



1. Seychelles Public Transport Corporation (SPTC)

1.1.Strategic Overview

1.1.1.Mandate

Established in December 1977 as a body corporate under the Seychelles Public Transport Corporation Decree, CAP 221, the primary function of the Seychelles Public Transport Corporation (SPTC) is: “the corporation shall exercise its powers so as to provide, or secure or promote the provision of an efficient, adequate, and economical system of public transport within Seychelles for the general public, consistent with a reasonable and adequate level of fares being charged” Section 15 (1).

SPTC is fully owned by the Seychelles’ Government. The SPTC’s public bus service operates everyday: 7 days a week 5:10 AM with last bus leaving the terminal at 7:00 PM from Monday to Saturday and at 6.30pm on Sunday on Mahe. On Praslin bus services is from 5.50am to 7.30pm.

In the pursuit of financial independence from government subvention, SPTC has diversified into additional services: Marketing: Advertise on travel cards, billboards and pillars of the Terminals, buses, PA system, website, mobile App and branded products as SPTC taps into most of the country’s commuters. Mechanical: Full maintenance and breakdown services to the general public.

1.1.2.Vision

“To operate a modern and sustainable public transport system that furthers the development and aspirations of our country.”

1.1.3.Mission

To be a proud public transport operator that embraces innovation in the industry supported by modern and robust infrastructure. Enhance customers travel experience through the provision of a safe, reliable and effective service. Capacity building, development and empowerment of our most valuable asset; our people. To operate a sustainable business, availing of adequate resources so as to ensure self-sufficiency. Develop an organizational culture of engagement, professionalism and commitment. Engage all partners and stakeholders through meaningful and effective communication. Socially responsible and environmentally friendly publictransport operator.

1.1.4.Strategic Priorities for 2025-2027

SPTC is operating in line with its Sector Strategic Plan 2021-2025 which is now being updated up until 2028. Focus of this plan revolves around 4 main Strategic Choice as follows;

Strategic Choice 1: Infrastructure rehabilitation and modernization of facilities for effective and safe operation.

Strategic Choice 2: Unsatisfactory service delivery and customer travel experiences.

Strategic Choice 3: Identify and take measures to address issues affecting operations and people performance in SPTC.

Strategic Choice 4: Fiscal Risk management and performance of the corporation to create sustainable financial growth and independence.

For the period 2024-2026 focus will be on the following;

Strategic Choice 1: Infrastructure rehabilitation and modernization of facilities for effective and safe operation.

- 1) Construction of new bus depot on ILE Eve, Praslin;
- 2) Construction of added facilities on our depot at Barbaron;
- 3) Construction of Expatriate staff House;
- 4) Construction of driver's rest room at Port Launay;
- 5) Expansion of Baie Lazare Bus Depot;
- 6) Maintain and Upgrade bus fleet;
- 7) Install CCTV on Buses; and
- 8) Update the Accident and Emergency Response including disaster plan
- 9) Transport House

Strategic Choice 2: Unsatisfactory service delivery and customer travel experiences.

- 1) Customer Service Re-Branding;
- 2) Adopt Customer Centric Approach of service delivery;
- 3) Develop/Adopt/implement Digitalisation work flow process & Paperless programme;
- 4) Setting standard by KPI and implementing result base management; and
- 5) Implement modern passenger Information System (Onboard, Terminal and or Main Bus Stops).

Strategic Choice 3: Identify and take measures to address issues affecting operations and people performance in SPTC.

Improve the internal management, control and people performance at all levels of SPTC.

- 1) Undertake review and streamlining of the organization structure to remove bureaucracy, inefficiency and redundant posts and functions;
- 2) Provide technical training and leadership training and programmes to SPTC's staff to address identified development gaps, needs and skills shortages;
- 3) Develop a succession plan; and
- 4) Train and strengthen the role of the Inspector Team or opt for the privatization of this function for more effective inspection and control.

Strategic Choice 4: Fiscal Risk management and performance of the corporation to create sustainable financial growth and independence.

- 1) Prepare a Commercialization Plan per department so as to focus on generating additional revenue;
- 2) Develop a Business Plan for the corporation focusing on both medium term as well as long term plans;
- 3) Develop a Funding Plan with clear funding strategies including other potential sources of revenue from its operations;
- 4) Assess the effectiveness of the procurement plan and project management framework established to ensure more effective capital expenditure and implementation of capital projects;
- 5) Invest in renewable energy systems like solar panels across SPTC through Public Private Partnership;
- 6) Review bus fares to align with market value or seek compensation for the difference in bus fare set by the government and the true economic tariff calculated; and
- 7) Seek to expand space for business within the existing SPTC Depots, terminal and infrastructure to boost income.

1.1.5.Key Challenges

Challenges	Description
Ageing workforce especially driver groups.	Large percentage of our drivers are in the upper age group and the Corporation had to resolve in employing expatriate drivers.
Inadequate Talents & Skills.	
Appealing salary packages.	Inability to pay competitive salaries
Financing	Unable to implement projects as per actual requirement so as to improve and maintain infrastructures, fleet as well as required technologies.
Organization culture	General tendency is not geared towards efficiency and cost savings.
Accelerated depreciation to fleet due to saline.	The aesthetics of our fleet as well as other mechanical components gets affected more than factory standards.
Ticket Fair price control by GoS and the inability of SPTC to adjust to real price according to changes in market conditions.	Rising cost and same revenue level which could result in cash flow issues
Road conditions including lack of safe turning points.	Unable to deliver good services to our commuters
Increased Traffic congestions.	Enhanced delays in our service delivery
Customer increased expectations.	Unable to maintain with the global trend which also impact our customers' expectations
Geographical locations of infrastructures/set-ups	Bus depots are spread across Mahe and Praslin making it difficult for effective management
Topography hence limiting type of buses and or buses to cater for special needs.	Unable to meet certain specific needs such as for the elders as well as people with disabilities

1.1.6. Outlook of Financial Strategy

1.1.6.1. Projected Financial Position of Seychelles Public Transport Corporation

SCR ('000)

Description	Actual Figures			Provisional	Forecast		
	2021	2022	2023	2024	2025	2026	2027
ASSETS							
Non-current asset							
Property and equipment	81,373	71,203	97,554	190,853	218,999	234,545	248,691
Current assets							
Inventories	21,590	24,368	26,152	14,768	15,985	17,473	19,224
Investment in financial assets	16,088	16,023	16,167	-	-	-	-
Trade and Other receivables	6,462	8,437	16,001	10,434	9,109	8,481	8,181
Cash and Cash equivalents	7,135	22,076	14,686	(11,219)	(23,067)	(40,812)	(56,316)
	51,275	70,903	73,007	13,983	2,027	(14,857)	(28,911)
Total assets	132,648	142,106	170,561	204,836	221,026	219,688	219,781
RESERVES AND LIABILITIES							
Reserves							
Capital grants	71,970	60,347	80,968	206,777	255,377	291,377	325,977
Retained earnings	17,587	40,724	44,359	(51,343)	(83,513)	(118,706)	(152,820)
	89,557	101,071	125,327	155,434	171,864	172,671	173,156
LIABILITIES							
Non-current liability							
Retirement Benefit Obligations	29,858	27,462	30,323	28,041	28,623	28,623	28,623
CURRENT LIABILITIES							
Bank Overdraft	-	-	-	-	-	-	-
Trade and Other Payables	13,233	13,574	14,911	21,361	20,540	18,394	18,002
	13,233	13,574	14,911	21,361	20,540	18,394	18,002
Total Liabilities	43,091	41,035	45,234	49,402	49,162	47,017	46,624
Total Reserves and Liabilities	132,648	142,106	170,561	204,836	221,026	219,688	219,781

1.1.6.2. *Projected Statement of Comprehensive Income of Seychelles Public Transport Corporation*

SCR ('000)

Description	Actual Figures			Provisional	Forecast		
	2021	2022	2023	2024	2025	2026	2027
Revenue	103,447	175,454	189,793	183,202	180,927	182,728	184,548
Operating expenses	(50,287)	(57,847)	(54,368)	(53,857)	(53,615)	(55,510)	(56,218)
Operating profit	53,161	117,607	135,424	129,345	127,312	127,219	128,330
Administrative expenses	(127,043)	(128,550)	(138,636)	(176,634)	(162,030)	(165,151)	(165,441)
Charge for allowance for credit losses	(1,676)	1,120	(4,068)	-	-	-	-
Interest income – banks	412	126	186	-	-	-	-
Other income	72,652	29,147	10,713	2,508	2,548	2,739	2,996
Profit / (Loss) before foreign exchange movement	(2,494)	19,449	3,620	(44,781)	(32,170)	(35,193)	(34,115)
Foreign exchange movements	(1,201)	3,688	15	-	-	-	-
Profit / (Loss) for the year	(3,694)	23,136	3,635	(44,781)	(32,170)	(35,193)	(34,115)
Other comprehensive income:							
Grant received during the year	1,955	3,176	39,990	-	-	-	-
Release to statement of profit or loss				-	-	-	-
- Depreciation charge and assets scrapped	(14,959)	(14,799)	(19,369)	-	-	-	-
Total other comprehensive expense for the year	(13,004)	(11,623)	20,621	-	-	-	-
Total comprehensive (income) / expense for the year	(16,698)	11,513	24,256	(44,781)	(32,170)	(35,193)	(34,115)

1.1.6.3. Projected Cash flow Statement of Seychelles Public Transport Corporation

SCR ('000)

Description	Actual Figures			Provisional	Forecast		
	2021	2022	2023	2024	2025	2026	2027
Cash flows from operating activities							
(Profit / (Loss) for the year	(3,694)	23,136	3,635	(44,781)	(32,170)	(35,193)	(34,115)
Adjustments for:							
Depreciation on property and equipment	17,459	16,561	20,281	18,300	20,454	20,454	20,454
Purchase of property and equipment through capital grant	(1,955)	(3,228)	(39,990)	(98,435)	(48,600)	(36,000)	(34,600)
Exchange movement on financial assets	903	78	(10)	-	-	-	-
Accrued interest	(54)	(35)	(131)	-	-	-	-
Charge of provision for credit impairment	1,676	(1,120)	4,068	-	-	-	-
Write off	-	61	-	-	-	-	-
Release of depreciation charge	(14,959)	(14,799)	(19,369)	-	-	-	-
Grants related to assets received	1,955	3,228	39,990	98,435	48,600	36,000	34,600
Charge for retirement benefit obligations	4,506	3,022	5,733	4,823	582	-	-
(Gain) / loss on sale of motor vehicle	-	(302)	(63)	-	-	-	-
	5,837	26,551	14,144	(21,658)	(11,134)	(14,739)	(13,661)
Changes in working capital							
- Decrease / (Increase) in inventories	1,626	(2,778)	(1,785)	3,857	(1,217)	(1,488)	(1,752)
- Decrease / (Increase) in trade and other receivables	(1,866)	(855)	(11,632)	(1,300)	1,325	628	300
- Increase / (Decrease) in trade and other payables	(3,438)	341	1,337	5,000	(822)	(2,145)	(393)
	2,159	23,258	2,064	(14,101)	(11,848)	(17,745)	(15,505)
Retirement benefit obligation paid	(4,713)	(5,418)	(2,872)	(6,639)			
Net cash inflow / (outflow) from operating activities	(2,554)	17,840	(807)	(20,740)	(11,848)	(17,745)	(15,505)
Cash flow from investing activities							
Purchase of property and equipment	(2,326)	(3,275)	(6,859)	(98,435)	(48,600)	(36,000)	(34,600)
Proceeds from sale of motor vehicle	-	353	281	-	-	-	-
Refund on Work in Progress	216	-	-	-	-	-	-
Purchase of investment in financial assets	(217)	(32)	(23,639)	-	-	-	-
Proceeds from redemption of investment in financial assets	6,149	54	23,636	15,945	-	-	-
Net cash inflow / (outflow) from investing activities	3,822	(2,900)	(6,582)	(82,490)	(48,600)	(36,000)	(34,600)
Cash flow from investing activities							
Capital grant received	-	-	-	98,435	48,600	36,000	34,600
Net cash inflow / (outflow) from operating activities	-	-	-	98,435	48,600	36,000	34,600
Net increase / (Decrease) in cash and cash equivalents	1,268	14,940	(7,389)	(4,795)	(11,848)	(17,745)	(15,505)
Movement in cash and cash equivalents							
At January 1,	5,867	7,135	22,076	(6,424)	(11,219)	(23,067)	(40,812)
Increase / (Decrease) during the year	1,268	14,940	(7,389)	(4,795)	(11,848)	(17,745)	(15,505)
At December 31	7,135	22,076	14,686	(11,219)	(23,067)	(40,812)	(56,316)

1.1.6.4. Projected Capital Investment Plan of Seychelles Public Transport Corporation

SCR ('000)														
Project Name	Project Purpose and Description	Expected Outcome of the Project	Total Estimated Project Cost	Source of Finds	Year of Project Commenced	Exnected Completion Date	Actual Figures			Provisional	Forecast			Anticipated Risks
							2021	2022	2023	2024	2025	2026	2027	
Major Capital Investments														
Vehicles/Buses	Govt	Details Not Provided	Details Not Provided	Details Not Provided	Details Not Provided	Details Not Provided	-	-	33,263	25,500	34,800	26,100	26,100	Details not provided
Workshop Infrastructure Upgrade	Govt						332	-	-	3,650	-	-	-	
Special Tools & Equipments	Govt						-	110	-	1,500	-	-	-	
Integrated Operational Software	Govt						-	-	-	-	-	-	-	
IT infrastructures	Govt						-	122	440	-	-	-	-	
Computer / Accessories	Govt						-	-	-	275	-	-	-	
IT equipments	Govt								1,617	1,850	-	-	-	
ITS development	Govt						-	-	-	2,190	-	-	-	
Building infrastructure / Expansion	Govt						-	-	-	40,000	10,600	9,500	8,500	
Building infrastructure/ Renovation	Govt						1,623	48	181	9,800	-	-	-	
Install CCTV on SPTC premises	Govt						-	-	1,206	-	-	-	-	
TMU Machines for new buses	Govt						-	2,804	3,283	-	-	-	-	
TMU Machines for new buses	Govt						-	-	-	-	-	-	-	
TMU Machines for new buses	Govt						-	-	-	2,000	-	-	-	
POS Machines	Govt						-	-	-	200	-	-	-	
Destination Boards / Tools	Govt						-	-	-	970	1,000	-	-	
ERP System	Govt						-	-	-	1,500	-	-	-	
Development of Praslin depot (Ile Eve)	Govt						-	-	-	2,000	-	-	-	
Barbarons	Govt						-	-	-	2,000	-	-	-	
Baie Lazare depot	Govt						-	-	-	2,500	-	-	-	
Ile Du Port Depot infrastructure	Govt						-	-	-	2,000	-	-	-	
Other depots	Govt						-	-	-	500	-	-	-	
Changing (Victoria/Anse aux Pins)	Govt						-	-	-	-	-	-	-	
Buses	Indian Grant						-	-	-	-	-	-	-	
Admin vehicles	Govt						-	-	-	-	1,200	400	-	
Admin Infrastructure upgrade	Govt						-	-	-	-	1,000	-	-	
TOTAL												1,955	3,228	

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

1.1.7.1. Tax Implications by the Operations of Seychelles Public Transport Corporation

SCR ('000)								
Type of Tax	Actual Figures			Provisional	Forecast			Anticipated Risks
	2021	2022	2023	2024	2025	2026	2027	
Business Tax	STC does not anticipate any Business tax in the medium term							Details Not provided
PIT	5,614	6,072	4,318	7,158	7,342	7,545	7,545	
VAT	STC does not anticipate any VAT in the medium term							
Etc..								

1.1.7.2. Anticipated Dividend Declarations By Seychelles Public Transport Corporation

SPTC does not anticipate in declaring any dividend

1.1.7.3. Debt Payments Forecasts By Seychelles Public Transport Corporation

SPTC does not anticipate any debt obligations.

1.1.7.4. Anticipated Subventions and Grants By Seychelles Public Transport Corporation

SCR ('000)										
Nature of Funding	Funding Agency	Purpose	Agreed Amount (Forex)	Total Receipts of Subventions and Grants						
				Actual Figures			Provisional		Forecast	
				2021	2022	2023	2024	2025	2026	2027
Subventions	Government	Details not Provided		70,000	26,000	8,138	44,000	32,000	35,100	32,100
	IMF	-	-	-	-	-	-	-	-	-
	ADB	-	-	-	-	-	-	-	-	-
	EU, etc	-	-	-	-	-	-	-	-	-
Grants	Government	Details not provided		1,955	3,228	25,470	98,435	48,600	36,000	34,600
	IMF	-	-	-	-	-	-	-	-	-
	ADB	-	-	-	-	-	-	-	-	-
	EU, etc	-	-	-	-	-	-	-	-	-
TOTAL		-	-	71,955	29,228	33,608	142,435	80,600	71,100	66,700

1.1.7.5. Contingencies of Seychelles Public Transport Corporation

SPTC does not anticipate any contingent liabilities

1.1.7.6. Assumptions used for the Financial Projections of Seychelles Public Transport Corporation

Financial Statement Assumptions

Revenue Assumptions

1. Pax ranged between 53,000 to 55,000 pax per day, is forecasted using historical data incorporating seasonal trends and including cashless projections. This range is expected to be constant for the budgeting period.
2. Since SPTC went 100% cashless, leakage recovery 3% to 5% expected.
3. cashless ticket fare SR 10/- is used in revenue predictions and different rates are applied for special categories.

4. Special Hires / Rental income / Advertisements are predicted based on contracts and renewal expectancies.

Cost Assumptions

1. Operating expenses mainly includes direct running costs of bus schedules, such as Fuel, Tyre, Lubricants, spare parts and consumables, predicted based on scheduled running KMs and consumption averages.
2. Administrative expenses mainly include Salaries & wages, predicted based on staff budget, scheme of services, average salaries, costs of increment plans.
3. The operational maintenance related expenses are predicted based on forecasted operational levels mainly derived from divisional budgets.
4. The operational requirements of existing service levels such as adequacy of insurance cover, security services etc. are considered for the predictions of incremental costs and add-ons of service contracts.
5. General price inflations are predicted to be 2.5% per year. This assumption affects cost projections of fuel, Tyres, Lubricants, spare parts, Salaries & wages, raw materials, stores, service charges and utilities etc.
6. Provision of Retirement Benefit Obligations are derived from Compensation scheme formulated by Human Resource according to the Government circulars.

CAPEX

1. CAPEX includes Technical, IT, Corporate and operational requirements such as infrastructure upgrades, fleet replacement, Depot expansion programs, Property renovations and special tool requirements etc. Derived from divisional budgets, assessed and approved by the Management and Board.
2. The 95% of capex finances are expected to flow from Government Grants

WORKING CAPITAL ASSUMPTIONS

1. Average Inventories holdings are expected to be increased between 7% to 9%. This is due to increase in spare parts for new fleets and existing fleets.
2. Average Trade receivables are expected to reduce between 13% - 22% due to shortened credit periods.
3. Average Trade payables are expected to decline between 4% to 16%.
4. The accumulating Cash & Equivalent shortfall of 2025 to 2027 are expected to be funded through subvention.

1.1.8. KPIs, Risk Management Strategy and Reporting Obligations

1.1.8.1. Key Performance Indicators of the SPTC

Title of Key Performance Indicators	Description	Achievements of KPIs						
		Actual Figures			Provisional	Forecast		
		2021	2022	2023	2024	2025	2026	2027
Operated KM		5,479,926	5,982,602	5,400,000	5,868,000	5,928,000	5,988,000	5,988,000
Operated Trips		-	-	462,300	462,300	462,300	462,300	462,300
PAX per KM		2	2	2	3	3	3	3
Cost Per KM		35	35	31	34	34	35	35
Fuel Consumption		2,512,228	2,701,649	2,347,826	2,819,852	2,848,684	2,877,517	2,877,517

1.1.8.2. *Risks and Resilience Plan of the Seychelles Public Transport Corporation*

Risk Category	Potential Risks Identified	Risk Mitigation Strategies
Strategic Risks	Infrastructure developments delayed or not undertaken, altogether	Legal contracts and Insurance policies for the construction
Financial Risks	Unanticipated financial losses and major fiscal risk to SPTC	Financial and fiscal risks assessment framework
		Periodic revisions in Management meetings
		Enhanced Risk reporting and monitoring strategies
Operational Risks	Proposed revenue generating activities are not carried out as planned	Define financial targets
		Devise and assess alternative plans
		Promote a diversified market research
Environmental and Social Risks	Traditional organization culture and change averse workforce	Training on value creating activities
		Enhance employee performance metrics
		Promote team works

1.1.8.3. *List of External Reporting's by the Seychelles Public Transport Corporation*

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
Audited Financial Report	Board of Directors/Parent Ministry/M.O.F/PEMC	This report provides an opinion on the accuracy, completeness, and fairness of the FS. As well as the adequacy of internal controls and compliance with accounting standards and regulations	Per annum – (beginning of 2 nd quarter)
Annual Report	Board of Directors/Parent Ministry/M.O.F/PEMC	This report provides an overview of the main activities of the Corporation during the year as well as its achievements	Per annum – (beginning of 2 nd quarter)
Access To Information Annual Report	Information Commission	Summary of Information Request received during the respective year	Per annum – (beginning of 2 nd quarter)

1.1.9. Stakeholder Engagement

1.1.9.1. Statement by CEO

SPTC is driven by its strategic plan that is established by the Board of Directors. The plan is adopted over a five-year period and at the beginning of each year an operational plan is prepared in line with the 5-year strategic plan. It lists all objectives to be achieved for the respective year and each department is given specific objectives under the responsibility of its Head of Department.

This set up ensures that the Corporation's strategic plan is translated across each and every single person in the organization and even more so now, with the successful implementation of the Result Based Management system which we have adopted in 2023.

We have well aligned our work efforts towards achieving both short and long term objectives of the Corporation. While we make headways in improving our service delivery, we face numerous challenges both financial as well as non-financials. With the spectrum of skills sets across our Executive team we address these challenges head-on and implement mitigation strategies as well as engage key stakeholders to partake in achieving common goals. Given the nature of our service achieving such common goals are indeed of national interest.

We made a bold move in 2023 to go 'cashless' on our buses and this is paving the way for more exciting modernization as well as digitalization across the Corporation's work processes. While this move is having a positive impact on our cash takings we also have an array of opportunities which we remain committed to exploit for the benefit of the Corporation.

We are putting together our business plan that is meant to put into perspective all opportunities we are to capitalize upon as well as highlight key areas for improvement especially in terms of cost reduction and or enhanced productivity.

Despite the COVID pandemic our milestone achievements of our strategic plan is remarkable all thanks to the hard work and devotion of our team. We remain engaged to achieve fully all the plans of the Corporation.

Mr. Geffy Zialor
Chief executive Officer

1.1.9.2. Foreword by Chairperson

“Touzour La” is the motto we had adopted to celebrate 45 years of operations of service in December 2022. This moto is a reminder to all our staff as well as our stakeholders on the role SPTC has been playing in the economy since its creation in 1977. With a clear mandate of providing or secure or promote the provision of an efficient, adequate and economical system of public transportation within Seychelles, this very same moto “Touzour La” is also a commitment we make to the nation at large of our service delivery.

It is therefore not a coincident that our 5-year sector strategic plan of 2021-2025 has placed massive emphasis on the general enhancement of service delivery as the ultimate goal. This will remain a focus in our revised plan of 2024-2028.

While our economy experience continued growth, our commuters increasingly requires that our transport infrastructure and facilities are expanded and modernized so that we can continue not only to fulfill our mandate but also to address their evolving needs. We are vital in the socio-economic development of our country and we are not only proud of the prospect we have to our country but we remain unbending in fulfilling our role.

For this very reason, key strategies to be reiterated in our updated sector strategic plan 2024-2028, will cover the following areas;

- To improve the business environment and operation through modern infrastructure and facilities
- To improve customer service delivery in SPTC
- To improve travel experiences of people using the SPTC services and facilities
- To improve the internal management, control and people performance at all levels of SPTC
- To strengthen financial and fiscal risk management and reporting
- To have a more commercially oriented, as well as efficient and cost-effective operation that creates more returns and values for its shareholder.

The CEO of the Corporation with the support of its Executive team will be tasked to implement specific and target projects that will be geared towards the attainment of these key strategies, to ensure that SPTC achieve its vision which is **“To operate a modern and sustainable public transport system that furthers the development and aspirations of our country”**

This Medium Term plan will be an extract from our 5-year strategic plan and will inherently therefore have the Board of Directors Oversight.

Mr. Andy Moncherry
Chairperson SPTC