



6.9 Petro Seychelles Ltd. (Petro)

6.9.1 Strategic Overview

6.9.1.1 *Mandate*

- Petro Seychelles is responsible for supervising the Petroleum Operations in the EEZ and ensures that a regulatory and management regime is put in place by each Operator that:
- reflects the highest standards of International Oilfield Practice including a zero- discharge policy while petroleum operations including drilling, development and production are being carried out
- protects the health and human resources of all affected by the Petroleum Operations
- ensures the public safety
- ensures the preservation of the environment, pristine marine habitats and amenities of Seychelles
- ensures that Seychelles fishermen, tourism operators and others who depend on commercial operations within and without Seychelles waters are not disadvantaged

6.9.1.2 *Vision*

“A highly competent team running a thriving oil and gas industry, operating with due respect for the environment, other ocean users and benefiting every Seychellois for this generation and beyond”

6.9.1.3 *Mission*

“To facilitate, regulate and ultimately participate in the exploitation of oil and gas resources within the Seychelles EEZ while ensuring the proper management of all tangible and non- tangible resources.”

6.9.1.4 *Strategic Priorities for 2024-2026*

PetroSeychelles, in its role as an upstream oil and gas regulator, is committed to the pursuit of key strategic priorities that are directed towards the promotions of safe, responsible, and sustainable oil and gas exploration and production activities. This commitment is further reinforced by the need to remain responsive to the involving dynamics of the industry and the growing concerns of environmental sustainability. Looking ahead to the year 2024-2026, some of the key strategic priorities that will be pursued include:

1) To be recognised as a potential economic pillar

As part of PetroSeychelles’ strategy, the company will seek to influence the National Development Strategy to include hydrocarbon exploration as a topic of national interest and as a potentially important economic activity that could also help achieve energy security by providing a local supply of natural gas for electricity generation and also by helping the economy through the export of hydrocarbon products. This will be achieved by engaging stakeholders through educational campaigns that will help remove the negative narratives currently surrounding the oil and gas industry.

2) Prospectivity Development

The refinement of existing, and development of new play styles, leads and prospects, is key to improving the perceived prospectivity of the Seychelles EEZ. One of the key strategic priorities will be to continue to undertake in house data interpretation projects targeted towards achieving this.

3) Attract Investment:

Oil and gas exploration and exploitation is a very costly as well as specialised activity. Petro Seychelles will therefore need to attract investment from international oil and gas companies to fulfill its mandate. A robust promotion campaign will ensure that Seychelles remains visible to international oil and gas companies. Petro Seychelles will endeavor to get new petroleum agreements and exploration licenses signed during 2024 to 2026.

4) Reduce Regulatory Turnaround Time:

Securing and maintaining investment in the Upstream Sector is highly dependent on fast regulatory turnaround times. Currently the due diligence process on license applicants can take several months since Petro Seychelles relies on partners Financial Intelligence Unit and Attorney General's Office to vet the financial and legal standings of companies applying. Petro Seychelles will seek to find ways to reduce the turnaround time so that investments can be secured in a timely manner.

5) Staff Development

Staff development is a critical strategic priority for PetroSeychelles. Investing in the professional growth and capabilities of employees can have a significant positive impact on the company's effectiveness, adaptability, and long-term success. The human resources department will work closely with staff to identify training needs and professional development opportunities.

6) Environmental Protection:

During 2024 to 2026 PetroSeychelles will seek to bring the draft Environmental Protection (Offshore Exploration and Production) Regulations to enactment. This will help to implement stringent environmental standards and measures to mitigate potential negative impacts of drilling, production, and transportation activities on the environment.

7) Health and Safety:

PetroSeychelles will seek to bring the draft Seychelles Petroleum Mining (Health and Safety) Regulations to enactment. This will contribute towards the development, enforcement, and continual update of health and safety regulations to prevent accidents, protect workers, and minimize environmental incidents.

8) Data Management:

Development of data management strategies to handle the vast amounts of data and information generated by upstream activities, ensuring

integrity and accessibility. Transcribing and transferring data to modern media and standards will continue to ensure compatibility with industry standards.

9) Community and Stakeholder Engagement:

PetroSeychelles will foster open and transparent communication with local communities and all stakeholders, addressing concerns related to its activities in the EEZ. A stronger Social Media presence during 2024 to 2026 will also contribute towards this objective.

10) International Cooperation:

PetroSeychelles will continue to collaborate with international counterparts and organizations to share best practices, harmonize standards, and address any cross-border issues.

11) Formalise Geological Survey Role:

PetroSeychelles currently acts as the de-facto Geological Survey of Seychelles assisting Government with a wide gamut of geoscience related projects. PetroSeychelles will seek to formalize this arrangement by expanding its mandate to include such activities and securing a budget for the same through retainer fees or similar arrangements.

6.9.1.5 *Key Challenges*

The challenges facing PetroSeychelles as an upstream oil and gas regulator from 2024 to 2026 are multifaceted and will include the following:

1) Funding the Company:

The upstream sector in Seychelles is still in its exploration phase and as such the only income is through area rentals, license application fees, training and technical assistance funds from operators and the licensing of data. Currently, there are only two Petroleum Agreements in place and minimal income being generated. A key challenge for PetroSeychelles during 2024 to 2026 will therefore be to secure a reliable source of funding for the company.

2) Energy Transition to Renewables

Anthropogenic climate change, believed to be caused by man-made CO2 emissions from the burning of fossil fuels is driving the current energy transition from hydrocarbons to renewables. As a result, investment in oil and gas exploration projects has slowed down and some upstream companies are even diversifying into renewable energy production. Securing investment in the upstream sector is a real challenge which will only become more challenging in the coming years.

3) Geopolitical Dynamics:

Geopolitical dynamics have been shown to have a large effect on supply and demand of oil and gas products and thus on the costs. These fluctuations in oil price affect the balance sheet of international oil companies which in turn affect their ability to invest in new exploration projects. While PetroSeychelles does not have control on worldwide geopolitical forces, the company needs to be au fait with all such developments to be in a position to adjust its strategy as and when necessary to help mitigate any negative effects they may have on investment in the Seychelles upstream oil and gas sector.

4) Marine Spatial Plan:

While it is clear that a Marine Spatial Plan (MSP) can help ensure the sustainable usage of the Seychelles EEZ, there is a danger that prioritising environmental preservation over economic development could mean that potential prospective areas become out of bounds for oil and gas prospecting. This will be a hindrance for the upstream sector which requires surveys over large enough areas to better understand the geology and thus oil and gas potential of the EEZ. Furthermore, all activities will be controlled by Management Plans that are yet to be developed and the contents of which could impose operational limitations on PetroSeychelles.

5) Data Management:

Ensuring the secure and responsible management of the vast amounts of data generated by digital technologies and analytics in the upstream sector is and will remain a challenge for PetroSeychelles especially due to the unavailability of suitable digital media storage facilities locally.

6) Technology Adoption:

Technological development in the upstream sector occurs at a fast pace and keeping up with the latest technology requires adequate funding as well as training. This is a challenge that PetroSeychelles will face during the next three years. The company will thus need to be strategic in deciding which technology to adopt.

7) Community and Stakeholder Engagement:

Managing community concerns related to activities associated with upstream activities is a challenge that PetroSeychelles will need to proactively address to ensure smooth uninterrupted operations. Stakeholder consultations and involvement from project initiation stages and during implementation will help alleviate any concerns.

8) Reporting Obligations

Reporting obligations on State Owned Enterprises (SOEs) has increased recently. PetroSeychelles has a very small workforce and will face a real challenge meeting the reporting obligations. Increasing the workforce may also not be possible due to budgetary constraints.

6.9.2 Outlook of Financial Strategy

6.9.2.1 Projected Financial Position of PetroSeychelles

Description	SCR ('000)						
	2020	2021	2022	2023	2024	2025	2026
Non Current Assets	329	321	309	615	1,368	461	461
Property and equipment	328	321	307	560	1,351	426	426
Intangible asset	0	-	2	55	17	35	35
Current Assets	7,673	8,696	30,246	54,225	56,564	65,400	65,130
Trade and other receivables	33	49	25,405	36,814	36,485	41,752	41,481
Cash and cash equivalents	7,578	8,583	4,776	12,580	15,245	18,813	18,813
Other current financial assets	62	64	65	4,832	4,834	4,836	4,836
Total Assets	8,002	9,017	30,555	54,841	57,931	65,861	65,591
Equity	(21,721)	(28,952)	(10,848)	10,378	6,948	6,883	6,612
Share Capital	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Revenue deficit	(22,721)	(29,952)	(11,848)	9,378	5,948	5,883	5,612
Non Current liabilities	25,111	35,847	35,060	37,270	42,866	45,002	45,002
Shareholders loan	15,000	20,000	20,000	20,000	20,000	20,000	20,000
Retirement benefit obligations	484	531	600	1,012	1,149	1,285	1,285
Deferred Income	9,628	15,316	14,460	16,258	21,717	23,717	23,717
Current liabilities	4,612	2,122	6,343	7,192	8,117	13,976	13,976
Trade and other payables	336	458	562	458	433	764	764
Deferred Income	4,276	1,664	5,781	6,734	7,684	13,212	13,212
Total liabilities	29,724	37,968	41,403	44,462	50,983	58,978	58,978
Total Equity and Liabilities	8,002	9,017	30,555	54,841	57,931	65,861	65,591

6.9.2.2 Projected Statement of Comprehensive Income of PetroSeychelles

Description	SCR ('000)						
	2020	2021	2022	2023	2024	2025	2026
Revenue	2,877	2,945	3,804	29,786	6,054	9,429	9,429
Operating expenses	(1,534)	(1,387)	(1,551)	(3,971)	(4,409)	(4,416)	(4,502)
Gross profit	1,342	1,558	2,252	25,816	1,646	5,013	4,927
Other operating income	7,724	(8,862)	(997)	(2)	(2)	(2)	(2)
Administrative expenses	(2,921)	(5,866)	(3,114)	(4,837)	(5,324)	(5,327)	(5,445)
Allowance for credit impairment	(13,293)	5,934	-	-	-	-	-
Operating profit	(7,148)	(7,236)	(1,860)	20,977	(3,680)	(315)	(520)
Finance income	6	5	4	250	250	250	250
Profit/(Loss) for the year	(7,142)	(7,231)	(1,855)	21,227	(3,430)	(66)	(270)
Other comprehensive income							
Total comprehensive profit/(loss) for the year	(7,142)	(7,231)	(1,855)	21,227	(3,430)	(66)	(270)

6.9.2.3 Projected Cash flow Statement of Petro Seychelles

SCR ('000)

Description	Actual Figures			Provisional	Forecast		
	2020	2021	2022	2023	2024	2025	2026
Operating activities							
(Loss)/Profit for the year	(7,142)	(7,231)	(1,855)	21,227	(3,430)	(66)	(270)
<i>Adjustment for:</i>							
Exchange gains on cash and cash equivalents	-	-	-	-	-	-	-
Foreign exchange movement on trade and other receivable	(7,587)	1,008	-	-	-	-	-
Amounts released for deferred income	3,630	4,910	3,261	2,751	6,409	7,529	-
Interest earned	(6)	(5)	(4)	-	-	-	-
Depreciation of property and equipment	53	39	37	165	176	187	-
Amortisation	1	0	1	-	(38)	18	-
Change in provision for employee gratuity			23				
Change in provision for credit impairment							
Change in provision retirement benefit obligations	13,293	(5,934)	-	412	137	137	-
Bad debts	67	47	69				
Retirement benefits paid		3,093					
Income received from contracts							
	2,310	(4,072)	1,532	24,554	3,253	7,805	(270)
Gratuity Paid			(45)				
<i>Changes in working capital</i>							
Change in Trade and other receivables	(697)	(17)	(5,397)	(11,409)	329	(5,267)	270
Change in Trade and other payables	(156)	121	126	(103)	(25)	330	-
Net cash generated from operating activities	1,457	(3,967)	(3,784)	13,041	3,557	2,868	-
Investing Activities							
Cash flows from Investing activities							
Purchase of equipment	(28)	(31)	(26)	-	(400)	-	-
Purchase of intangible assets				(53)		(250)	(250)
Investment in financial assets				(5,184)	(5,492)	(4,050)	(4,750)
Proceeds from redemption of treasury bill				-	5,000	5,000	5,000
Interest received on staff loans	4	4	3	-	-	-	-
Net cash outflow from investing activities	(24)	(27)	(23)	(5,238)	(892)	700	-
Financing Activities							
Shareholders Loan	5,000	5,000	-	-	-	-	-
Movement in retained earnings							
Net cash provided by/(used in) Financing Activities	5,000	5,000	-	-	-	-	-
Net (decrease)/increase in cash and cash equivalents	6,433	1,005	(3,807)	7,804	2,665	3,568	-
<i>Movement in cash and cash equivalents</i>							
At Jan 1	1,145	7,578	8,583	4,776	12,580	15,245	18,813
Increase/ (Decrease) during the year	6,433	1,005	(3,807)	7,804	2,665	3,568	-
Exchange gains on cash and cash equivalents							
At Dec 31	7,578	8,583	4,776	12,580	15,245	18,813	18,813

6.9.2.4

Projected Capital Investment Plan of PetroSeychelles

SCR ('000)

Project Name	Project Purpose and Description	Expected Outcome of the Project	Total Estimated Project Cost	Source of Funds	Year of Project Commenced	Expected Completion Date	Actual Figures			Provisional	Forecast		
							2020	2021	2022		2024	2025	2026
Purchase of motor vehicle	To replace ageing company car.		400	Company budget	2024	2024				400			
-	-	-	-	-	-	-	-	-	-	-	-	-	

6.9.3

Projected TAX, Divided, Debt Payments, Subventions, Grants and Contingencies

6.9.3.1

Tax Implications by the Operations of PetroSeychelles

SCR ('000)

Type of Tax	Actual Figures			Provisional	Forecast		
	2020	2021	2022	2023	2024	2025	2026
Business Tax	-	-	-	-	-	-	-
PIT	416	419	418	613	615	647	679
VAT	-	-	-	-	-	-	-

6.9.3.2

Anticipated Dividend Declarations By PetroSeychelles

PetroSeychelles does not anticipate paying any dividends for the years 2024 to 2026. Upstream oil and gas projects do not normally generate any profit in the early stages of exploration. Such projects start generating considerable turnover after the production and marketing stages.

Although PetroSeychelles does not pay dividends, the company, in its role as the de-facto geological survey, contributes to the country in several areas including *inter alia* risk and disaster assessment and management, maritime boundaries delimitation, extended continental shelf claims, as well as the provision of geotechnical data to several departments and agencies.

6.9.3.3 *Debt Payments Forecasts By PetroSeychelles*

SCR ('000)

Lending Organisation	Description	Purpose of Borrowings	Total Debt Amount (Capital)	Total Borrowings and Debt Servicing							
				Actual Figures			Provisional		Forecast		
				2020	2021	2022	2023	2024	2025	2026	
Debt for Other PEs (Please Specify the Name of the PE)	Borrowings	-	-	-	-	-	-	-	-	-	-
	Interest for the Year	-	-	-	-	-	-	-	-	-	-
	Repayment of Capital	-	-	-	-	-	-	-	-	-	-
	Balance carried forward	To fund the running of the company	20,000	20,000	20,000	20,000	20,000,000	20,000	20,000	20,000	20,000
TOTAL			20,000	20,000	20,000	20,000	20,000,000	20,000	20,000	20,000	20,000

Following the splitting of Seyppec into Seyppec and PetroSeychelles in 2012, an agreement was reached whereby Seyppec would repay SCR 50,000,00 assets it had acquired from taking over PetroSeychelles in SCR 5,000,000 yearly installments over a period of ten years. Refusal by Seyppec to honour the agreement led to SSI offering a loan of SCR 20,000,000 to PetroSeychelles. The agreement for the loan was signed in 2018 but the agreement does not specify the repayment period nor the interest rate. This debt has therefore been including for complete disclosure.

6.9.3.4

Anticipated Subventions and Grants By PetroSeychelles

PetroSeychelles does not anticipate in obtaining any subventions or grants.

6.9.3.5

2.5.5 Contingencies of PetroSeychelles

PetroSeychelles does not anticipate any contingent liabilities

6.9.3.6

Assumptions used for the Financial Projections of PetroSeychelles

Assumptions on salaries

- All allowances were merged with Basic Salary as from April 2023
- A 5% increased has been added with the Basic Salary for the year 2024
- A 5% increased has been added with the Basic Salary for the year 2025
- A 5% increased has been added with the Basic Salary for the year 2026
- A forecast of 15% PIT has been added each year as from 2024 -2026
- PSC Performance will be increased by 5% in 2024

Assumptions on accommodation and utilities

It has been assumed that PetroSeychelles will continue to benefit from rent free accommodation inclusive of utilities at Seyppec House for the next three years.

Assumptions on agreements

It has been assumed that the debt owed by SSRL will be recovered and that onwards payment of dues will be timely.

It has also been assumed that the existing Adamantine agreement will continue without any relinquishment of Scheduled lands

It has been assumed that one additional petroleum agreement will be signed in 2025. This impacts on rental fees and education bonus.

6.9.4

KPIs, Risk Management Strategy and Reporting Obligations

6.9.4.1

Key Performance Indicators of PetroSeychelles

Title of Key Performance Indicators	Description	Achievements of KPIs						
		Actual Figures			Provisional	Forecast		
		2020	2021	2022	2023	2024	2025	2026
No. of Applications Received	The number of applications received will be a measure of the effectiveness of the promotional campaign	1	-	1	0	1	1	1
No. of agreements and licenses signed	The number of agreements signed will be a measure of the success of the promotion campaign as well as the prospectivity development exercise.	-	0	1	1	-	1	-
Regulatory Turnaround Time	The average time it takes to process permits, licenses, and approvals	12 months		6 months	30 days	30 days	30 days	30 days
Data Availability and Accessibility	The percentage of time data is available and accessible for authorized users.				95%	97%	98%	100%
Training Completion Rate	Percentage of employees who have successfully completed the required training and development programs within a specified timeframe.	100%	100%	50%	100%	100%	100%	100%

6.9.4.2

Risks and Resilience Plan of the PetroSeychelles

Risk Category		Potential Risks Identified		Risk Mitigation Strategies	
Strategic Risks		Energy Transition and Decarbonization Cyber Security		Put in place next-generation Sophos firewall	
Financial Risks		Budget Constraints		To diversify seeking new revenue streams	
Operational Risks		Workforce availability and competency Regulatory Oversight in Remote or Challenging Environments		Ensure timely training and employment of staff based on anticipated developments in the sector Conduct comprehensive risk assessment and ensure regular inspections and audits. Also ensure that a robust incident reporting system is in place.	
Compliance and Regulatory Risks		Non-Compliance by Industry Operators Resource constraints		Regular monitoring and enforcement coupled with severe penalties Ensure timely availability of budget and human resource to ensure effective monitoring and enforcement	
Environmental and Social Risks		Potential for oil spills, accidents, and breaches of environmental standards. Marine mammal disturbance Public Perception and Trust:		Stringent environmental legislations and EIA requirements. EIA plus soft start requirements for seismic surveys Community and Stakeholder Engagement	
PESTEL		-		-	

A comprehensive meaningful PESTEL analysis is an exercise which would require consultations on all the factors that would affect the external environment within which PetroSeychelles will operate. This would necessitate a considerable amount of time which the tight timeline for submitting the MTFS document does not allow for.

6.9.4.3

List of External Reporting's by the PetroSeychelles

Name/Title of the Report	Recipients of the Report	Description of the purpose, content and inclusion of the report	Frequency and Timing of the Report
EITI Report	EITI secretariat	To report on all funds collected from oil and gas companies.	yearly
PEMC quarterly financial report	PEMC	Quarterly financial statements	quarterly
PEMC annual operations report	PEMC	Documents the operations of the company for the year.	Yearly, due 3 months after year end.
Statement of corporate intent	PEMC	The Statement of Corporate Intent is a document that outlines the company's intentions, objectives, and strategic priorities.	Every three years.
Audited Financial Statements	PEMC, Dept of Finance	the financial statements of the organization that have been examined by a certified public accountant.	Yearly, due 3 months after year end

6.9.5 Stakeholder Engagement

6.9.5.1 *Statement by CEO*

I hereby reaffirm my unwavering commitment to PetroSeychelles' mission and objectives. As CEO, I understand the pivotal role that clear strategic direction, performance benchmarks, and resource optimisation play in our journey towards continued success. I am fully dedicated to aligning our efforts and resources to achieve the goals set by the Board of Directors.

Strategic Execution: We are steadfast in our dedication to executing the strategic directives set forth by the Board. We will prioritise the timely implementation of key initiatives, ensuring that each action plan is aligned with our long-term vision.

Opportunity Identification: We recognise the importance of identifying and seizing opportunities for enhancement. Our team will remain vigilant in scanning the external environment, anticipating industry trends, and proposing innovative solutions to capitalize on emerging opportunities.

Challenges as Catalysts for Growth: Challenges are an inevitable part of our journey. Rather than setbacks, we view them as catalysts for growth and continuous improvement. We commit to addressing prominent challenges head-on, fostering a culture of resilience, and learning from adversity.

Resource Optimisation: Optimizing resource allocation is central to our strategy. We will rigorously evaluate our resource utilization, directing investments where they can yield maximal gains and enhance our competitiveness. Efficiency and sustainability will guide our resource management decisions.

Key Performance Indicators (KPIs): The attainment of KPIs is a testament to our effectiveness. We pledge to establish, track, and achieve these performance benchmarks diligently. Regular performance assessments will guide our decision-making and ensure accountability at all levels.

Our commitment extends beyond mere words; it is reflected in our actions and outcomes. Together, we will steer our organisation toward greater heights, harnessing the collective talents, dedication, and innovation of our team.

I am deeply honored to lead this organisation, and I look forward to working collaboratively with the Board, management team, and all stakeholders in achieving our shared objectives.

6.9.5.2

Foreword by Chairperson

PetroSeychelles plays a critical role in the Seychelles upstream petroleum industry, which is an integral part of the global energy landscape. The Seychelles government established the Seychelles National Oil Company (SNOC) in 1984 and later founded the Seychelles Petroleum Company (SEYPEC) as a subsidiary of SNOC. The SEYPEC absorbed all of SNOC's workforce and took over its duties, recognizing that the upstream industry does not generate significant income during the early stages of exploration. In 2012, the government formed PetroSeychelles to oversee regulatory responsibilities and upstream activities following SEYPEC's investments in two Seychelles-based companies, Afren and Ophir.

PetroSeychelles is more than just a corporation; it is a testament to the determination and ingenuity of a small group of employees who strive to harness nature's power while preserving its delicate balance. The Board of Directors is committed to advancing the strategic priorities outlined in the Medium-Term Financial Strategy (MTFS) for 2024-2026. As the Chairperson, I will spearhead the following priorities, including formalising the arrangement for geological survey and geotechnical concerns, such as mass movement, coastal zone management, and maritime boundary delimitation. I also pledge to attract new investment to Seychelles' upstream sector as the industry emerges from its slump, realising that the company's revenue is not robust because it depends on money from exploratory operations such as area rentals and educational bonuses. These are aligned with the Minister's performance target for the Board.

The Board remains committed to diversifying the economy by promoting hydrocarbon exploration while being mindful of environmental and socio-economic implications. The future trajectory of PetroSeychelles is contingent upon the outcome of exploration efforts and directives from the Government regarding hydro-carbon exploration and exploitation. In the event that commercial hydrocarbons are discovered, the company will expand swiftly to hire specialised skills like geoscientists and petroleum engineers. This aligns with our mission statement, aiming to have "a highly competent team running a booming oil and gas industry operating with due respect for the environment, benefiting every Seychellois for this generation and beyond."

Petroleum exploration in Seychelles is a complex and multifaceted issue that is influenced by various economic, environmental, social, and cultural factors. It is a subject that is constantly debated and can evolve over time as new information becomes available and societal values change. With technological advancements, modern exploration practices are becoming more environmentally responsible and the potential for petroleum exploration to become a significant contributor to the economy is increasing. Many view petroleum exploration as crucial for national or regional energy security, arguing that relying on domestic sources of oil can reduce dependence on foreign oil imports, which may be subject to geopolitical tensions.

PetroSeychelles has contributed to the Seychelles economy through Corporate Social Responsibility (CSR) donations received from oil companies as part of the petroleum agreements. Although PetroSeychelles has not directly contributed through dividends and business taxes, it has financed some significant projects. These include the construction of the National Library, providing financial support for the Seychelles-hosted Indian Ocean Games, installing photovoltaic power on Arid Island, building a pesticide warehouse on Praslin, and restoring the school for exceptional children, and donating a specialized bus with a wheelchair lift to the Victoria Hospital. Additionally, PetroSeychelles has collaborated with Mauritius in efforts towards extended shelf delimitations. As a result, Seychelles and Mauritius have claimed an additional 400,000 square kilometers of seabed, this achievement could potentially provide significant revenue for both nations through commercial activities.

I encourage you to delve into the details of this report, which not only presents our financial outlook but also articulates our strategy for mitigating risks and seizing opportunities in the years ahead. By doing so, you will gain a deeper understanding of

our dedication to responsible fiscal planning and stewardship as we are taking steps to ensure the sustainability and growth of PetroSeychelles.

I would like to extend my appreciation to the Board of Directors, the Management Team and Staff, and all stakeholders for their ongoing support, contributions, and unwavering dedication to sound financial management to chart a financially secure and prosperous course for our organisation.

6.9.5.3

Statement by the Responsible Minister

In my capacity as the Minister responsible for supervising PetroSeychelles, I am firmly committed to advancing the strategic priorities outlined in the Medium-Term Financial Strategy (MTFS) for the period of 2024-2026.

Our foremost objective is to actively advocate for the inclusion of hydrocarbon exploration in the National Development Strategy, emphasizing its critical role in enhancing economic diversification and energy security. Through extensive stakeholder engagement, educational initiatives, paving the way for its acceptance and integration into our national interests.

Additionally, we are resolute in our pursuit of enhancing the prospects of the Seychelles Exclusive Economic Zone (EEZ). By refining existing and developing new leads and prospects, we aim to attract international investment, ensuring the sustainable growth of our upstream sector. PetroSeychelles will actively engage in in-house data interpretation projects to bolster our geological understanding, facilitating a conducive environment for potential investors.

Environmental protection and health and safety standards are non-negotiable aspects of our strategic vision. We will actively work towards enacting stringent regulations that mitigate environmental impacts and protect the well-being of our workforce. Moreover, efficient data management strategies will be developed, ensuring the integrity and accessibility of information generated by upstream activities. These efforts will align PetroSeychelles with global industry standards, promoting seamless collaboration and enhancing our international reputation.

Community and stakeholder engagement will remain a top priority, fostering transparent communication and addressing concerns related to PetroSeychelles' activities. A robust social media presence will be established to facilitate open dialogue and build public trust.

Furthermore, we are dedicated to strengthening our international partnerships, collaborating with counterparts and organizations to share best practices, harmonize standards, and address cross-border challenges. Additionally, PetroSeychelles will formalize its role as the Official Geological Surveyor of Seychelles, expanding its mandate to support various geoscience projects vital for our national development.

In conclusion, this strategic roadmap outlined within the MTFS underscores the seamless integration of government and national priorities within PetroSeychelles. It reflects my steadfast commitment to the National Assembly and the Government, outlining clear expectations and policy directives. Together, we will drive PetroSeychelles towards a future defined by sustainable growth, responsible practices, and enduring success for our beloved Seychelles.