATM) Modernization Project, successfully closing the tender and signing project contract for Recorder, HF and VCCS.

Although COVID-19 abruptly slowed the projected progress of the Safety & Security Regulation department, the focus to beef up internal human resources capacity and expertise was not over looked. During 2020 they championed the oversight function, and worked tirelessly and closely with local operators in ensuring adherence to regulatory standards and recommended practices in line with the new normal. The SSR team is looking forward to the renewal of vital operations that will allow them to effectively and consistently implement their safety oversight requirements, and to improve their Effective Implementation (EI) ratings in the upcoming ICAO audits.

We also note the added value brought about by SCAA's engagement in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). In August 2020, SCAA submitted to ICAO its very first CO2 emissions report as part of its Monitoring, Verification and Reporting requirement. We are positive that this will showcase our efforts to increasing awareness about the impact of the industry on the environment.

To strengthen its corporate performance management, SCAA developed a Strategic and Reporting Planning framework that ensures consistent planning and reporting and also ensures that SCAA complies with all its external planning and reporting obligations.

Outlook

Our organisation is well on its way to finalize its 5-year Strategic Plan, a crucial document that will highlight its reform strategies and direct its focus and resources, in the midst of the COVID-19 crisis. The pandemic also provided prospect for SCAA to expand its financing options for critical capital projects and was further guided by its Board to put forward a solid Investment Plan. The Investment Plan will tackle infrastructure projects that addresses volume constraints and identified safety and security risks as well as business continuity risk in the next 5 years. We remain conscious that the road to recovery will be a long and hard one, but we are hopeful and look optimistically to the future. The aviation industry has always shown resilience and we are confident that as borders begin to re-open across the globe, international travel will resume and connections to SIA will be established. It is certain that roll out of COVID-19 vaccines will be the foundation upon which the industry's recovery is built, but equally, the measures SCAA have taken throughout 2020, financially and operationally, put us in a strong position to manage through until that time.

To conclude, on behalf of the Board and management team, we would like to thank our hard-working people for their incredible efforts, bravery and solidarity in 2020, and also thank our stakeholders and shareholder for their ongoing support.

Let us remain strong and united as we see our industry through these tumultuous times.


Mr. Garry Albert
Chief Executive Officer


Mr. Suketu Patel
Chairman

Corporate Profile

The Seychelles Civil Aviation Authority (SCAA) was established under the SCAA Act, 2005, as an administrative and financial body corporate to provide for the services, facilities and regulation of civil aviation activities in Seychelles. The SCAA and its affairs are administered by a CEO reporting to a Board of Directors appointed by the Minister responsible for Civil Aviation.

SCAA's core business focusses on regulatory and safety oversight of aviation activities, as per regulations, standards and recommended practices set by the Safety and Security Regulation department of SCAA and the provision of air traffic services in the Seychelles flight information region as well as in and out of the Seychelles terminal airspace. Its mandate also includes management of Seychelles International Airport (SIA) and Praslin airport, where it undertakes key functions of airport operations and facilitation, commercial activities, provision of aviation security, firefighting and emergency services.

Other essential internal support services include finance and accounting, human resources and administration, infrastructure projects implementation, corporate strategy, engineering and technical services and Information communication technology.

Vision



A leading organisation bringing **Excellence** to your aviation *experience*

Mission

To deliver on our promise of highest standards in safety, security and quality of service for the customer.

Values



Our Country

Put the interest of Seychelles and its people first.



Our People

Provide equal opportunity for everyone. Treat everyone fairly and equally.



Environment

Protect our environment and heritage.



Innovation

Think out of the box and make it happen.



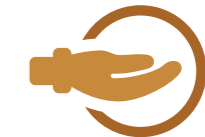
Customer

Treat every customer as you would like to be treated.



Integrity

Be open, honest and keep your promises.



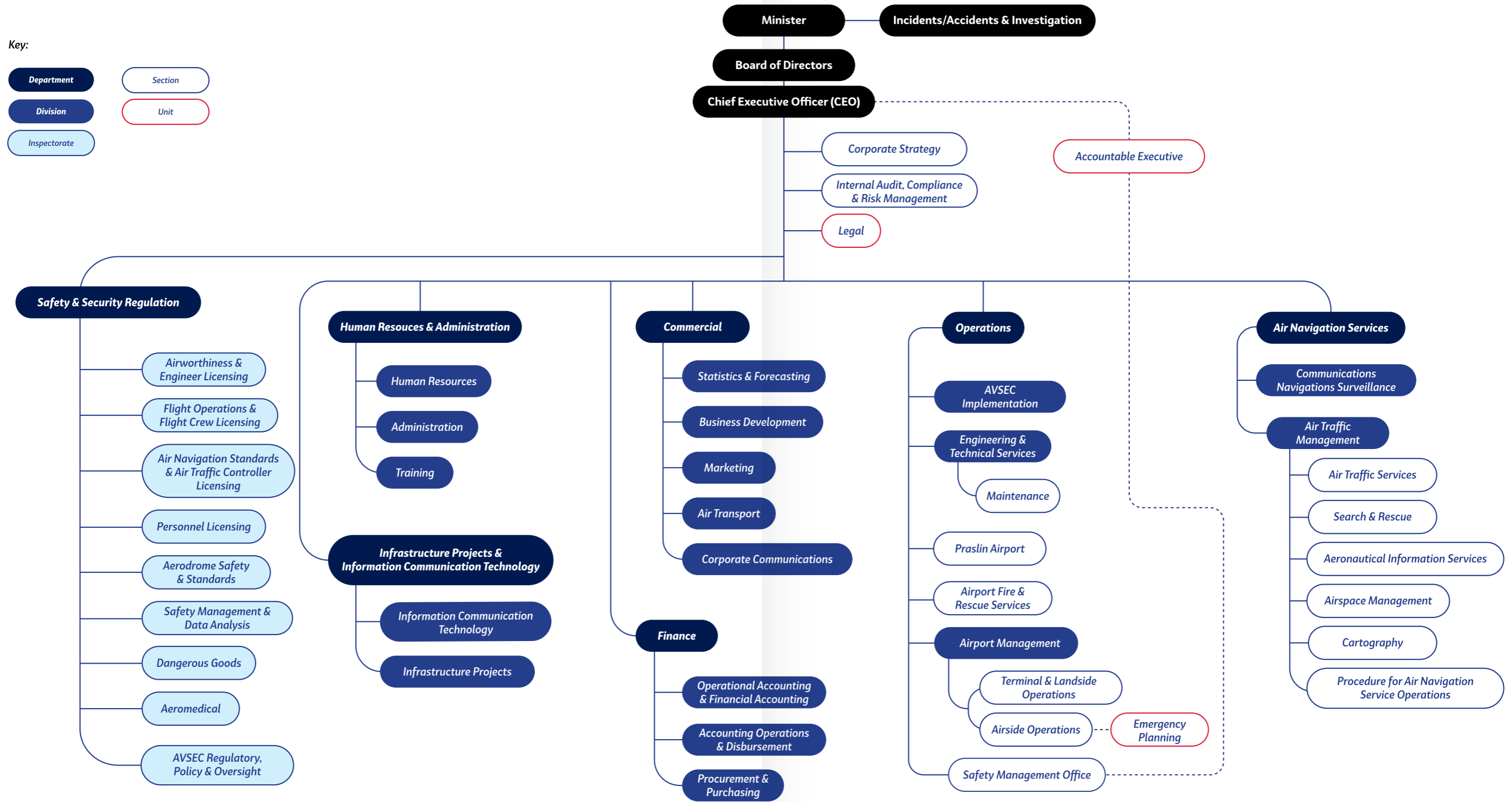
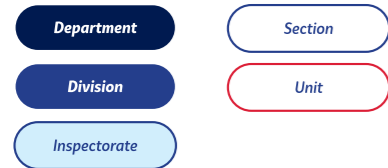
Social Commitment

Be a responsible neighbour and invest in our community.



Organisation Structure

Key:



Aims & Roles

The aims and roles of the Authority are:

- To maintain and manage the Authority's aerodromes providing for the necessary services and facilities as are necessary or expedient for their operation.
- To provide air traffic control service, flight information service, and alerting service within the Seychelles Flight Information region.
- To provide and coordinate search and rescue operations to aircraft in distress within the Seychelles search and rescue region and outside of this region, in accordance with regional agreements with neighbouring states and designated Air Navigation Service Providers.
- To provide aeronautical information services and ensure accuracy integrity and reliability of aeronautical data published in the Seychelles Aeronautical Information publication document and other aeronautical publications conforming to standards and recommended practices of the International Civil Aviation Organisation (ICAO).
- To provide adequate firefighting and rescue services and facilities at the Authority's aerodromes.
- To provide a safe and secure airport environment.
- To promote and regulate the development of air transport.
- To advise Government on all matters relating to Civil Aviation.
- To act internationally as the national body representing Seychelles in respect of matters relating to Civil Aviation.
- To establish, maintain and implement a National Civil Aviation Security Programme, a National Civil Aviation Security Quality Control Programme and a National Civil Aviation Security Training Programme;
- To provide procedures for air navigation services relating to the construction of Visual and Instrument Flight Procedures;
- To establish and implement a safety assessment programme of foreign operators operating in or out of Seychelles;
- To provide aviation communication, navigation and surveillance services within the Seychelles Flight Information Region;
- To provide, in accordance with the security agreement with the Authority, security services to aerodrome operators, airline operators or businesses which provide a service at the aerodrome;
- To ensure that a contingency plan is developed by aerodrome operators in accordance with the National Civil Aviation Security Programme and policies;
- To develop and review national standards for security equipment and system for an aerodrome in accordance with the National Civil Aviation Security Programme,
- To promote Safety in civil aviation and establish and maintain an effective aviation safety programme,
- To exercise safety oversight in and regulate civil aviation activities relating to the Convention on International Civil Aviation and annexes thereto as amended from time to time.

Executive Management Team



Ms. Nisreen Abdul Majid
Chief Financial Officer



Mr. Wilfred Fock-Tave
Chief Operations Officer



Mr. Collin Chang-Tave
General Manager
Airport Management



Mr. David Labrosse
General Manager Safety &
Security Regulation



Mr. Garry Albert
Chief Executive Officer



Ms. Lise Morel
General Manager Infrastructure
Projects and Information
Communication Technology



Mr. Sandy Mothee
Financial Accountant



Ms. Florence Marengo
General Manager Commercial



Mr. Darel Boniface
General Manager Engineering
& Technical Services



Ms. Lorella Uranie
General Manager
Human Resources & Administration



Ms. Esmee Samson
General Manager
Air Navigation Services

As at 31st December, 2020

Corporate Governance

The SCAA management and its Board are deeply committed to upholding the authority's core values. In all that they do, they strive to achieve and maintain the highest level of transparency, corporate governance and professionalism in order to build on SCAA's reputation as one of the leading organisations in Seychelles. SCAA strongly believes that it has to be accountable to its stakeholders, the community and ultimately the people of Seychelles, as it delivers on its business and operational functions.

Governance of SCAA is also guided by the following documents:

- PEMC Act and Guidance Material
- Code of Corporate Governance for Public Enterprises
- Public Investment Management Manual
- Procurement Regulations
- Employment Act
- Access to Information Act
- SCAA Internal Policies and Manuals

a. The Board of Directors

The SCAA Board is the highest decision-making body of the organization. They oversee the organization's long-term strategies and ensures good governance practices across the whole organisation whilst protecting the interests of the shareholder and the travelling public. The Board is led by a non-executive Chairman who facilitates effective discussions and decision making on strategic direction, whilst the CEO of the Authority has full executive responsibility for the implementation of its strategies and plans.

The Directors are appointed every two years in accordance with the Public Enterprise Monitoring Commission Act, 2013, and meets at least 4 times in a year.

b. Board members

The Directors of SCAA from the date of the last report and to – date are as follows:

- **Mr. Suketu Patel - Chairman** Appointed May 2020 and ended 1st February 2021
- **Mrs. Anne Lafortune** Appointed February 2014 and ended 1st February 2021
- **Mr. Ange Morel** Appointed May 2020 and ended 1st February 2021
- **Mr. Benjamin Choppy** Appointed May 2020 and ended 1st February 2021
- **Ms. Cindy Vidot** Appointed May 2017 and ended 1st February 2021
- **Ms. Nadine Potter** Appointed May 2017 and ended 1st February 2021
- **Mr. Vincent Amelie** Appointed May 2017 and ended 1st February 2021

A new Board was appointed on 1st February 2021 and comprises of the following members:

- **Mr. Marlon Orr - Chairman**
- **Other members:** Mrs Sherin Francis, Mrs. Magalie Essack, Ms. Kelly Chetty, Mr. Gary Jupiter, Mr. Yannick Roucou and Ms. May Paul Marengo

c. Audit

SCAA is subjected to an annual Financial Audit by the Office of The Auditor General in line with SCAA Act. SCAA is audited by the International Civil Aviation Organization (ICAO) with respect to safety oversight and security oversight and a continuous monitoring approach has been implemented with the support of the ICAO 'No Country Left Behind' programme. SCAA has an internal audit unit, which further monitors and ensures compliance with SCAA's various policies and procedures with the aim of minimizing business risks.

d. Committees

As per the Public Enterprise Monitoring Act, the SCAA has also established certain committees to assist and guide the board and SCAA in the delivery of its functions:

- Human Resources and Compensation committee
- Audit and Finance Committee
- Modernisation Committee
- Safety Committee

e. Access to information

With the enactment of the Access to Information Act, giving the public the constitutional right of access to information held by public authorities performing a governmental function, an officer in SCAA is responsible for implementing the obligations of this Act.

SCAA Board Members



Mr. Suketu Patel
Chairman



Mr. Ange Morel
Board Member



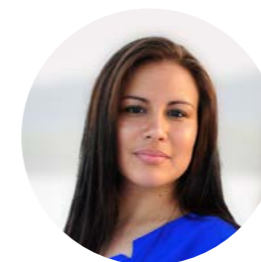
Mrs. Anne Lafortune
Board Member



Ms. Cindy Vidot
Board Member



Mr. Vincent Amelie
Board Member



Ms. Nadine Potter
Board Member



Mr. Benjamin Choppy
Board Member



Mr. Garry Albert
Chief Executive Officer





SCAA New Board - Appointed on 1st February, 2021



Mr. Marlon Orr
Chairman



Mrs. Sherin Francis
Board Member



Ms. May Paul Marengo
Board Member



Mr. Gary Jupiter
Board Member



Mrs. Magalie Essack
Board Member



Mr. Yannick Roucou
Board Member



Ms. Kelly Chetty
Board Member



Mr. Garry Albert
Chief Executive Officer

Director's Report

Seychelles Civil Aviation Authority DIRECTORS REPORT FOR THE YEAR ENDED 31st DECEMBER 2020



The Board of Directors present their report together with the Auditor's Report and the Audited Financial Statements of the Seychelles Civil Aviation Authority (hereafter called the "Authority") for the year ended 31st December 2020.

Principal Activities of the Authority

The principal activities of the Authority are the provision of Aviation Regulatory and Safety Oversight, the provision of Air Navigation Services, the provision of Aviation Security Services and Management and provision of Operational Services at Seychelles International and Praslin Airports. It also facilitates business development opportunities.

Results for the Year

	31 st December 2020	31 st December 2019
	SCR	SCR
<i>Operating Income</i>	269,467,619	503,897,753
<i>Operating Expenses</i>	(320,003,891)	(355,789,299)
<i>Profit / (Loss) before taxation</i>	(50,536,272)	148,108,454
<i>Taxation</i>	15,210,881	(44,382,536)
<i>Dividend</i>	(20,000,000)	(115,000,000)
<i>Retained Profit (Loss) at end of Period</i>	(55,325,391)	(11,274,082)

Fixed Assets

Additions to property and equipment totalling **SCR26,571,322** for the year under review comprise mainly Domestic, Hard Shoulder, airside asphaltting and major airport equipment (2019: **SCR57,206,800 million**).

The Directors are of the opinion that the market or saleable value of the fixed assets at 31st December 2020 does not differ substantially from the carrying amounts at which they are included in the Statement of Financial Position at that date.

Retained Earnings

	31 st December 2020	31 st December 2019
	SCR	SCR
Balance brought forward as at 1st Jan	501,322,925	512,597,007
Profit during the year	(35,325,391)	103,725,918
Less: Dividend (Note 17)	(20,000,000)	(115,000,000)
<i>Retained earnings for the year</i>	445,997,534	501,322,925

Dividend

The Directors recommend the payment of dividend of **SCR20 million**

Seychelles Civil Aviation Authority
DIRECTORS REPORT
FOR THE YEAR ENDED 31st DECEMBER 2020



Directors and Directors' Interest

The Directors are appointed every two years in accordance with the Public Enterprise Monitoring Commission Act, 2013.

The Directors of SCAA from the date of the last report and to-date are:

D. Savy	Appointed September 2011 and resigned April 2020
A. Nourice	Appointed Nov 2015 and resigned Oct 2019
A. Lafortune	Appointed Feb 2014 and ended 1 st Feb 2021
V. Amelie	Appointed May 2017 and ended 1 st Feb 2021
N. Potter	Appointed May 2017 and ended 1 st Feb 2021
C. Vidot	Appointed May 2017 and ended 1 st Feb 2021
S. Patel	Appointed May 2020 and ended 1 st Feb 2021
B. Choppy	Appointed May 2020 and ended 1 st Feb 2021
A. Morel	Appointed May 2020 and ended 1 st Feb 2021

The new Board which was appointed on 1st February 2021 are:

Chairman:	Marlon Orr
Other Members:	Sherin Francis, Magalie Essack, Kelly Chetty, Garry Jupiter, Yannick Roucou and May-Paul Marengo

None of the Directors held interest in the share of the Authority during the financial year.

Statement of Board of Director's Responsibilities

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in Seychelles and for such internal control as management determines is necessary to enable the preparation of financial statements that gives a true and fair view of the financial affairs of the Authority and are free from material misstatement, whether due to fraud or error.

In discharging this responsibility, the Board is further responsible to ensure the integrity of financial information; provides financial oversight and monitors financial planning and financial reports, including adoption and supervision of the annual budget; the Directors are to exercise their business judgement to act in what they reasonably believe to be the best interests of the entity in the administration of the entity's assets, and where applicable, its investments.

The Board of Directors discusses issues confronting the Authority related to financial and operational risks and exposures associated with the entity's business strategy, policy matters, service/product innovation and sales road map (where applicable), are mindful of litigation and regulatory exposures, and other current matters that may present material risk to the entity's financial performance, operations, infrastructure, plans, prospects or reputation, and acquisitions, as well as any issues of concern to the Board.

Seychelles Civil Aviation Authority
DIRECTORS REPORT
FOR THE YEAR ENDED 31st DECEMBER 2020



It is the duty of the Board of Directors to oversee management's performance to ensure that the entity operates in an effective, efficient and ethical manner in order to produce value for its clients and shareholders, in so doing, sees to the establishment of appropriate internal procedures and controls.

They are responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors consider that they have met their responsibilities as set out in the Public Enterprise Monitoring Commission Act, 2013 and the Seychelles Civil Aviation Authority Act 2005.

Auditors

The Office of the Auditor General is the statutory Auditor of the Authority, in accordance with Section 12(3) of the Seychelles Civil Aviation Act, 2005.

Approved

Marlon Orr
Chairman

Sherin Francis
Director

Magalie Essack
Director

Kelly Chetty
Director

Garry Jupiter
Director

Yannick Roucou
Director

May-Paul Marengo
Director

Date: 31/05/2021
Victoria, Seychelles

Auditor's Report



Office of the Auditor General

3rd Floor, Block C, Unity House
Victoria, Republic of Seychelles

Telephone: 248-4672500

Website: www.oag.sc

Email: auditgen@oag.sc

Facebook: OAG Seychelles

Please address all correspondence to the Auditor General

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF SEYCHELLES CIVIL AVIATION AUTHORITY

Scope

I have audited the financial statements of the Seychelles Civil Aviation Authority for the year ended 31 December 2020, as set out on pages 6 – 18, prepared in accordance with generally accepted accounting practice in Seychelles, which comprise (a) statement of financial position; (b) income statement; (c) statement of cash flows; and (d) notes to the financial statements.

Responsibility of the Board of Directors of the Authority for the Financial Statements

The Board of Directors of the Authority is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in Seychelles and in compliance with the requirements of the Seychelles Civil Aviation Authority Act, 2005 and the Public Enterprise Monitoring Act, 2009 and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor General

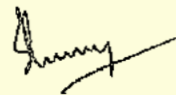
My responsibility is to express an opinion on these financial statements based on the audit. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion.

Audit Opinion

In my opinion:

- the financial statements on pages 6 – 18 give a true and fair view of the financial position of the Authority as at 31 December 2020 and the results of its financial operations and cash flows for the year then ended;
- proper accounting records have been kept by the Authority as far as it appears from my examination of those records; and
- I have obtained the information necessary for the purpose of the audit and am satisfied with the information received.



Gamini Herath
AUDITOR GENERAL

16 June 2021
Victoria, Seychelles

Seychelles Civil Aviation Authority
STATEMENT OF FINANCIAL POSITION
AS AT 31st DECEMBER 2020



		2020	2019
	Notes	SCR	SCR
Assets			
Non-current Assets			
Property, Plant & Equipment	8	415,721,011	430,376,568
Capital Work in Progress	9	8,045,459	8,170,694
Long Term Deposit		-	25,000,000
		<u>423,766,470</u>	<u>463,547,262</u>
Current Assets			
Trade Debtors	10	57,084,294	112,623,396
Inventory		-	-
Other Debtors & Prepayment	11	4,799,409	3,381,100
Staff Loans	12	5,405,426	9,692,185
Provisional Tax	13	26,727,093	2,412,177
Cash and Bank Balances	14	<u>167,423,286</u>	<u>174,151,890</u>
		261,439,508	302,260,747
Less:			
Current Liabilities			
Trade Creditors		14,602,027	19,559,146
Other Creditors & Accruals	15	24,299,843	49,369,392
Provision for Terminal Benefits		<u>15,398,611</u>	<u>10,648,583</u>
		54,300,481	79,577,121
Net Current Assets		<u>207,139,027</u>	<u>222,683,626</u>
Total Assets		<u>630,905,497</u>	<u>686,230,888</u>
Long Term Liabilities			
Represented By			
Government Capital Reserve		184,907,963	184,907,963
Retained Earnings	16	<u>445,997,534</u>	<u>501,322,925</u>
		<u>630,905,497</u>	<u>686,230,888</u>

The notes set out on pages 23-32 form an integral part of these Financial Statements. The

Financial Statements were authorised for issue on



Chief Executive Officer
Mr. Garry Albert
Date: 31/05/2021



Financial Controller
Mr. Sandy Mothee
31/05/2021

Seychelles Civil Aviation Authority
INCOME STATEMENT
FOR THE YEAR ENDED 31st DECEMBER 2020



	Notes	2020 SCR	2019 SCR
Income			
Aeronautical Revenue	4(a)	185,370,836	447,359,578
Non-Aeronautical Revenue	4(b)	21,469,974	47,899,465
Other Operating Income	4(c)	5,387,250	6,101,022
Realised Exchange Gain/(Loss)		57,073,279	(985,558)
Profit on Disposal		91,375	3,426,897
Prior Revenue		74,905	96,349
Net Income		269,467,619	503,897,753
Operating Expenses			
Staff Costs	5	206,735,073	197,309,181
Repairs and Maintenance		22,394,620	28,694,865
Other Operating Expenses	7	49,895,439	86,403,248
Bad & Doubtful Debts		1,737,388	12,289
Unrealised Exchange (Gain)/Losses		(3,325,640)	174,755
Finance Costs		44,357	232,130
Prior Adjustments		1,295,766	330,145
Depreciation	8	41,226,888	42,632,686
		320,003,891	355,789,299
Profit/ (Loss) before Tax		(50,536,272)	148,108,455
Business Tax	13	15,210,881	(44,382,536)
Net Profit/ (Loss) After Tax		(35,325,391)	103,725,918
Distribution to Government	17	(20,000,000)	(115,000,000)
Retained Profit for the year		(55,325,391)	(11,274,082)

The notes set out on pages 23-32 form an integral part of these Financial Statements.

Seychelles Civil Aviation Authority
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st DECEMBER 2020



	2020 SCR	2019 SCR
Cash Flows from Operating Activities		
Profit Before Tax	(50,536,272)	148,108,455
Depreciation Expenses	41,226,888	42,632,686
Amortisation of Deferred Capital Grant	-	-
Increase/(Decrease) in Terminal Benefits	4,750,028	844,544
Interest Receivable/Payable	(1,305,469)	(1,155,326)
Loss/(Profit) on Disposal	(91,375)	(3,426,897)
Bad & Doubtful Debts	1,737,388	12,289
Unrealised Exchange Losses/(Gains) on Year End Transactions	(3,325,640)	174,755
Provisional Tax Paid	(9,104,034)	(42,205,150)
Provisional Tax Paid	(9,104,034)	(42,205,150)
Movements in Working Capital		
(Increase) /Decrease in Accounts Receivable (including Staff Loans)	61,301,272	(11,499,124)
Increase/(Decrease) in Accounts Payable	(30,026,668)	30,646,027
	31,274,604	19,146,903
Cash Flows from Investing Activities		
Purchase of Assets & WIP	(26,446,096)	(50,826,720)
Sale of Assets	91,375	3,454,591
	(26,354,721)	(47,372,129)
Cash Flows from Financing Activities		
Bond Receipt	25,000,000	8,397,773
Loan Repayment		(7,465,916)
Dividend Paid	(20,000,000)	(115,000,000)
	5,000,000.00	(114,068,143)
Net Increase/(Decrease) in Cash	(6,728,603)	2,691,986
Cash as at 1 st January 2020	174,151,889	171,459,903
Cash as at 31st December 2020	167,423,286	174,151,889

The notes set out on pages 23-32 form an integral part of these Financial Statements.

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



1 CORPORATE INFORMATION

The Seychelles Civil Aviation Authority (the Authority) was set up under the Seychelles Civil Aviation Authority Act, 2005 which came into force in April 2005. The Authority was vested with the assets and liabilities of the former Directorate of Civil Aviation for which a financial consideration was not paid. The net value of assets over the liabilities was credited to a Capital Reserve account.

The Authority is domiciled in Seychelles and its registered office is at Seychelles International Airport, Anse des Genets, Mahé.

The activities of the Authority are regulatory, with respect to regulation of civil aviation activities and safety oversight, as well as service provider in the provision of air navigation services and management of Seychelles International and Praslin Airports.

2 BASIS OF PREPARATION

The financial statements of the Authority have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards.

The financial statements of the Authority have been prepared in accordance with generally accepted accounting practice in Seychelles. The financial statement values are presented in Seychelles Rupee (SCR) unless otherwise indicated.

3 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below:

(a) Property, Plant and Equipment

Apart from land which has been purchased by the Authority, the value of land transferred to the Authority at SCR1 occupied by the Authority is not included in the Financial Statements. A number of sites occupied on Mahé including the land upon which the existing Seychelles International Airport is situated are held by the Authority on a 99-year lease at a nominal rent of SCR1 and are on Parcel S133, S312, S5766, S5767, S5768, S5769, and S5770. The transfer of other land ownership on Mahé and Praslin to the Authority is still under discussion with the Government.

Buildings and infrastructure are stated at revalued amount less accumulated depreciation; however, the last revaluation was conducted in 2014 by a professional valuer. These have been recognised on the grounds that the Authority has unrestricted right to the enjoyment of the future economic benefits arising from these assets.

Plant and equipment, motor vehicles and others are stated at cost less accumulated depreciation.

The cost of an asset comprises its purchase price and any attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions and improvement are capitalised and expenditure for maintenance and repairs are charged to the income statement.

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



Depreciation on property, plant and equipment is calculated on a straight-line basis to write-off cost, less estimated residual value, of each asset evenly over their expected useful lives. Depreciation is recognised in profit or loss. Land is not depreciated.

The annual rates of depreciation are as follows:

• Buildings and Infrastructure	4%
• Plant & Machinery	10%
• Furniture, Fittings and Office Equipment	20%
• Motor vehicles	20%
• Computers – Hardware and Software	25%
• Others	25%

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset is included in the income statement in the year the asset is derecognised.

(b) Foreign Currency

Items included in the financial statements are measured using Seychelles Rupee, the currency of the primary economic environment in which the entity operates ("functional currency").

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions.

At the balance sheet date, foreign currency monetary assets and liabilities are translated at the rate ruling at that date. Exchange differences arising, both realised and unrealised are taken to the income statement.

The rate of exchange as at reporting date are as follows;

	2020	2019
USD-	SCR 21.5830	SCR14.0726
EUR-	SCR 26.4251	SCR15.7343
GBP-	SCR 29.9884	SCR18.6753

(c) Taxation

Business tax is provided on profits at the rates ruling at the balance sheet date and is paid provisionally by the Authority.

(d) Cash and Cash Equivalent

Cash and Cash equivalent comprise cash at bank, in hand and short-term deposits with a maturity period of one year or less in the Statement of Financial Position.

For the purpose of the cash flow, cash and cash equivalent consist of the cash and bank balances as defined above.

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



(e) Provisions

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provision for bad or doubtful debts for the year under review has been applied at 1% on amounts due over 90 days. The charge is based on the probability of recovery which is highly likely to be recovered as the amounts are mainly due from International Air Transport Association.

(f) Going Concern

Beginning January 2020, the World's economy experienced and continues to experience significant volatility resulting from the spread of the pandemic known as COVID-19. This has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty.

Management implemented plan of actions aimed at ensuring minimal disruptions to its operations as well as maintain business continuity, analysis of investment funding, liquidity position including the adoption of financial advisory from the Public Monitoring Enterprise Committee (PEMC) and or the Ministry of Finance.

The management has assessed the Authority's ability to continue as a going concern and is satisfied that the Authority has the resources to continue in business for the foreseeable future.

Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Authority's ability to continue as going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

	2020 SCR	2019 SCR
4 INCOME		
(a) Aeronautical Revenue		
Landing fees (International/Domestic)	9,744,105	32,178,509
Licences and Registration	608,550	967,000
Disembarkation Levy	3,092,338	-
Passenger Service Fees (International /Domestic)	98,955,932	281,697,187
Air Navigation Charges	76,267,363	138,468,525
IATA Charges	<u>(3,297,452)</u>	<u>(5,951,644)</u>
	<u>185,370,836</u>	<u>447,359,577</u>

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



(b) Non Aeronautical Revenue

Other Airport Charges	2,783,254	4,011,085
Concession Fees	6,534,718	26,509,702
Fuel Throughput Charges	1,606,113	3,975,538
Rent Airport Buildings	<u>10,545,889</u>	<u>13,403,140</u>
	<u>21,469,974</u>	<u>47,899,465</u>

(c) Other Income

Interest Received	4,804,902	4,815,171
Miscellaneous	<u>582,348</u>	<u>1,285,851</u>
	<u>5,387,250</u>	<u>6,101,022</u>

5 STAFF COSTS

Payroll Expenses	150,975,755	147,206,773
Pension Contribution	4,995,080	4,567,592
Income Taxes	17,701,022	14,696,711
Compensation & Gratuity	25,447,485	18,796,904
Other Staff Benefits	7,182,341	11,561,201
Directors & Committees Remunerations	<u>433,390</u>	<u>480,000</u>
	<u>206,735,073</u>	<u>197,309,181</u>

Compensation and Gratuity is paid to employees upon completion of a 2-years contract in line with the Employment Act and SCAA Contract of Service. Compensation and Gratuity are provided for in the accounts yearly and expensed under Staff costs.

6 DIRECTORS FEES & EXECUTIVE EMOLUMENTS

Directors Fees paid to Board members during the year are as follows:

D. Savy (appointed September '11-resigned April'20)	32,000	96,000
S. Patel (appointed May'20)	50,560	-
A. Lafortune (appointed Feb'14)	59,040	72,000
A. Nourice (appointed Nov'15 – resigned Oct'19)	-	60,000
V. Amelie (appointed May'17)	59,040	72,000
N. Potter (appointed May'17)	59,040	72,000
C. Vidot (appointed May '17)	59,040	72,000
B. Choppy (appointed May'20)	35,040	-
A. Morel (appointed May'20)	35,040	-
Secretary fees	<u>28,590</u>	<u>36,000</u>
	<u>417,390</u>	<u>480,000</u>
Senior Executive Emoluments	8,762,637	6,120,679

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



	2020 SCR	2019 SCR
7 OTHER OPERATING EXPENSES		
Administration Costs	29,049,343	38,272,972
Communication Costs	9,688,807	9,374,446
Transportation Costs	697,762	7,304,475
Staff Training	2,981,745	14,901,123
Other General Expenses	<u>7,477,782</u>	<u>16,550,232</u>
	<u>49,895,439</u>	<u>86,403,248</u>
After charging:		
Audit Fees	100,000	100,000

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020
8 PROPERTY, PLANT AND EQUIPMENT



Costs	Land		Building & Infrastructure		Plant & Machinery		Furniture, Fittings & Office Equipment		Motor Vehicles		Computer – Hardware & Software		Other Assets		Total		
	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	SCR	
As at 1 January 2019	4,065,950	495,445,719	90,160,184	22,174,786	60,535,020	81,384,887	34,074,335	787,840,881									
Additions during the year	2,708,850	23,084,560	17,273,363	3,479,397	3,587,680	6,218,393	854,557	57,206,800									
Disposals during the year	-	-	(120,000)	(25,076)	(6,445,300)	-	(4,261,961)	(10,852,337)									
As at 31 December 2019	6,774,800	518,530,279	107,313,547	25,629,107	57,677,400	87,603,280	30,666,931	834,195,344									
Additions during the year	6,000	18,677,833	4,190,631	956,113	1,135,000	684,113	921,641	26,571,332									
Disposals during the year	-	-	-	-	(1,192,300)	(22,515)	-	(1,214,815)									
As at 31 December 2020	6,780,800	537,208,113	111,504,179	26,585,220	57,620,100	88,264,878	31,588,572	859,551,861									
Accumulated Depreciation																	
As at 1 January 2019		154,583,030	56,046,254	17,662,661	46,224,872	70,588,370	26,905,547	372,010,733									
Depreciation for the year		19,960,679	7,619,685	1,785,577	7,041,439	3,979,851	2,245,455	42,632,686									
Disposals Depreciation		-	(120,000)	(25,076)	(6,445,300)	-	(4,234,267)	(10,824,643)									
As at 31 December 2019		174,543,709	63,545,939	19,423,162	46,821,011	74,568,221	24,916,735	403,818,777									
Depreciation for the year		20,741,211	6,559,648	2,158,315	4,650,055	4,848,971	2,268,688	41,226,888									
Disposals Depreciation		-	-	-	(1,192,300)	(22,515)	-	(1,214,815)									
As at 31 December 2020		195,284,920	70,105,587	21,581,477	50,278,766	79,394,677	27,185,423	443,830,850									
Net Book Value																	
As at 31 December 2019	6,774,800	343,986,570	43,767,608	6,205,945	10,856,389	13,035,059	5,750,196	430,376,567									
As at 31 December 2020	6,780,800	341,923,192	41,398,592	5,003,743	7,341,334	8,870,201	4,403,149	415,721,011									

A plot of land with house on Parcel S5256, was purchased on 28 March 2018 for a sum of Seychelles Rupees Seven Million (SR7 M). As a result of matrimonial dispute Court injunction on registration of Transfer has been imposed pending settlement of the matter. Ongoing Civil Suit set for hearing July 2021 pending attempts for a judgment by consent.

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



	2020 SCR	2019 SCR
9 CAPITAL WORK IN PROGRESS		
Work in Progress brought forward	8,170,694	14,550,774
Expenditure incurred during the year	20,108,018	31,777,247
Transferred to Fixed Assets	(19,065,113)	(38,157,327)
Transferred to Expenditure	<u>(1,168,140)</u>	<u>-</u>
	<u>8,045,459</u>	<u>8,170,694</u>

In line with SCAA's Financial plan pertaining to Covid-19 impact on the investment funding and liquidity position, Management took a position to differ the implementation of two projects namely, South East Island reclamation and New SCAA Head Quarters at an estimated cost of SR148 million. As of 31 December 2020, a total sum of SR1,168,140 was incurred as consultancy fees and charges. The amount has been adjusted and transferred to expenditure as the project will not be undertaken in the foreseeable future.

10 TRADE DEBTORS

Trade Debtors	55,585,609	112,712,962
Debtors' Exchange Rate Revaluation	3,297,285	(28,355)
Bad Debts Provisions	<u>(1,798,600)</u>	<u>(61,211)</u>
	<u>57,084,294</u>	<u>112,623,396</u>

11 OTHER DEBTORS AND PREPAYMENTS

Prepayment	1,276,764	1,444,048
Interest Receivables	1,305,469	1,155,326
VAT Liability	1,815,466	303,333
Other Debtors	<u>401,710</u>	<u>478,393</u>
	<u>4,799,409</u>	<u>3,381,100</u>

12 STAFF LOANS

Vehicle Loans	5,235,755	9,149,092
General Purpose Loans	4,318	9,446
Other Loans	<u>165,353</u>	<u>533,647</u>
	<u>5,405,426</u>	<u>9,692,185</u>

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



	2020 SCR	2019 SCR
13 TAXATION		
Tax Liability/Credit brought forward	(2,412,177)	(4,589,564)
Withholding Tax Adjustment	1,844,063	(3,248,960)
Payment/Refund of Business Tax	<u>(836,783)</u>	<u>4,589,564</u>
Tax Credit carried forward	<u>(1,404,897)</u>	<u>(3,248,960)</u>
<i>Charge for current year:</i>		
Provision for business tax based on profit for the period	(15,210,881)	44,382,536
Provisional Tax Paid	(11,318,036)	(43,545,753)
PIT and Tax Penalties Offset	<u>1,206,721</u>	<u>-</u>
	<u>(26,727,093)</u>	<u>(2,412,177)</u>

14 CASH AND CASH EQUIVALENTS

Cash on hand	387,926	2,370,529
Seychelles Rupee A/c Balance	21,419,948	50,298,393
Euro A/c Balance	2,988,407	1,294,795
US\$ Dollar A/c Balance	73,700,978	54,142,922
Short-Term Security Deposit	<u>68,926,027</u>	<u>66,045,251</u>
	<u>167,423,286</u>	<u>174,151,890</u>

15 OTHER CREDITORS

Owing to Government- Dividend	-	40,000,000
Owing to Government- Passenger Service Fee	10,428,400	4,640,000
Owing to Government- Disembarkation Levy	6,573,034	-
Advance and Deposits from customers	3,368,436	2,752,536
Accruals	<u>3,929,973</u>	<u>1,976,856</u>
Total	<u>24,299,843</u>	<u>49,369,392</u>

16 RETAINED EARNINGS

Deficit/Surplus for the year	(55,325,391)	(11,274,082)
Retained earnings brought forward	501,322,925	512,597,007
Retained earnings carried forward	<u>445,997,534</u>	<u>501,322,925</u>

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



17 DIVIDEND

Dividend to Government is made in accordance with directions given by the Minister under Section 11 (3) of the Seychelles Civil Aviation Authority Act, 2005. Dividend paid to Government in 2020 amounted to SCR 20 million. In light of the impact of the COVID-19 pandemic, monthly payment was for the first 4 months of 2020.

18 CONTINGENT LIABILITY

- a) In July 2016, a legal claim was lodged by a Duty-Free retail shop claiming damages of SR1.06 million to its merchandise while construction work was ongoing to adjacent premises. As at 31st December 2020, a judgement was yet to be pronounced however the claim is estimated to be SCR300, 000.
- b) The outcome on objection of Withholding Tax in relation of technical services for airport/ airside activities resulted to a total liability of SR1,404,897 (inclusive of penalties and interest). Request for waiver on both additional tax and culpability penalties amounting to SR 143,557.32 and SR209,102.78 respectively has been lodged to Seychelles Revenue Commission including refund of SR1,052,235.

19 FINANCIAL RISK MANAGEMENT

(a) Currency risk

Some of the Authority's assets and liabilities are denominated in foreign currencies. There is a resultant exposure to foreign exchange fluctuations which may affect the Authority's assets and liabilities in a material manner.

The Authority's financial assets and liabilities are denominated as follows:

	Asset SCR	Liabilities SCR
US Dollar	119,110,860	132,671,304
Euro	5,641,070	4,737,720
Pound Sterling	100,881	64,991
Seychelles Rupees	136,586,697	164,786,732
Total	<u>261,439,508</u>	<u>302,260,747</u>

(b) Liquidity Risk

SCAA practices prudent liquidity risk management by maintaining adequate funds to meet its funding needs.

(c) Credit Risk

SCAA seeks to invest cash assets safely and profitably. SCAA also seeks to control credit risk by setting limit and ensuring that credit facility is made to customer with appropriate credit history and monitoring customers financial standing through credit review. SCAA considers the risk of material loss in the event of non-performance to be minimal.

Seychelles Civil Aviation Authority
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2020



20 NOUVOBANQ LOAN

	2020 SCR	2019 SCR
Balance as at 1st January	-	(919,879)
Amounts drawn down	-	8,397,774
Repayments	-	(7,465,916)
Exchange rate adjustment at year end	-	<u>(11,979)</u>
Balance as at 31st December		<u> </u>

US\$6.5 million loan to fund the construction of the Domestic Terminal and purchase of essential airport equipment was taken from Nouvobanq. The loan is being serviced by the Seychelles Civil Aviation and has been fully repaid as at 31.12.2020. Only the sum of USD5m was drawn and the sum of US\$1.1 million still remained to be withdrawn as at 31.12.2020.

2020 Business & Operations Review

Summary & Key Highlights

Passenger throughput 2020

401,663 **67% ↓**

2018
1,170,959

2019
1,205,050 **3% ↑**

Total Operating Income
SCR 269.4 million

Aircraft Movements
19,923



727
Full Time Employees

8
Internal Audits

7
Long serving employees of 30+ years

51
Total Mandatory Occurrence Reports
*Note: Mandatory Occurrence reports are those reported by ATC and Aerodrome Operations only.

0

Aircraft Accidents

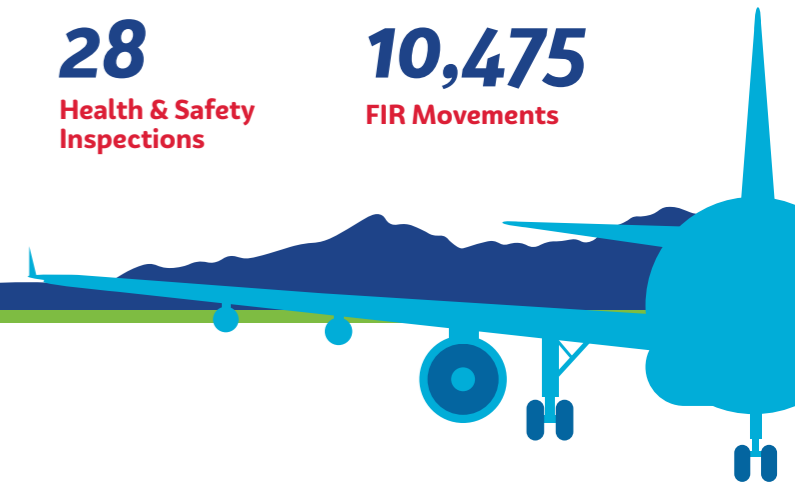


15
Confirmed Bird Strikes

14
Number of Unauthorized Obstructions

28
Health & Safety Inspections

10,475
FIR Movements



Seychelles International Airport

Aerodrome Reference Code: **4E**



seychelles
international
airport

Surface Area: **109 Hectares**

2,987m

46m

Runway Designations

13 | 31

Category For Fire Fighting

Cat9

International Terminal

- 6** Departure Immigration Counters
- 13** Arrival Immigration Counters
- ~~670~~ Arrival Lounge Capacity
430 New Normal
- ~~492~~ Departure Lounge Capacity
315 New Normal

Domestic Terminal

- 25** Arrival Lounge Capacity
25 New Normal
- ~~80~~ Departure Lounge Capacity
75 New Normal

Car Parking Capacity
320
at The Terminal

Safety & Security Regulation Department Audits, Inspections & Licenses processed and issued in 2020

	Normal Audits	Normal / Adhoc Inspections	Approved Maintenance Organisation (AMO) Audits	Foreign Approved Maintenance Organisation (FAMO) Audits	Continuing Airworthiness Management organization (CAMO) Audits	ORG Manual Checks	Maintenance Program Approval	Modifications & Repairs Approval	Engineer Licensing Audits	Aircraft Inspections
Airworthiness and Engineer Licensing	7	N/A	7	5	13	10	15	47	19	21
Flight Operations & Flight Crew Licensing	6	0	N/A	N/A	N/A	13	N/A	N/A	N/A	N/A
Aerodrome Safety & Standards	N/A	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Air Navigation Standards & ATC Licensing	10	8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	Cargo in Passenger Cabin	Carriage of PCR Samples in Aircraft/Operator without a Dangerous Goods Authorization	Medical Certificate Extension	Authorisation to use Medical Certificate issued by another state	LPC/OPC Extension	Single Pilot Operation Authorisation Extension
Exemptions	4	4	3	1	Aeroplanes - 34 Helicopter - 8	1 (DO228)

	Airport Operator Audit	Airport Operator Inspection	Airline Inspection	Security test	Ground Handling Agency Inspection	Air Caterer	General Aviation Audit	Cargo Operator Audit	Follow up Inspections	Program review and Approval
AVSEC Regulatory Policy & Oversight	1	3 (Of which Mahé -1 Praslin- 2)	5	6 (of which Ad Hoc-1)	1	1	1	1	3 (GHA/ Airport Operator)	8

Note: due to COVID-19 restrictions and lockdown the original plan had to be modified and some activities postponed to later in the year or early 2021

Licensing

Flight Crew Licensing (FCL) (2020)	
Flight Crew Licences Issued	0 conversions in total There were requests received to convert but the foreign licences of the pilots expired and they couldn't go back to South Africa to renew due to COVID-19 restrictions.
Flight Crew Licensing Validation Certificates Issued	0 validations in total Foreign examiners couldn't come down to Seychelles due to COVID-19 travel restrictions so therefore no validations were issued.
Flight Crew Licensing Examiner Certificates issued	6 Examiner Certificates in total Breakdown: Revalidation of TRE (A) A320 on an Examiner Certificate (Issued 29/12/2020)
Examinations	8 examinations conducted Breakdown: <ul style="list-style-type: none"> • 1 Air Law Examination (Commercial Pilot Licence – Helicopter) • 1 Operational Procedures (Commercial Pilot Licence – Helicopter) • 3 Air Law Examination (Commercial Pilot Licence – Aeroplanes) • 3 Operational Procedures (Commercial Pilot Licence – Aeroplanes)
Licence/Medical Verifications	2 licence verifications Breakdown: <ul style="list-style-type: none"> • licence verification provided on 19/03/2020 • 1 licence verification provided on 17/02/2020
Update of English Language Proficiency in a Flight Crew Licence	3 updates of ELP in a licence Breakdown: <ul style="list-style-type: none"> • 1 ELP update made on 13/02/2020 • 1 ELP update made on 05/03/2020 • 1 ELP update made on 24/02/2020

Air Traffic Controller Licensing (ATCL)	
Student ATCO Licences Issued	6 Student ATCO Licence in total
ATCO Licences Issued	0 ATCO Licences in total
Approved ATCO Training Organization Certificates	0 Certificates issued in total
Personal Details Change Notification	3 Personal Details Changed

Engineer Licensing (AML & Validation)	
AML Renewal	12 in total
AML Issued	5 in total
AML Amended	2 in total

Operating in a COVID-19 World

Despite the operational and financial challenges brought about by the COVID-19 pandemic, we have managed to adapt our processes to protect the people and our business from the onset of the crisis. Whilst SIA witnessed a significant reduction in passenger traffic across most of 2020, our operational teams maintained their focus and momentum, implementing evolving health measures as per national and international requirements. Our actions allowed us to keep the airport open and functioning, facilitating the movement of vital medical supplies, cargo and repatriation flights.

Operating in a COVID-19 world

To guide our operations, a business continuity plan specific to the pandemic was developed and deployed. The main objective of the plan was to streamline key functions and ensure that they are attended to without compromising the workforce.

Early in the pandemic, as a precautionary measure to reduce the risk of COVID-19 transmission and to ensure we were able to maintain operational resilience and continuity, our front-line teams were split into different groups and worked on a rotation schedule. We provided them with appropriate PPEs, masks and gloves and also encouraged all other airport agencies and businesses to adopt similar measures.

Non-operational workers were encouraged to work from home and our ICT team provided the necessary remote support to ensure continuity of work via digital communication platforms.



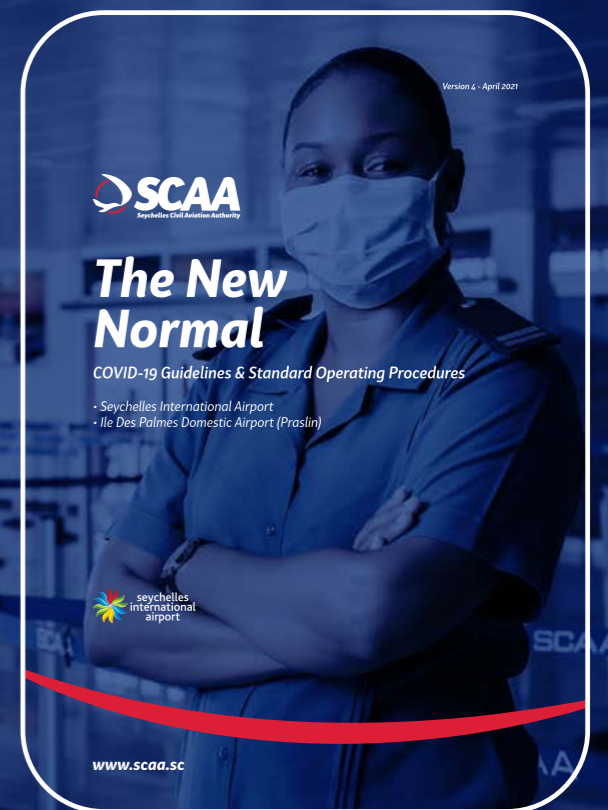
Standard Operating Procedure The New Normal

[Download a copy...](#)

In preparation for the reopening of our borders to International commercial passenger flights on 01st August, SCAA in collaboration with the Public Health Authority (PHA) implemented 'new normal' measures at SIA. A document detailing a set of standard operating procedures (SOPs) was developed, contents of which encompassed three principal components; social distancing, hygiene and vigilance (early case detection), to ensure the safe passage of arriving, transiting and departing passengers.

The conduct of business under the new normal upon disembarkation, arrival, departure, drop-off and pick-up of passengers for both international and domestic flights were also incorporated. Consultations and preparatory meetings with stakeholders' groups, airport and national agencies were organized to allow for further discussions on the new procedures and measures being implemented.

With the introduction of the new operating procedure, certain adjustments had to be made and impacted on our airport operations. A one-hour separation between flights was implemented and disembarkation and embarkation procedures had to be modified. Aircraft clearance/disembarkation procedures had to be improved upon in order to comply with PHA requirements.



Setting up of a Health Airport Testing Station



The setting up of a Health Airport Testing station in the international arrival terminal commenced in early July, in collaboration with PHA. This facility catered for passengers recording a high temperature over 37.5°C, showing symptoms of COVID-19 or picked at random for further tests by PHA. Two isolation rooms were also set up at SIA for suspected or positive COVID-19 cases.

Training

Our housekeeping staff were given appropriate and adequate training to ensure the proper disinfection of the airport after each flight. Those employees uplifted their skills to carry out enhanced cleaning in a shorter period of time using more effective chemicals.

Other measures in our terminals



To further foster good hygiene, bins were placed at key locations around the airport for the proper disposal of PPE (such as masks and gloves). Demarcations were placed on the floor inside the terminals at both the international and domestic as well as check in counters to ensure that social distancing is adhered to at all times. Sanitizing stations were placed in all terminals as well as the concourse area making it accessible to not only passengers but all airport users. Additional signages were placed and regular announcements were made at the terminal for the benefit of passengers and airport users. Additionally, all stakeholders as well as SCAA had to conduct triage on all staff and keep a daily record of everyone accessing offices throughout the course of the day.

As of 1st August, it became mandatory for anyone accessing the airport terminal to wear a mask.

2021 and beyond



In 2021 our focus will be on managing the return of more passengers and activities to our airports, ensuring their experience is safe and comfortable. Reassuring passengers that safety measures at SIA are consistent with health recommendations and international guidelines will be key to managing the 'new normal'.

We will continue working and strengthening our relationships with our airport community, airlines and government agencies in our efforts to drive a sustainable return to travel in 2021.

Air Transport Development

Summary

2020 was a challenging year for the Aviation industry, precipitated by the COVID-19 pandemic which crippled Air Transport Development globally. The Seychelles International Airport (SIA) saw a sharp drop in passenger throughput for the year 2020 which stood at 401,663 by year end, representing a decline of 67% compared to 2019 where there was a total of 1.2 million passengers that went through SIA.

This is largely due to the sharp decrease in scheduled services, from an average of 72 weekly in 2019 to only an average 22 weekly in 2020. The border closure between March 2020 to August 2020 for scheduled flights contributed to the decline. Nonetheless, August to December 2020, there was a steady climb in the number of both scheduled services and passenger throughput.

In the midst of all the uncertainties and the dire state of Air Transport development, 2020 hailed in new opportunities to generate aeronautical revenue. This included new entrants on the market and one returning airline. Further than this, a robust exercise to review aeronautical charges was launched and the first CO2 emissions report was formally submitted to ICAO as well.

Key Air Transport Developments

Statistics

SIA started on a positive note in 2020. The number of arrivals for the months of January and February surpassed the same months in 2019 by 11% and 3% respectively.

From this outcome, SIA anticipated close to 500,000 international passenger arrivals by year end.

Surprisingly in March, the COVID-19 pandemic severely impacted SIA when many countries imposed strict travelling restrictions to control the spread of the virus. From the third week of March, inbound frequencies reduced from 78 to 63, in the last week. International passenger arrivals dropped by 49% and Domestic passengers, to and from Praslin Airport declined by 43%.

On 30 March, Seychelles closed its border to international scheduled operation for four months. Non-scheduled Private jet flights dropped to 6 from 36 average per month in April. Overflight in the FIR dropped to 7 from 65 and inbound cargo dropped to 2 tonnes from 30 per day.

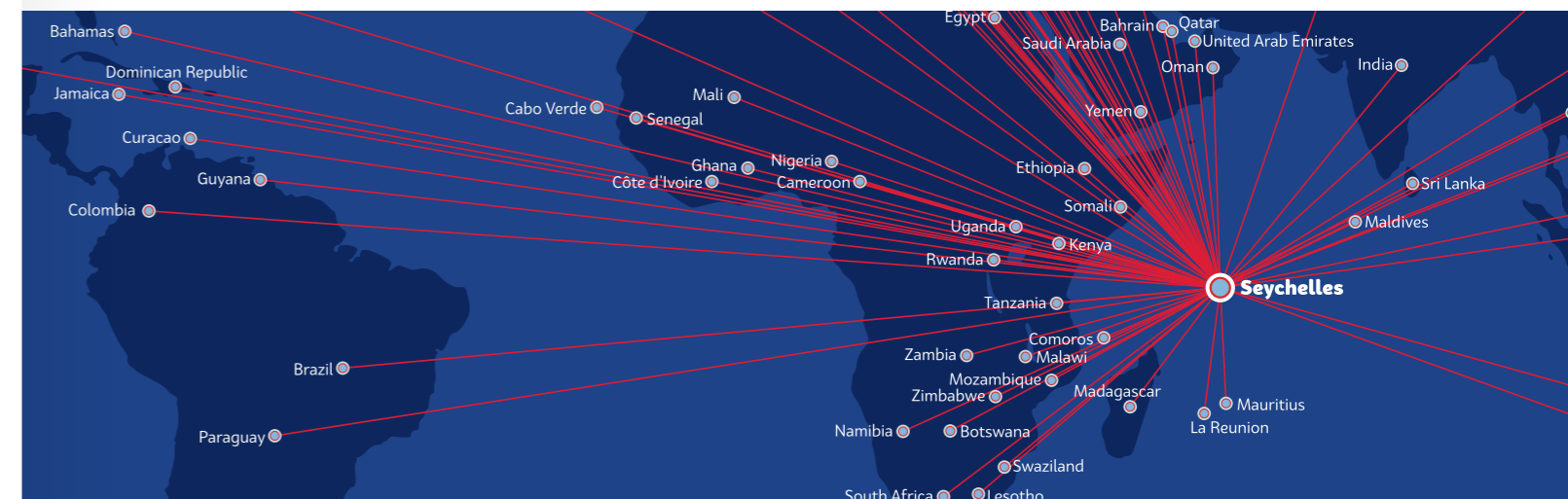
It was in the last quarter of 2020, that passenger arrivals increased. The return of British Airways, Edelweiss and Air Seychelles operations to destinations like Tel Aviv (TLV), Johannesburg (JNB) and Malé (MLE) brought on average the total arrivals to 276 a day.

However, arrivals during the three months were insufficient to recuperate the industry. By end of 2020, International and domestic passenger's throughput dropped to 401,663 from 1,205,050 in 2019, a dramatic reduction of 67%. Inbound seats decreased by 67%, inbound cargo by 43% and flight movements by 53%.

Bilateral Air Services Agreement

Due to the COVID-19 pandemic, no new BASA was concluded in 2020, in view that the situation made it difficult to negotiate new Agreements. However, a number of consultations and discussions were held to review terms of existing arrangements with different countries;

UAE	Requested for the designation of Air Arabia and Fly Dubai.
Turkey	Requested for increase of frequency from 3 weekly to daily
Qatar	Requested for increase in frequency from 14 to 21 weekly and review contents of BASA for signature.
Nigeria	Requested for review of provisions of existing BASA
Cyprus	Requested to review arrangement concluded in 2019 and arrange for signature.



In addition to the interaction related to the above, India and Mauritius were approached by the Authority to conclude special arrangements to permit Air Seychelles to conduct schedule services during the crisis.

Hence, 2020 was a year to consolidate existing Agreements and strengthen partnerships.

Airline Development

In 2020 SCAA received requests for new entrants, as follows;

- **Aeroflot (Russian Airlines)** - indicated that they were keen to resume commercial operation to Seychelles, once they were permitted entry by the Public Health Authority.
- **Air Peace (Nigeria)** - Indicated they were interested to launch commercial flights in Seychelles. This would be explored in 2021.
- **EL AL (Israeli Airline) & ARKIA** - Launched charter flights to Seychelles in November 2020 and requested to be formally designated to commence commercial flight
- **Seychelles Airways** - SCAA was verbally appraised of plans and waiting for concrete documents to support the endeavour.

All international operators benefited from a waiver on Landing and Parking fees for the period April 2020 to December 2020. None of the current operators indicated their intention to remove their services on the route. However, with restrictions imposed as a direct result of the pandemic, most international airlines on the route either postponed resumption of service or operated at a reduced frequency since the reopening of borders in August 2020.



Air Seychelles

The Civil Aviation Authority granted a waiver on landing and parking for the National carrier for the period April 2020 to December 2020. This was in a bid to support Air Seychelles in the conduct of its operation during the time of crisis. In addition to this, SCAA supported the airline by granting swift approval to requests for many repatriation and special cargo flights. With the assistance of the Ministry of Foreign Affairs, SCAA secured the necessary authorization and traffic rights to facilitate certain operations done by Air Seychelles during the crisis.

Aeronautical Business

In 2020, SCAA continued with its efforts to maximize its economic potential by exploring ways to increase revenue through aeronautical activities. Hence, SCAA has embarked on a robust endeavour to review a series of charges, namely; Passenger Service Fees, Air Navigation Fees, Safety and Security Regulation Fees and Landing and Parking Fees. SCAA is actively engaging with internal stakeholders to finalize the review and move towards implementation.

International cooperation

Efforts to expand international cooperation portfolio of SCAA was met with a roadblock – COVID-19 pandemic. Nonetheless, cooperation with the South African Civil Aviation Authority remained strong and interaction was maintained to find new ways to proceed with plans to have training and exchange programmes.

Moving forward, SCAA will continue to push for cooperation with lined Authorities to maximize opportunities for professionals in the industry.

Environment

Preserving the environment is an important strategy for SCAA. In 2020, SCAA could not fully implement plans related to increasing awareness about the impact of the industry on the environment. Nonetheless, a social media campaign was launched in September on the occasion of emissions day to raise awareness about the Carbon Offsetting Scheme in international Aviation.

SCAA also submitted to ICAO its very first CO₂ emissions report as part of its Monitoring, Verification and Reporting requirement. This was done in August 2020.

ICAO global goals for Carbon Neutral growth

Aircraft operations are being optimized today to improve environmental performance while maintaining safety through:

Operational Measures

Optimizing of air traffic management and operational procedures is a key element to avoid greenhouse gas emissions.

Aircraft Technology

Advancement in aircraft technology is of great importance to reduce aviation emissions. Today's aircraft are approximately 80% more efficient in use of fuel per passenger kilometre than in the 1960s.

Sustainable Aviation Fuel

As of May 2019 more than 180,000 commercial flights used a blend of alternative fuel. The use of sustainable aviation fuels could be crucial in achieving the carbon neutral growth goal from 2020.

Carbon Offsetting Reduction Scheme for International Aviation (CORSA)

A global and unique scheme for airlines worldwide to comply with their CO₂ emissions obligations. Seychelles is voluntarily participating in CORSIA since 2018.



ICAO

ENVIRONMENT

Statistics

International traffic

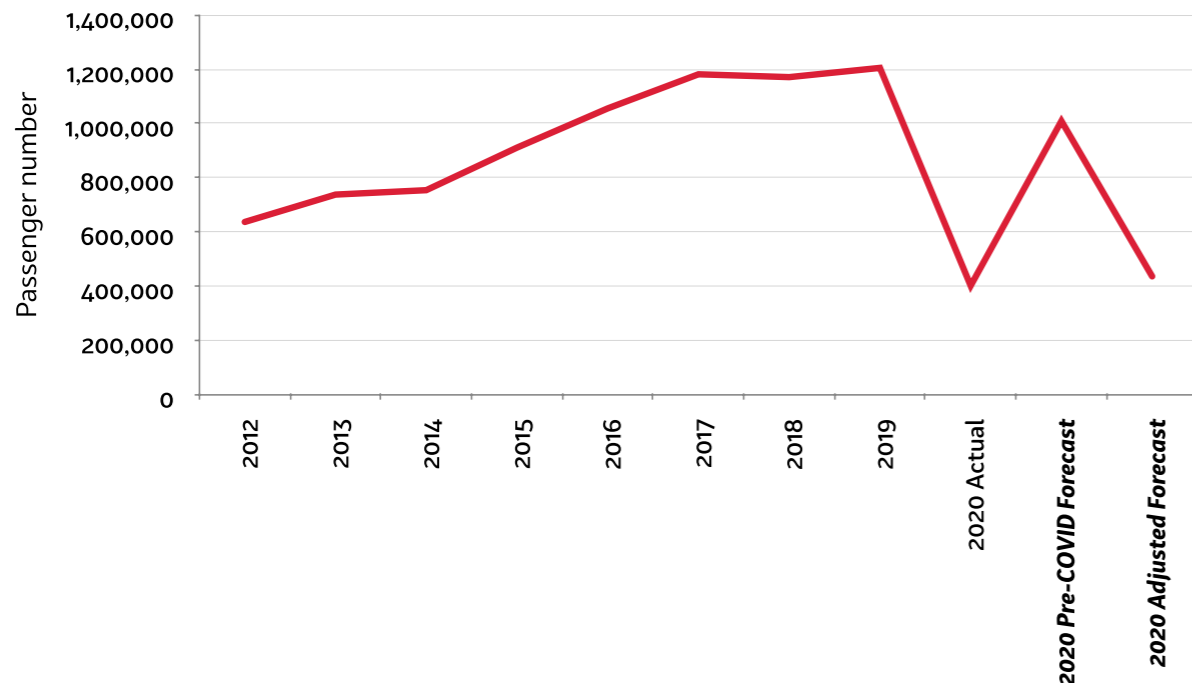
In 2020, air travel was negatively impacted by the COVID-19 pandemic which resulted in both a health and economic crisis. As a result, there was a significant drop in passenger throughput at the Seychelles International Airport (SIA). Passenger throughput decreased by 67% compared to the year 2019, from 1.2 million to 401,663 passengers. The forecasted figure for the year 2020 pre-COVID was 1,009,059. This was later adjusted mid-year to 436,000 passengers to project the pandemic's impact on passenger's throughput. The actual figure recorded compared to the adjusted forecast was only 8% below target. A precipitous decline in international passengers' arrival was recorded in 2020. The total number for the year was 135,686 which represents a 71% decrease compared to 2019. In addition, departures were also heavily impacted. The number of passengers recorded was 146,117, a 68% decrease compared to 2019.

The number of arrivals for visitors and residents recorded were 112,044 and 23,642. These represent decreases of 70% and 72% respectively. Departing visitors and residents recorded were 120,932 and 25,185, representing declines of 68% and 70% respectively.

Similarly, to the year 2019, transfer passengers declined in 2020. A drop of 73% was recorded from 33,923 to 9,028. Air Seychelles cancelled scheduled operations in April 2020 as a result of the pandemic, consequently, ceasing carrying transfer passengers from and to its routes. The bulk of transfer passengers was carried by Air Seychelles from Bombay which represents 42% of the total. This was followed by the Johannesburg route (39%), Mauritius (17%), and Tel Aviv (1%). In addition, Sri Lankan airline also carried 1% of the total transfer passengers. These were recorded in the first quarter of 2020. No transfer passengers were recorded on Air Seychelles when the airline resumed scheduled operations in the last quarter of 2020.

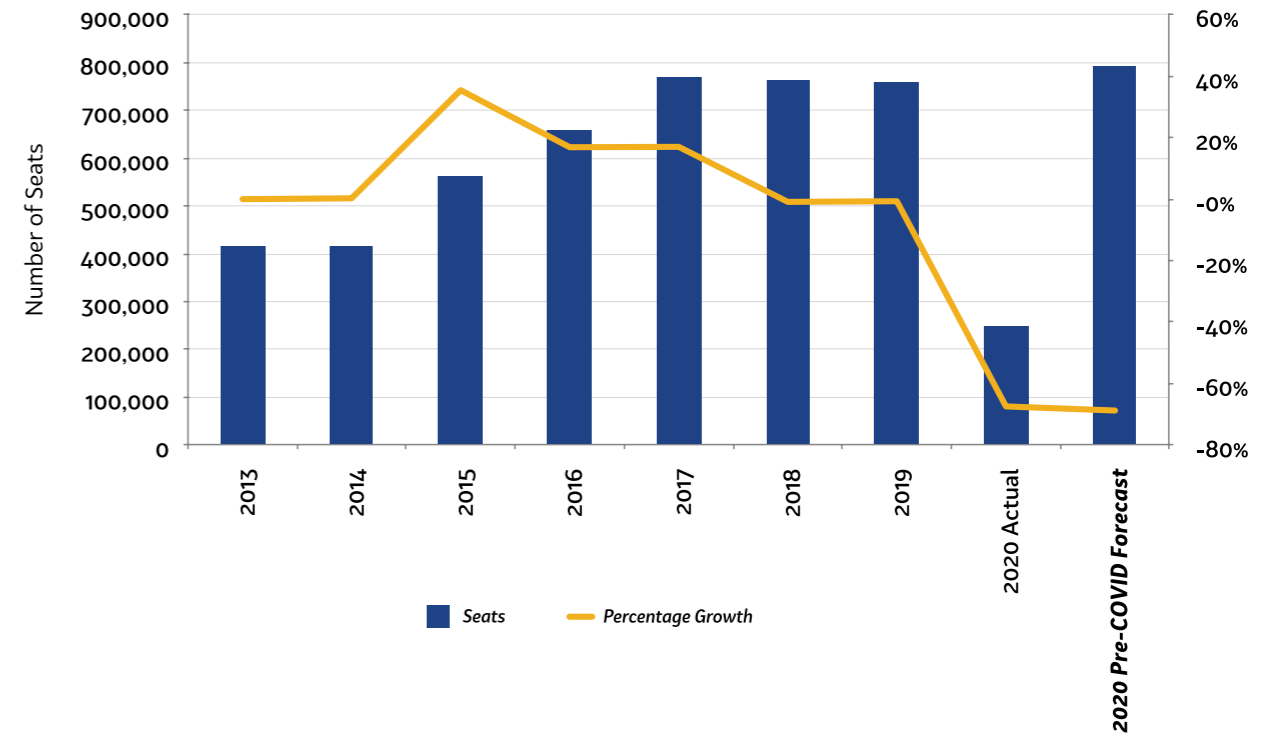
The year 2020 had commenced on a positive note. Another record-breaking year of 3% – 6% growth was expected above the precedent year. Arrivals were higher in January and February, compared to the same period in 2019. In January there were 40,220 international passenger arrivals and February recorded the highest at 41,427. These are increases of 11% and 3% compared to year 2019. In total 14 airlines were operating at SIA. As the effects of the pandemic continued to unfold, countries were forced to close their borders. In March, SIA started to experience the effect of the pandemic, international passenger arrivals dropped to 20,801, a 49% decrease compared to 2020. From April to July, Seychelles closed its border to international countries which resulted in the cancellation of scheduled operation.

In the second quarter of 2020, non-scheduled operations continued at SIA. Air Seychelles operated cargo and repatriation flights. In addition, Turkish and Ethiopian Airlines also operated cargo flights. Scheduled operations resumed during the third quarter of 2020 at reduced frequencies. In December, total average of International flight operations weekly frequencies reduced from 78 to 23 compared to the first quarter of 2020.



Capacity

International seating capacity reduced by 67% compared to 2019 as a result of the pandemic. The forecasted seats for the year 2020 pre-COVID was 790,630. The actual number of seats recorded, 247,011 was a 69% decline compared to the projected figure. This was as a result of the cancelled scheduled operations during April and July, as well as, continuous cancellations of scheduled operations in the last quarter of 2020. Also, the majority of scheduled airlines were operating at reduced frequencies compared to the first quarter of 2020.



Domestic

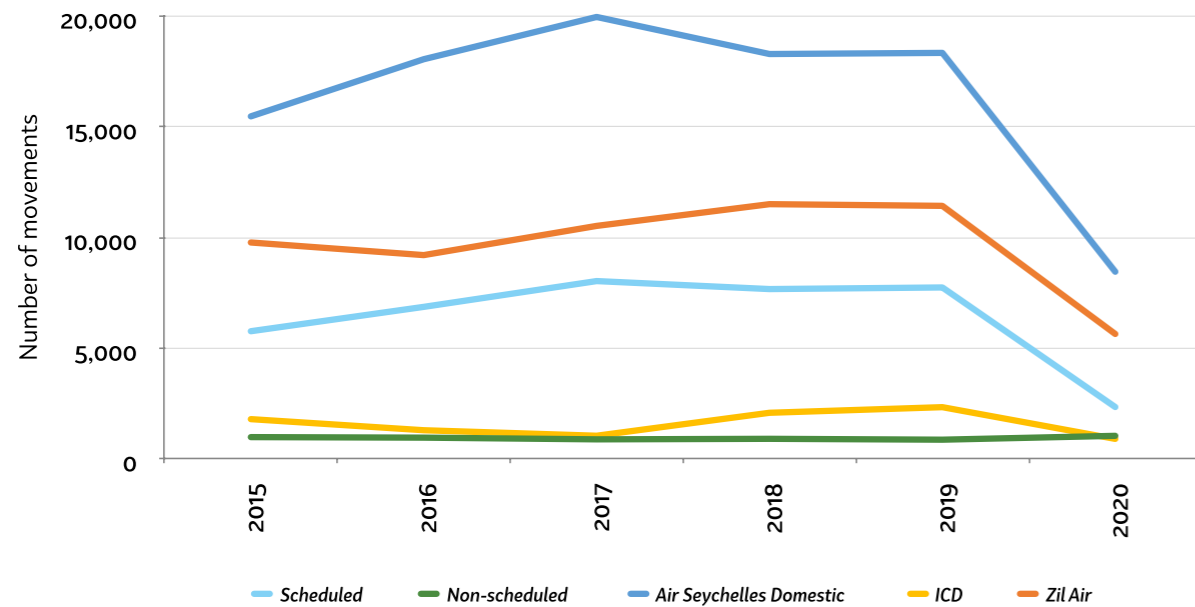
Domestic operations were also negatively impacted as a result of the pandemic's impact on international travel. Passenger throughput on Air Seychelles domestic operations dropped by 55% compared to 2019, from 236,896 to 107,151. Departure passenger figures (Mahé to Praslin) declined by 56% from 120,705 to 53,240 compared to 2019. Departing non-residents decreased from, 68,419 to 17,395 and residents from 52,286 to 35,845. Non-residents and residents declined by 75% and 31% respectively.

For the first quarter of 2020, on average there was 40 daily flight movements. By the second quarter, daily flights average was 9. Domestic resident travellers continued to travel between Mahé and Praslin despite the pandemic. The number of domestic resident travellers picked up in May throughout December with an average 3,156 residents travelling from Mahé to Praslin per month. Daily flight operations for the period of May to December were 18 on average. Domestic Visitors travellers picked up in August after the resumption of International scheduled operations. In October, the number of visitors picked up throughout December. This was on average 1288 visitors travelling from Mahé to Praslin for the last quarter. Daily flight operations in November and December increased to 25 and 28 per day respectively.

Flight Movements

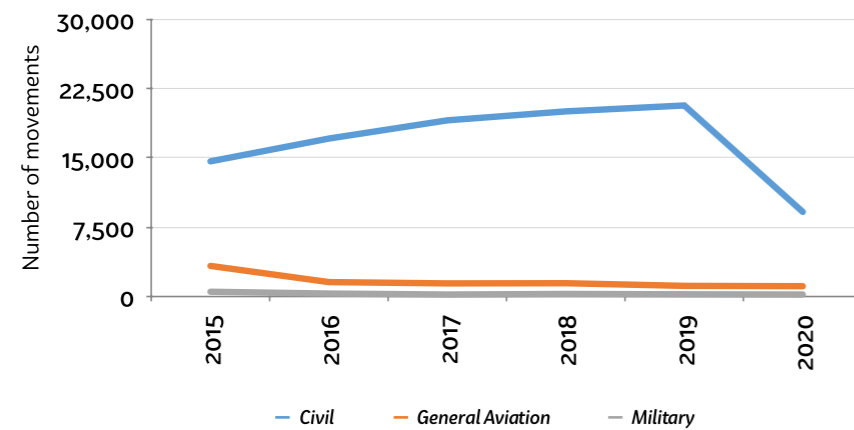
A total of 19,923 aircraft movements was recorded at SIA for the year 2020. This represents a decline of 53% as compared to 2019. The number of forecasted movements for the year pre-COVID was 42,238. This was adjusted to 15,000 mid-year to reflect the effects of the pandemic. The actual figure recorded surpassed the forecast by 33%. Scheduled landing movements declined by 70% from 7,739 to 2,337.

Non-scheduled flights operations increased by 20%. This was as a result of cargo charters, repatriation flights and the increase in private jets in December.



Flight information region (FIR)

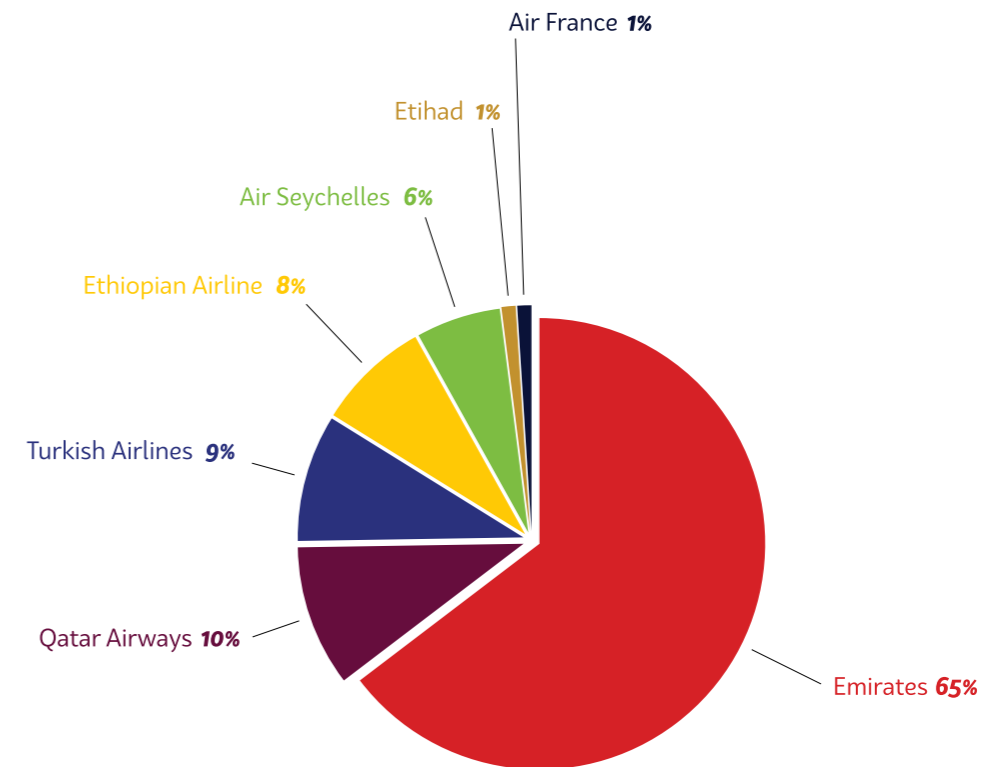
FIR Movements declined by 53% from 22,054 to 10,475 in 2020. Civil aircraft movements reduced by 56%, from 20,668 to 9,150. General Aviation movements decreased by 3%, from 1,149 to 1111. Military movements declined by 9%, from 237 to 214.



Cargo

The total number of cargo recorded for the year was 6,451 a 41% reduction compared to the year 2019. Inbound cargo decreased by 43% from 9,278, to 5,244 tonnes compared to the previous year. The bulk of cargo was carried by Emirates Airline. During the second quarter cargo operation augmented as several airlines operated a series of cargo charters. Ethiopian airline for example; carried more cargo compared to 2019.

Domestic cargo from and to Mahé and Praslin decreased by 29% from 17 to 12 tonnes for the year 2020.



Relief & Support to Airlines, Tenants & Concessionaires

2020 was a difficult year for our airport business community. With air travel being severely affected due to COVID-19, between the period April to December SCAA rolled out various assistance and relief schemes to help the business community operating at SIA and Praslin Airport tide through the crisis. These relief measures were particularly important to ensure business continuity of our airports and to ease the cost burdens on our airline customers. Furthermore, to help tenants manage costs and optimize their resources, the SCAA Commercial team worked closely with outlets, allowing certain flexibility in operating hours, according to flight schedules. Tenants were also constantly kept informed of the changes in travel advisories and related safe distancing measures to ensure full compliance to the COVID-19 measures.



Tenants & Concessionaires

SCAA introduced waivers on all rentals and concessions for airport tenants, including duty free, Food & Beverage outlets, retail and service providers for the period April to December 2020. The support package extended to airport tenants and concessionaires amounted to approximately SCR 9.3 million.

Airlines

Following requests from many airlines requesting for relief from charges, SCAA waived all landing and parking fees for scheduled international operations for the period April to December 2020.

These incentives were offered as a way to stimulate the market, facilitate resumption of operations and convey support due to financial difficulties facing the aviation industry. The total loss to SCAA amounted to SCR 3.7 million.

In 2021 we will continue to provide reasonable support as needed to ensure we strategically leverage the return of international connectivity to SIA.

Introduction of Pay Parking at Seychelles International Airport

On 1st December 2020, a pay parking facility was introduced at SIA in line with our strategy to improve safety, security and expand commercial avenues through the redevelopment of traffic management at the airport. The current facility has a capacity of 315 slots and an additional 17 slots for motorbikes.

SCAA invested approximately SCR700,000 for implementation of the 1st phase of the project. The pay parking facility will be further upgraded to a full-fledged automated system and extended to other airport parking facilities in the very near future.



New businesses that became operational at SIA in 2020



Airport Management Centre

The SIA Airport Management Centre (AMC) became fully operational on 1st August. The centre was designed with the aim of serving as the core of the airport, whereby real-time airport operations can be observed and managed, meeting the requirements of SIA.

The standard functions attached to the centre includes, the monitoring and coordination of daily airport related activities, resource coordination and optimization as well as the supervision of all airport operations. The newly established AMC has already begun dispensing some of these responsibilities since May 2020 e.g. data management and information sharing, updating daily flight schedules and the handling of flight clearance and most recently management of disembarkation flow.

The centre has many other potential roles to play in enhancing the communication between different key areas within the airport, enabling fast and efficient decision making and coordination between different functioning entities within the airport as well as other stakeholders such as airlines. The overall goal is to ensure that having such a centre will successfully enhance the quality and efficiency of all airport services delivered.

Infrastructure Projects Update

One of the immediate responses we took to protect our business in 2020, was to streamline our capital expenditure program to include only critical projects. The original budget for Capital Projects (CAPEX) for the year 2020 before COVID-19 was SCR 129m. This amount was subsequently re-assessed whereby two major areas were put on hold namely the Master plan of the airport and the New SCAA head Office. Other projects were also re-assessed or scaled down and postponed for implementation in 2022/2023.

Following the post COVID-19 effects, the sum of SCR 58m was allocated for the remaining of 2020. Major funds were allocated for airside infrastructure projects for a total sum of SCR 16.8m which comprised of civil works to be carried out for asphaltting of perimeter track for the sum of SCR 7m and asphaltting of the REPA for the sum of SCR 2.6m and other minor works. Both projects were completed.



A temporary container house was constructed at the La Digue Helipad. The new facility will allow the helicopter operator, Zil Air, to relocate from the existing dilapidated facility and into the new facility. Other works are planned to improve the other infrastructures at the site.



Other projects such as improvement works on the current concourse area and airside drainage also commenced in 2020 whereby funds have been spread over one year and the sum of SCR 7.7m has been allocated.

Safety Management

The SCAA Safety Management System (SMS) in place, assures the safe operation of aircraft at Seychelles airports and airspace through effective management of safety risk in Airport Operations and Air Traffic Services. The system is designed to continuously improve safety by identifying hazards, collecting and analyzing data and continuously assessing safety risks with the ultimate objective to proactively contain or mitigate safety risks before they result in aviation accidents and incidents.

The scope of SCAA SMS indirectly also includes activities that support operational development, such as finance and human resources and as such their division's heads are represented on the Safety Review Board (SRB). During 2020, the SRB met two (2) times.

SCAA SMS is provided with all necessary support to ensure that SCAA service providers (Aerodrome Operations and Air Navigation Services) contribute to the improvement of our state's effective Safety Management implementation. In the second quarter of 2020, the SCAA Safety Management System manual was reviewed and approved by the regulator to reflect operational and regulatory requirements. The safety office worked with all stakeholders to ensure that the identified hazards are risk assessed and mitigation strategies were continuously monitored and documented through the SCAA Service Providers Centrik (Safety Information System).

Besides the day to day operational risk management, several risk assessments for projects were also coordinated through SCAA SMS office. A major project assessed by the office was the installation of a Dry Dock Facility 2km from the Runway on Zone 20. The Risk Assessment for this project is still being reviewed and SCAA is being assisted with La Reunion (Aviation Civile - France).

During 2020, SCAA's SMS played a crucial role, as both the Aerodrome Operator and Air Navigation Services (ANS) continuously identified hazards in their respective operations. The SMS office risk assessed those hazards in a changing working environment through threats of the COVID-19 pandemic.

Four risk assessments were conducted to ensure safe operations during the COVID-19 pandemic;

1. **Use of Seychelles Defense Academy which is located on the airside as an isolation center. This was necessary to mitigate safety and security risks associated with a non-operations activity on the Airside.**
2. **Recovery of normal operations following COVID-19 restrictions (ANS).**
3. **Recovery of normal operations following COVID-19 restrictions (Airport Operations).**
Noting the considerable reduction in flight movements, and it was necessary that all precautionary measures or mitigation strategy were addressed to ensure safe operations as recovery to normalcy is gradually restored.
4. **Safety implications of 'SCAA's COVID-19 Guidelines and Standard Operating Procedures for the New Normal'.**

As per Public Health Authority's requirement, SCAA was required to have in place its Organisational Guidelines and SOP during the Covid-19 pandemic. It was essential that operational sections analyses the document and adjust their operational plan as necessary.

Mitigation strategies for all four risk assessments are still being monitored and will continuously be adjusted as and when required. The SMS office also worked alongside other operators' SMS offices to collectively address safety issues in operations. A safety management committee involving the participation of all SMS offices was initiated during the 3rd quarter of 2020.

2020 Financial Review

Financial Review

Significant financial developments for the year:

- Total revenue: SCR269.4 million including realised exchange gain of SCR 57 million. This represents 51% of 2019 figures, SCR 503.9 million.
- Operating expenditure: SCR 320 million, down by 10% (2019: SCR 355.7)
- Loss after tax before dividend: SCR 35.3 million, down by 134% (2019 Profit: SCR 103.7m)

The COVID-19 pandemic had a catastrophic impact on the global aviation industry. SCAA has been on the frontline of this crisis from the very start, making 2020 the most challenging financial year in the Authority's history. Our main sources of revenue were drastically wedged with the diminution in passenger numbers, affecting every part of our business. In the face of these challenges, the Authority had to move quickly to reduce costs, whilst ensuring the right level of resources were maintained to support its operations and the business.

Overall financial performance

For the year ended 31st December 2020, SCAA recorded an operating loss before tax SCR 50.5 million (2019: SCR 148 m). SCAA have incurred losses for the past eight consecutive months, starting from April 2020 when Seychelles closed its borders for international scheduled operations.

Despite the deficit, SCAA remains a financially stable organization focused on broadening the revenue streams in areas not yet tapped into, such as pay parking, reviewing Flight Information Region (FIR) fees and Safety and Security Regulation fees among other new non-aeronautical revenue fronts and maintaining the operating cost at optimum levels.

The financial performance for the past 3 years.

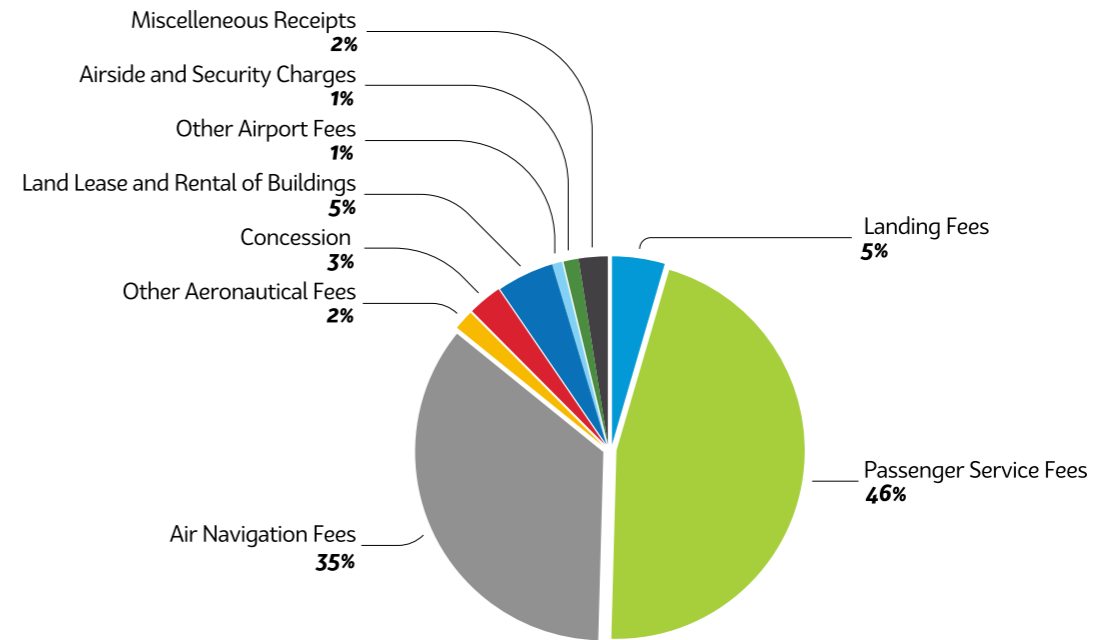
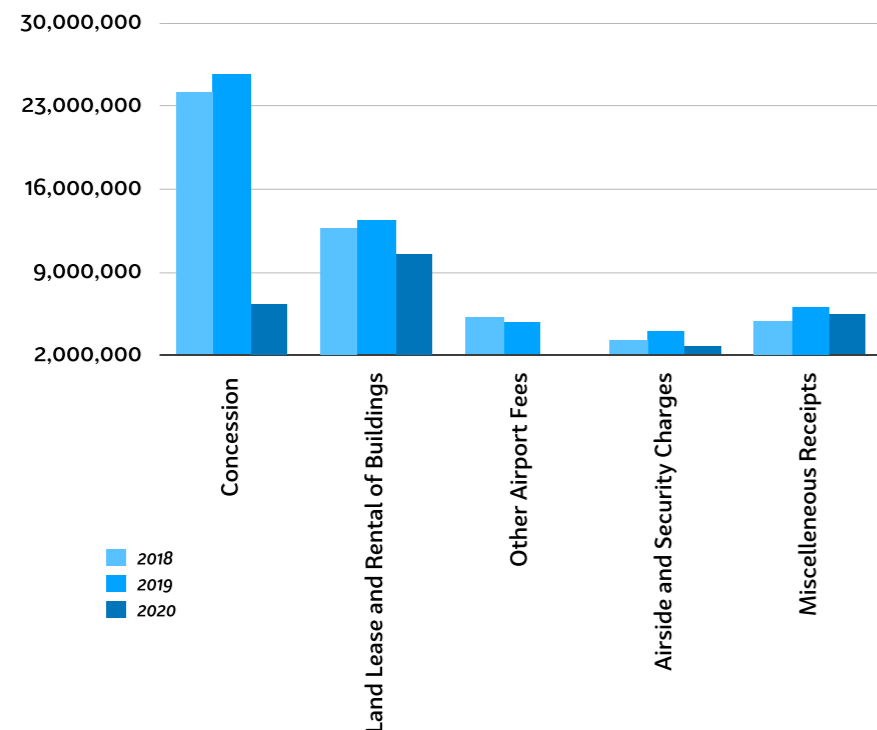
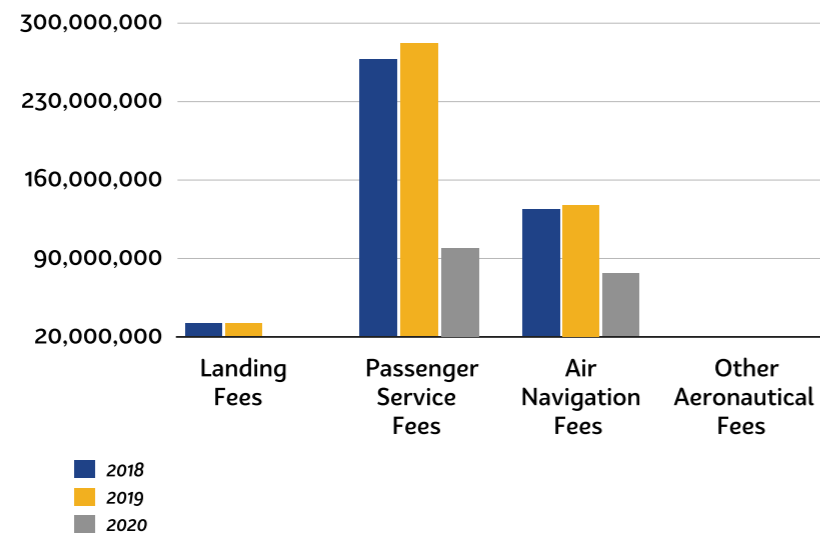
	As at 31st December 2020 (Audited)	As at 31st December 2019 (Audited)	As at 31st December 2018 (Audited)
	SCR'000	SCR'000	SCR'000
Operating Income	269,467	503,898	478,843
Operating expenditure	(278,776)	(313,157)	(279,314)
Operating profit before depreciation and tax	(9,309)	190,741	199,529
Depreciation	41,227	(42,633)	(35,221)
Operating profit after depreciation and tax	(50,536)	148,108	164,308
Taxation	15,211	(44,382)	(49,242)
Net profit after tax	35,325	103,726	115,066
Dividend	(20,000)	(115,000)	(43,200)
Net retained profit/(loss)	(55,325)	(11,274)	71,866

Financial Review

Operating Revenue

As at 31st December 2020, SCAA collected a total sum of SCR 215,6 m which comprises of aeronautical and non-aeronautical revenue. Aeronautical revenue accounted for 88% whilst non-aeronautical revenue accounted for 10% and other income accounted for 2%. Aeronautical revenue comprises of landing fees, licenses and registration, passenger service fees (international and domestic) and air navigation fees.

Illustration of Aeronautical & Non-Aeronautical revenue trends for the past three years. Aeronautical Revenue for the past three years:



Aeronautical revenue

Passenger service fees remains the highest collection, accounting for 52% of the aeronautical revenue, at SCR 98.5m. The figure is 76% lower than 2019 (SCR281.6 million). This is due to decreased international passenger throughput from 949,725 in 2019 to 222,353 by end of 2020.

Income collected from Air Navigation Fees in 2020, amounted to SCR76.2m. This represents a decrease of 45% over 2019 figure of SCR 138.4m.

Revenue from landing fees for scheduled and non-scheduled flights accounted for 5% of the aeronautical revenue portfolio for the year 2020. The decrease is due to the waivers given to scheduled airlines from April to December 2020.

Non-Aeronautical revenue

Non-aeronautical revenue accounts for 10% of the total revenue portfolio which comprises of Concession fees, fuel throughput charges, rental of airport buildings and other airport charges and interest received.

Due to COVID 19 impact, this revenue line has decreased substantially in 2020, as a result of low passenger turnaround and waivers being granted to concession as part of SCAA's financial industry support initiatives.

Operating expenses

For the year 2020, SCAA spent SCR 279m (excluding depreciation and doubtful debts) in operating expenses. Staff cost remain the dominant expenses as Aviation business is a labour-intensive industry and is heavily regulated, which is the prime factor for the increasing costs. It is important that the SIA maintains the level and standard in safety and security as per international requirements. Hence, the need to employ highly qualified personnel is pivotal.

Capital Expenditure

In terms of capital expenditure, the sum of SCR26.4m has been spent during 2020. This relates to the continuation of the expansion project at the domestic terminal, airside and landside infrastructure projects.

2021 Outlook

In 2020 the emerging markets like the Israeli and the Russian markets assisted in lessening the drop in the overall financial performance of the organisation. Looking forward, it is anticipated that with the awaited return of the traditional European market, SCAA will be in a more favourable financial position. Additionally, SCAA expects to maintain cost discipline into 2021 and plan to only scale up operating activities in line with the recovery of the travel industry and when it is prudent to do so.

Our People

Our People

Protecting and Caring for our staff

2020 has been an exceptionally demanding and difficult year for our staff and our organisation as we experienced the unprecedented challenges of COVID-19. One of our immediate priorities was to ensure the safety and well-being of employees, while ensuring business continuity.

During the initial phases of the pandemic, we stepped up precautionary efforts to ensure general safety in the workplace. This included setting up of a daily temperature monitoring system for employees and visitors accessing our offices across the organisation. We also quickly stocked up on personal protective equipment in order to secure ample supplies for a sustained period. As the situation worsened, non-frontline and operational employees were required to work from home, given the restriction of movement imposed on 16th March, and in line with our strategy to manage our costs.

Throughout the year, employees were kept updated on latest developments on the pandemic and provided with regular guidance materials on social distancing and hygiene measures through regular internal communications updates.

At the end of 2020, there were no reported COVID-19 cases amongst SCAA employees.

Executive Level Appointments

In February, a Chief Financial Officer (CFO) was appointed to lead the Finance Department. Following the appointment of the CFO, the SCAA Executive Team is now made up of 5 ladies and 6 men, including the CEO.

Succession Plan

During the year, all Departments worked on and updated their respective succession plans. The plans were incorporated into one document for SCAA, ensuring that the relevant employees are identified, recruited and developed to fill earmarked specific roles within the organisation.

Staffing

As at 31st December, SCAA has a total of 727 staff members, of which 40.7% are female. During the year, due to cost cutting and a freeze on recruitment and promotions, we were unable to fill all positions as per our manpower plan for 2020. In total 20 new staff were appointed. A total of 47 staff exited the company, compared to 69 in 2019, including 8 retirees. Our annual turnover rate decreased to 6.19% from 8.57%, recorded in 2019.



	2018	2019	2020
Appointment	88	107	20
Exits	69	68	47
Promotion	35	27	14
Demotion	1	5	0
Internal Transfer	4	6	11

Our People

Training & Development

For the year 2020, a total of SCR 4.3 million was spent on learning and development, from the initial budgeted amount of SCR 17 million. The majority of trainings took place locally and during the first quarter on the year. From April onwards, as part of our cost cutting measures and the ban on overseas travel, our staff were encouraged to follow training and development programmes via online platforms. To note that throughout the year International Aviation organisation and training institutions such as ICAO, Singapore Aviation Academy (SAA), Airport Council International (ACI) continued offering various L&D opportunities online.

Health & Safety

Our Occupational Health & Safety team played a very important role during the year, contributing to the overall safety of our staff, stakeholders and airport users. The team remained at the forefront as we developed action plans, SOPs and implemented COVID-19 measures across the organisation, SIA and Praslin Airport. They were allocated various responsibilities such as being the Ministry of Health point of contact for SCAA, monitoring and reporting on the pandemic situation within the organisation, as well as coordinating and leading the education and awareness sessions for our staff and airport business community.



Other O&H highlights

- 7 occupational accidents have been recorded to date this year compared to 6 last year
- Various OHS activities has been conducted such as OHS sensitization, Immunization Programme for Measles and Rubella in February, Health Check, Eye screening, Pap smear, HIV screening in collaboration with Ministry of Health on Mahé and Praslin.



Our People

SCAA honors sixty long serving staff in award ceremony

This year sixty long serving staff were honored for their years of dedication and commitment to the local civil aviation authority during its annual commemorative long service award ceremony.



The event was held in a totally different setting this year, due to the pandemic's impact on the organization. It was therefore at the Seychelles Civil Aviation Authority's (SCAA) headquarters, that the staff were welcomed by the company's top leadership and showed recognition and appreciation for their dedication during their years of service. The long service award is always celebrated during the month of July which also marks the 49th anniversary since the first commercial jet, the British Overseas Airways Corporation, landed in Seychelles.

Addressing the awardees who have dedicated from 10 to 40 years with the organization, the authority's Chief Executive Officer Mr Garry Albert took the opportunity to thank the staff for their loyalty and hard work during those years.

He reiterated that in whatever decisions that are made the employees remain SCAA's top priority and now that commercial flights are coming back, they will ensure that staff will have all the necessary equipment to protect themselves as they carry on with their daily duties.

Mr Albert also thanked the awardees' family for their support and wished the long serving employees all the best in the years to come and reassured them that SCAA will provide all the necessary support to all staff to ensure that we continue to give the best of ourselves.



Certificates were then presented to the 38 staff who have celebrated 10 years, two who have spent 15 years, seven 20 years and five 30 years with SCAA. Two staff were also celebrating 35 years with the organization.

This year there were four longest serving staff celebrating 40 years since they joined the authority: Joel Figaro and Daniel Pierre from the Engineering and Technical Services, Thomas Jolicoeur and Williamson Lesperance from the Airport Fire and Rescue Services.

Congratulations!

Charting Aviation through COVID-19



Charting Aviation through COVID-19

2020 has presented unique opportunities for SCAA owing to the complex nature of the COVID-19 pandemic. As an organization, we answered the call of the 'new normal' and brought about decisive measures to ensure safe, secure and continued operations.

With a clear understanding that communication is crucial during an unprecedented crisis, not only to the public through media, but also to staff and stakeholders. Our Corporate Communication division ensured that we kept all our audiences abreast with developments and decisions taken by the authority. Through interventions with the Crisis, HR and Health & Safety teams, the dissemination of key information was done effectively and using a coordinated approach.

Throughout the year, our strong collaboration with the media remained constant and allowed us to effectively communicate our position to our publics. In the face of restrictions and social distancing measures, we managed to coordinate several press conferences, media interviews and TV spots. SCAA also played a vital role in the national campaign to prepare our nation for the reopening of our borders in August 2020.



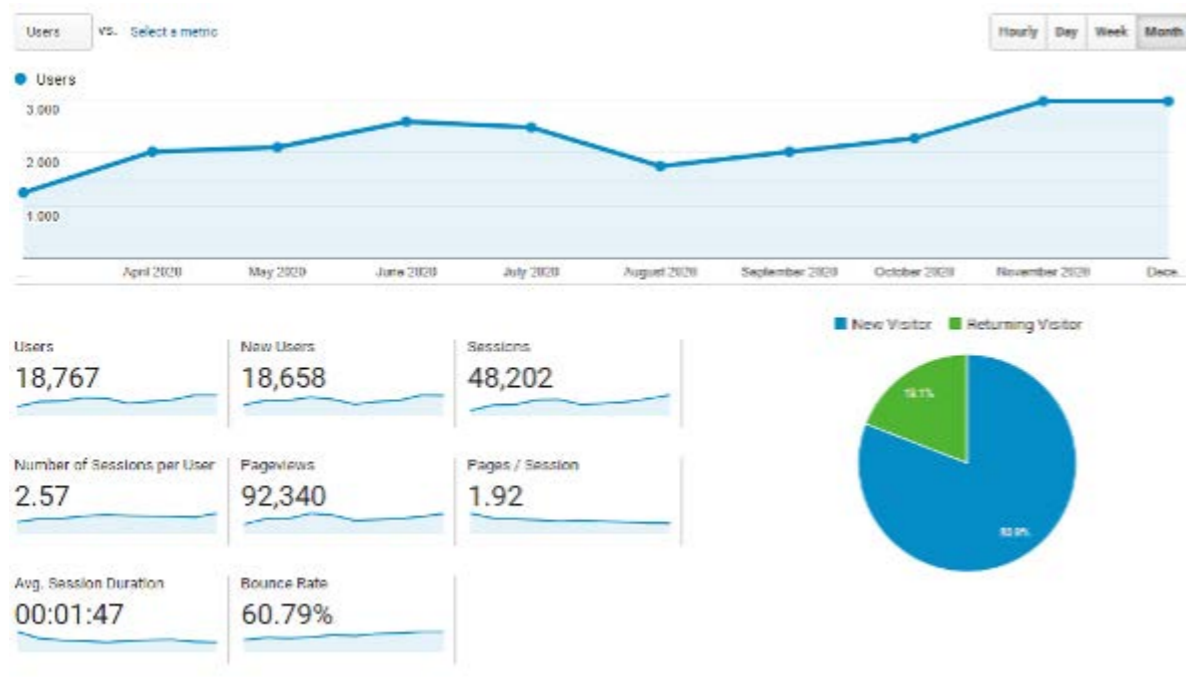
We also joined airports around the globe and stepped up our efforts to ensure proper information are effectively displayed and visual materials are aligned with the health requirements at the time.



Revamping the SCAA website



Overview of SCAA website traffic



Providing relevant information to the media and members of the public was of the utmost importance.

Top five press releases

1



Seychelles International Airport to introduce Pay Parking facilities

1,228 hits

[Read about it...](#)

2

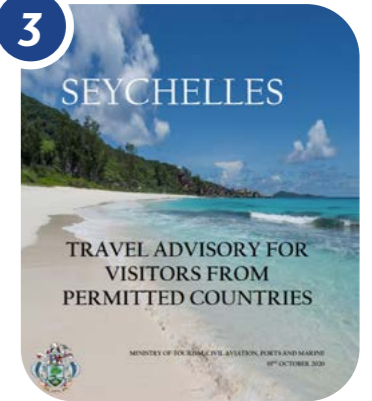


Airport stakeholders informed on new operational procedures

1,117 hits

[Read about it...](#)

3

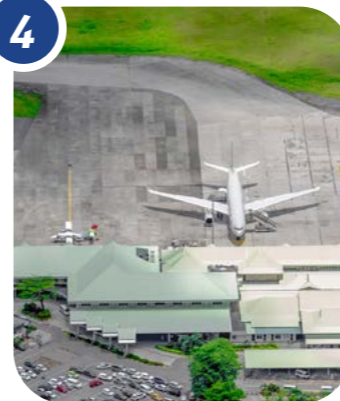


Seychelles Authorities Reviews Visitor's Travel Advisory

1,056 hits

[Read about it...](#)

4



SCAA provides relief measures to operators in the wake of COVID-19 pandemic

995 hits

[Read about it...](#)

5



Latest fever detecting cameras to be used at Seychelles International Airport

918 hits

[Read about it...](#)



Events

Events

Applauding our Health workers

Removed from our comfort zones, staff had to adopt different behaviours and practices with the introduction of new normal guidelines and standard operating procedures. A key element was the increased cooperation with health professionals who provided their expertise for the safe continuation of business at our airports. As a sign of recognition to their tireless support and dedication, we joined the national applause for health workers on April 7th, which coincided with the international celebration of World Health Day.



World Environment Day

Faced with an uneventful year where most social events were put on hold, SCAA employees who were eager to participate in organizational activities were only able to join in two initiatives. Second was the World Environment Day on September 19th which involved cleaning a remote SCAA site at Mont Signal, on Mahé. As the environment is one of the organisation's core values, every year staff come up with new initiatives to clean one of the sites to commemorate this day. The Mont Signal site, with its natural beauty, peaceful atmosphere and amazing view was indeed the perfect venue to spend a day that pays tribute to the environment.



Events

International Civil Aviation Day

The third activity was that of International Civil Aviation day on December 7th. Once again, staff were determined to hike back up to the top of Mont Sebert, to hoist the ICAO flag. The Mont Sebert peak, which overlooks the Seychelles International Airport, was the same remote venue that our employees hoist the same flag in 2019 to commemorate the ICAO's 75th anniversary. On their way up, the enthusiastic hikers had to climb over hundreds of steps in the forest and use a rope to get to the summit not only to hoist the flag, but to admire the breath-taking view of the airport.

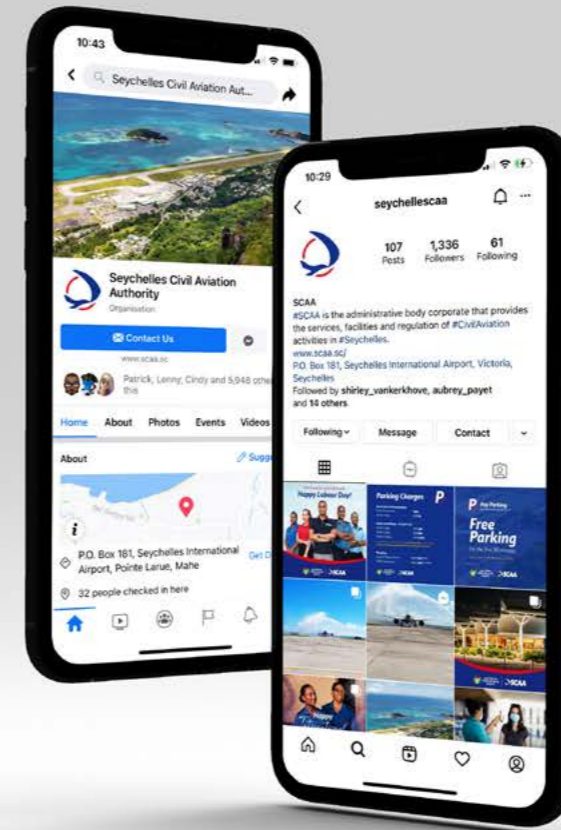


SCAA's staff choir

Still in the spirit of togetherness, this time at an unusually quiet airport - the SCAA's staff choir chose to bring some much-needed cheers on the concourse area to liven up the place as the festive season approached. Though the arrivals did not reflect that of previous years, the travelling public and the greeters including the airport staff appreciated the Christmas carols performance. The audience was particularly small but the applause was exceptional, giving us hope that this too shall pass.



Social Media



In 2020 the SCAA social media presence, notably our Facebook page, was instrumental in ensuring effective, factual and timely communication with our publics. Through times of uncertainty, the pages were used to update on; new health and safety driven measures at the Seychelles International Airport; daily flight schedules; media conferences in which information relating to the state of aviation, financial position and relief measures were announced. Such an initiative propelled our Facebook follower count to 5K followers, a record growth of over 2,500 followers.

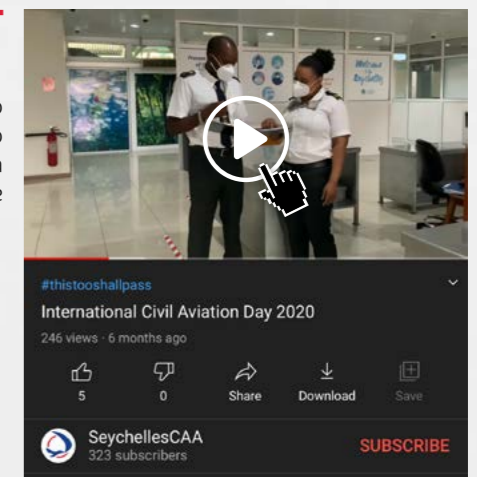
As a cost-effective and efficient means to disseminate information in real time, social media was used with great effect to drive the campaign to have Praslin Airport voted as the 'Most Scenic Airport on Approach', by Privatefly. Through active promotion and Facebook boost, Ile des Palmes Airport was ranked amongst the Top 10 Scenic Airports in the world for 2020. Social media was also the primary medium used to introduce and sensitize the public on the new Pay Parking facility at Seychelles International Airport.

-  5,336 likes
-  206 subscribers
-  1,153 followers
-  489 followers
-  270 subscribers



International Civil Aviation Day 2020

Responding to the interest and level of reaction of followers to video content, videos were created and shared at every opportunity, to maximize engagement. As part of the activities to mark ICAO Day 2020 a video involving stakeholders was produced to show our unity, resilience and commitment to aviation.



SCAA in Review

2020



International Women's Day, the Airport Fire and Rescue Services Office Manager Miss Marylin Marie and two Fire Service staff



Airport staff clap for health workers.



Empty parking bays at the Seychelles International Airport awaiting for the return of commercial aircraft.



Former President Mr. Danny Faure visiting the Seychelles International Airport before the opening of borders.

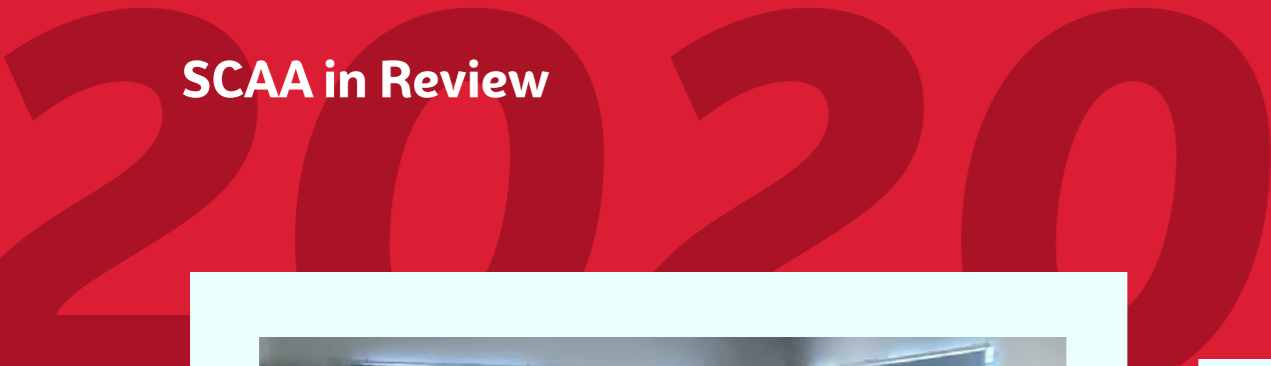


The Domestic Airport which used to be a busy area was so quiet during the partial lockdown as restaurants had to close down.



Maintenance at Ile des Palmes during closure of airport

SCAA in Review



Meeting stakeholders to consult with them on the way forward as the country prepares to re-open the Seychelles borders to commercial flights.



Adapting to the new normal at the Seychelles International Airport.



Emirates, first airline to return to Seychelles as the border re-opens in August.



Our staff participating in the measles vaccination campaign.



Its the season of giving. Staff participating in the blood drive.



The new Minister for Transport, Mr Antony Derjaques at the Seychelles International Airport for a site visit and meeting with the executive team.

SCAA Annual Report 2020

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