

STATE OF THE NATION ADDRESS

by President James Alix Michel

Mr Speaker,
President Mancham,
Vice-President,
Chief Justice,
President of the Court of Appeal,
Designated Minister,
Ministers,
Honourable Leader of Government,
Honourable Leader of the Opposition,
Honourable Members of the National Assembly
Excellencies,
Distinguished guests,
Dear people of Seychelles,

Many hands are needed to continue preparing the future of our nation. Building the future of our nation is demanding. Each one of us, in his or her own way, has given a helping hand in preparing for the future. We've done it for our families, for our communities, for our motherland. We've done it with a burst of determination, national unity and solidarity. Because our future depends on our individual and collective actions. It depends on our hard work. And the New Seychelles depends on us.

The review of 2012 show that we have made progress despite certain constraints and difficulties. Our hard work has borne results. It makes us proud. It brings us honour. This gives me confidence in the new year that we have just started. My optimism is strengthened by the Report on the 2010 Census. Statistics from the census are impressive. Statistics show, for example, that the literacy rate is 92.7%; 97% of homes have access to electricity and 93% of homes have access to treated water; 70% of people owned their houses; 90% of homes had mobile phones; 94.6% had television ... There are many other important items of information in the census report and I hope the media will sensitize people to its contents.

My optimism about the future of Seychelles also rests on our fundamental values. We are a compassionate people. And this is our strength. This sense of compassion, solidarity, and generosity was manifested in all its energy and greatness recently when we were hit by a major tropical storm. We saw neighbours helping neighbours. People were offering their support without being asked. People sharing what they had with those who were affected. The devotion and professionalism of the emergency services ... People came from far away, from other districts, to help their fellow Seychellois. "Today Pointe Larue has been struck by misfortune. Tomorrow it could be my district which is affected," one volunteer explained. Another said: "I am doing it for Seychelles." All of this was touching and moving.

I take this opportunity to express my gratitude to all the people who offered their assistance, for their efforts, compassion and solidarity during this moment of disaster. These are the human qualities that we must continually cultivate and strengthen. Our future rests on them. The future of the New Seychelles depends on all that is good in the hearts and minds of its children.

At the same time we have to establish and respect our priorities. We cannot have everything at the same time. We have to work for the basics in our daily lives; the rest will come after. And we have to work hard because hard work brings reward.

It is the same for government. Government must also work hard. It has to remain connected with the people. It has to establish its priorities. And we have established our priorities; and these are (1) a solid economy; (2) work for all; (3) decent housing for Seychellois; (4) education; (5) health; (6) development of the youth; (7) sustainable development; (8) order, peace and security; (9) the rule of law; (10) making Seychelles shine on the international scene.

OUTCOME AND PERSPECTIVES

A Solid Economy

Mr Speaker,

People of Seychelles,

Everything – all development projects – start from a solid economy.

In 2012 Seychelles continued to show resilience in the face of global recession.

In spite of the deep recession in Europe -- our principal source of tourism and our main export market -- we registered a record number of visitor arrivals. This was thanks to our proactive strategy, our policy to diversify our tourism markets and establish new partnerships ... For the first time we welcomed over 200,000 tourists during 2012. The tourism industry employs 25% of the total manpower and its contribution to the Gross National Product is about 26%. As we continue to attract more tourists, it is essential that all stakeholders in this industry redouble their efforts to improve services, create new services that satisfy the tastes and meet the demands of new markets, create new jobs and boost the prosperity of our country. It is only through hard work that we will achieve these. The industry has to become even more proactive, stop living in the nostalgia of the past, and face the future with realism and optimism.

In the domestic economy the industrial and fisheries sectors continued to expand.

The experience of natural disasters has shown us the urgency and importance of having dedicated insurance for farmers and fishermen. Towards the middle of this year, we shall launch our insurance plan for agriculture and fishing.

The agriculture sector remains very important. It is experiencing certain difficulties, but we are doing everything possible to get this sector back on track. We are working with the International Fund for Agricultural Development (IFAD) to secure support for the implementation of our national investment programme for the agriculture sector.

Our blue gold will receive special attention this year. We shall be renegotiating our Fisheries Partnership Agreement with the European Union. Our position is clear and we shall defend it at all costs. We want a better deal for Seychelles!

The interest shown by local investors in industrial and semi-industrial fishing is very encouraging, and we shall continue to support it.

Mr Speaker

Macro-economic perspectives show results that are more than encouraging. In 2012 we surpassed the targets we set, whether in the fiscal plan where we had an estimated 6.4% surplus in the Gross Domestic Product (GDP), or on the monetary side in terms of foreign exchange reserves, or in structural reforms. Our principal challenge remains inflation. But I am encouraged to point out that due to the intervention of the Central Bank in August 2012 we managed to reduce the rate of inflation from 8.9% in June 2012 to 5.8% towards the end of December. Our foreign exchange reserves today stand at US\$308M, which represents around 2.8 months of imports.

I am very satisfied to note that Fitch Ratings agency elevated our credit rating from “stable” to “positive”. This is the result -- as the agency affirmed -- of a favourable governance and investment climate, good management of public and external debts, fiscal discipline and a more viable financial situation for our public enterprises.

Another challenge is the foreign exchange rate. I am encouraged to note that our rupee is appreciating against the major foreign currencies. With the positive developments we see happening in our economy, including bank interest rates which have started falling, all the conditions are in place for the gradual appreciation of our currency to reach SR12 per US\$. I consider this to be the rate which will allow us to control inflation and also ensure our competitiveness overseas. We can do it but we need the active cooperation of the commercial banks to realize this objective. It is regrettable that they are not doing enough.

Our structural reform exercise continues to bear fruit. We have accomplished much from the restructuring of Air Seychelles. Thanks to our decision to enter into a strategic partnership agreement with Etihad, we have succeeded in transforming Air Seychelles. Today our national airline employs 590 people, 98% of whom are Seychellois. In 2012 Air Seychelles made a pre-tax profit of US\$1M.

Mr Speaker,

Although we have managed to bring down the rate of inflation over recent past months, lowering the cost of living remains one of our major preoccupations. We have to take into account that our economy is an open one. It brings greater dynamism, confidence and growth. But it also brings some challenges. Government will continue to take measures where necessary to protect the more vulnerable groups against increases in the cost of living. As an immediate measure aimed at bringing down the costs of commodities, I have asked the Seychelles Trading Corporation to review comprehensively its practices and methods of procuring supplies.

We are also considering other measures, such as VAT exemption on additional commodities that are not on the present list of exempted products. In the context of tax reform we will review our income tax system to make it more equitable. Today Seychelles has a system where everyone pays a flat rate of 15%. But many countries in the world have adopted a progressive tax system where those earning less pay a smaller percentage of their salaries as tax than those with higher incomes. Therefore, I have asked the Ministry of Finance to enter into talks with our economic reform partners with the objective of introducing such a tax system in Seychelles as soon as possible, preferably from January 2014.

The introduction of VAT in January this year was part of our plan to have a taxation system that is more modern, efficient and comprehensive. I acknowledge that the Seychelles

Revenue Commission should have invested greater efforts to better prepare consumers for this new taxation system. But it is unfortunate and regrettable that after its introduction some traders and businesses chose to exploit it to increase prices. They capitalized on it although Government had offered them tax credits on their stocks as at the end of the year and also widened the list of products exempted from VAT, in order to minimise price increases.

Our commitment to economic stability must remain central in our development strategy. We have to continue making great efforts to reduce our debt stock. In this context, I have asked the Ministry of Finance to aim for a fiscal surplus of not less than 5% of our GDP until our debt stock reaches 50% of our GDP in 2018. When this is achieved it will considerably free up the fiscal space in government's budget, and this benefit will be passed on to the people.

As much as we have to ensure economic stability, when our economy is doing well, we must pass on the benefits to our people. In this context, and following the good fiscal performance of 2012 when our budgetary surplus exceeded the set target, I will pass on these benefits to the Seychellois people. As announced in the Budget Address, the adjustments to the national minimum wage and salary increases in the public sector will become effective from July this year.

Mr Speaker,

The Republic of Seychelles has made significant progress in public sector governance. But I recognise that more remains to be done to eliminate weaknesses that exist. I will continue to promote good governance and transparency in the management of public resources and assets.

We also have to do more to encourage the creation and development of businesses. For businesses to prosper, there must be access to credit, especially for small and medium enterprises. I cannot say I am satisfied with the level of financial assistance that this category of enterprises receives from the financial sector. Each year government persevered in its efforts to find new ways to help businesses. This year we are doubling the funds to be made available in the Small Business Finance Agency (SBFA) to reach SR40M. We have also doubled the limit for an SBFA loan to SR300,000. But the commercial banks tend to focus on opportunities to make quick money from big projects. Sadly, this is still the case with even certain public banks. I am therefore asking the Ministry of Finance to review the loan scheme for small and medium businesses, introduced two years ago through the public commercial banks, and which unfortunately is still not functioning to the expectations of the business community.

Our entrepreneurs want to work hard, but to enable them to work hard we have to free their hands. Let us eliminate unnecessary bureaucracy that frustrates them and makes their work difficult. Let us facilitate their access to credit. Let us together find ways to help them develop, instead of stifling initiatives and discouraging innovation.

Striving for Our Seychelles

Dear people of Seychelles,

Perhaps you are tired of hearing me talk of the importance of work, on the importance of hard work! But the people elected me on the platform of working hard for our country. And I will continue to do it. I will also continue to motivate all our citizens to work hard and insist

that we assume our responsibilities. The only guarantee of our progress in life is hard work. The only way to guarantee our wellbeing is through hard work. Prosperity comes from hard work. Everything in life comes through hard work. Everyone who works hard gets the opportunity to blossom, to improve his or her situation, to prosper. There is no other way, although where necessary, assistance is given based on strict criteria which have been established. I repeat: we have to depend on our own efforts. Working hard is worth it!

All work is noble. We have our specific talents, our qualifications and experiences, our aptitude for a profession or a vocation. Let us do it well. This is what is important. We take pride in the work we do. We do it with enthusiasm, devotion and professionalism. We do it with the awareness that we are participating in the building of the New Seychelles. We do it with our individual and collective efforts. Without depending on the State when we know we still have the strength and courage to work. We do it while sharing a vision. A vision and a belief in that what we do counts. That our work is for a goal, an objective.

This reminds me about an event which took place at NASA, in the USA, over 50 years ago. During his visit there President Kennedy met a man with a broom in his hand. "Sir, what kind of work you do here?" President Kennedy asked him. The man replied: "Mr, President, I'm helping to put a man on the moon."

The man had a vision of the importance of his work. He shared a vision and the pride of his country. He was not just a simple worker. He was part of the 1962 NASA space team!

It does not matter what work you do. What is important is that you do it well. That you are earning a living honestly. Through your own sweat and effort. You are participating in a noble and formidable enterprise, building a better future, constructing the New Seychelles.

It is for this reason that I decided to maintain the theme Striving for Our Seychelles for 2013. To continue inspiring us towards more success. It is to motivate us towards much greater accomplishments for our motherland. Let us continue to take our responsibility. Continue to make the Seychelles star shine in the Indian Ocean and the world. Leave the coast to discover new oceans. Let us redouble our efforts to combat delinquency, social scourges and criminality. Face challenges with courage. Show our resilience. Come together in a fervour of patriotism and solidarity. In brief, these are all the reasons why we should strive for our Seychelles.

At the same time I recognize that there are certain negative practices, which I deplore, and which continue to delay our progress. A heavy bureaucracy leads to a lack of professionalism, lack of discipline, lack of productivity, and bad service. It frustrates everyone and brings mediocrity. How does someone entering an office for a service feel when met by a long face from a public official? In addition, the same public official sends the client to another office, and the poor citizen who wants to get on with his or her business returns home without a satisfactory answer. Is it justifiable, in this age of modern technology, for a person to wait three months for an answer?

It is time for us to take greater ownership. It does not matter where we work, what rank or position we hold. We have to realize that we form part of government, we are part of this enterprise. We and the government are not two separate entities. Government assets are our assets. When we waste government resources, when we waste time in our offices, we are wasting our own resources, our own time. Let us develop this awareness of ownership. We are not just employees, but we are part of a team. We are part of government. We are part of the private enterprise. Working hard is worth it!

Since Independence we have invested much in human resource development. As a result we have today well-trained professionals, but there are still deficits in several sectors. We

need to have a national manpower plan to meet the many evolving needs arising from our rapidly development. The plan will determine our training needs in various fields. It will allow us to better plan for our future and open up new horizons for employment and hard work.

Decent Housing for Seychellois

Dear people of Seychelles,

Government has done a lot -- quite a lot -- to provide Seychellois families with decent housing. But we cannot satisfy all the demands at the same time. Our resources are limited. People must understand this. Families who are waiting for a house or plot of land -- and I know there are people who have been waiting for several years -- have to start helping themselves. They have to take their responsibilities seriously and make their contributions every month towards their future homes. Some cannot only think of entertainment, going dancing every night, and expect that they will just get a house. No, they have to think of the future, work hard, make a contribution which will be deducted from their loans when they do get their house.

Henceforth, housing applicants who are contributing to the home savings scheme will get priority for housing.

Those who already have houses must respect their obligations and responsibilities. Pay your loans regularly so that your brothers and sisters who are on the waiting list can also benefit from housing assistance.

Despite certain constraints and difficulties, we continued with our major projects. In 2012 we allocated 327 housing units at Île Perseverance. In the same year we completed another 166 units. The allocation of these units will be done during the coming weeks, once the project for infrastructure serving these units has been completed. This year we will complete the construction of a further 274 units at Île Perseverance.

Apart from the Île Perseverance project, we also undertook certain redevelopment projects which saw the allocation of 16 housing units. We shall continue this redevelopment effort this year in several districts, in addition to the allocation of a further 25 units.

A major project to be launched this year, thanks to a generous donation from the Government of Abu Dhabi, is the construction of 180 housing units in three districts.

Dear people of Seychelles,

The severe storms that hit us recently have shown how vulnerable we are to natural disasters. We saw how many houses and properties were damaged. Some – or even many – of these properties were not insured. The families concerned now find themselves in a difficult situation. Government will, of course, give as much assistance as it can. But the experience has shown us the necessity to have insurance cover for our homes. In this context, we are studying the feasibility of a mechanism for house insurance.

Regarding land allocation, we were unable to do as much as we had wanted because of a lack of resources. Nevertheless, in 2012 we managed to offer 80 plots of land in different districts.

We firmly believe in a partnership with the private sector that will help us attain our housing and land development objectives. We believe firmly in the empowerment of our young entrepreneurs. It is for this reason that, through the 2020 Development project, we are giving the private sector the opportunity to participate in the development of Île Soleil.

Again in the context of public private partnership, Government is in negotiation with certain partners to build condominiums on Ile Perseverance for graduates and young professionals.

Opportunities abound. Let us seize them!

Mr Speaker,

The stage of development we have reached today makes it even more imperative that land in Seychelles is well managed, and well utilized. We have to eliminate speculation. We also have to ensure that our land remains a legacy and heritage for Seychellois. With this aim in mind we will introduce certain measures that will ensure more rigorous management of State land, in the way it is sold and leased, the conditions under which foreigners may own land in Seychelles, without discouraging investment.

Many Seychellois have benefited from the purchase or lease of State land, either through the Land Bank Scheme or through the creation of industrial and commercial plots. Unfortunately, many of these plots have not been developed, even after many years. One of the main reasons for this is speculation -- the possibility of making a huge profit from the sale of land which they had obtained cheaply from government. The situation is aggravated by the acquisition of these plots of land by foreigners through corporate bodies or Seychellois nominees who represent foreigners.

Government is reviewing the State Land and Rivers Act to ensure that -- with a few minor exceptions, such as in cases of exchange of land with the State -- individuals who are not Seychellois citizens will no longer be allowed to buy State land freehold. The same principle will apply to privately owned land. Foreigners will no longer be allowed to buy properties freehold but they may be permitted a long-term non-renewable lease of 70 years.

However, as part of the objective of attracting foreign direct investment, we will maintain our policy regarding development and investment in villas in tourism resorts.

Under the new regulations government will offer an amnesty to all foreigners who acquired immovable properties through nominee companies, or through Seychellois nominees who covered for them through share transfers, to regularize their situations within a year of the law coming into effect. If they do not do so, Government will reserve the right to repossess the land. Our aim is to close loopholes in procedures that can be exploited to bypass sanction procedures, and for unlawful acquisition of land by foreigners.

Education

Mr Speaker,

Dear People of Seychelles,

Government will continue to invest at all levels in education to ensure that there is sustainable progress, better results, better performances by students, a high-level of education that meets the expectations and needs of our people in this new century.

We are aiming far. Our ambition, as I've said before, is to have in future at least one university graduate in each family. Our ambition is to have young professionals at all levels who are able to lead and draw benefits from technological, economic and social progress. But this will not happen on its own. We have to work hard to make it happen. This is the reason why we have to continually review our education system so that it meets our expectations, and conforms to new needs and to the development of society.

We have to continually review it to ensure that our children and our youths not only learn academic and technical subjects, but also acquire the values and foundations of society. An appreciation of and respect for human values. Self-respect, and also respect for others, respect for the elderly, for the authorities, for State institutions. All of these also comes from civic education. We have made progress in this domain, but there is the need to reinforce it.

Our education system must also value our culture -- this bridge linking three continents -- our geography, our history, or trilingualism which unfortunately we have the tendency to neglect. Our education system should prepare our children and youth to appreciate the diversity of our culture and become good citizens of Seychelles and the world. It must prepare them to assume their responsibilities, use well the resources put at their disposal, prepare themselves for the future.

There are several measures we are adopting this year with the aim of strengthening the level of education and to improve performance. These include allowing S4 students – those who are ready – to sit for the IGCSE examination in English a second language, and the French DELF Level B1 examination. There is also the implementation of the new national curriculum.

We are giving particular attention to students with special needs. In line with this, the Ministry of Education will re-introduce the Special Needs Education Unit which will coordinate activities, and provide guidance, support and training in relation to students with special needs students. I reiterate that nobody -- none of our children or youth -- should be left behind.

Last year I inaugurated the Maritime Training Centre. Seychelles is a country with a very strong maritime legacy, and it is regrettable that there are not enough of our people who are taking up maritime careers. We need qualified young people for the Coastguard, especially now that we will soon have more vessels. We need young sailors to work on leisure boats, especially now that the demand for this type of manpower is increasing following the reduction in piracy threats. I consider MTC as the cradle of Seychelles' future as a maritime nation. It is the cradle of our future generation of sailors.

The primary school at Île Perseverance welcomed its first pupils at the start of this academic year. The school has cost the government SR38M. We have plans to build a secondary school, and later, a second primary school this island.

We may have the best facilities, the best equipment, the best intentions ... but if the level of teaching, the level of training and knowledge of the teachers, are not up to standard, if there is no coherent strategy, all our efforts will go down the drain. Quality education depends on the quality of teachers in the classrooms. It is only with a well-trained cadre of teaching professionals that we shall be able to transform our schools.

Health

Dear people of Seychelles,

Our health is one of our most precious assets in our lives. We have an individual duty and responsibility to take care of our health. The Ministry of Health, too, has the duty to put in place comprehensive programmes on disease prevention as well as on public health education.

Some amongst us engage in lifestyles that are dangerous and destructive to their health. They provoke their own illnesses. And when they fall ill, they expect to get treatment overseas! And at the expense of Seychellois workers!

Fortunately, most of us take good care of our health. However, misfortunes can happen without warning. There can be unexpected outbreaks of diseases. And in these cases, our health system is there to provide the care.

Our health centres, our hospitals, are the mirrors of our health system. We have invested a lot -- at all levels -- in these centres, in the hospitals and in our health system in general. We have made progress, but there are still many complaints.

Even the President's Office receives many complaints from people who are not satisfied with the way they are treated at the hospital. We have to take the public complaints and criticisms seriously. We have to use these complaints and criticisms to correct the weaknesses in the system, even if often this may take some time.

I wish to reiterate that we need to have better communication, more compassion, better understanding at all levels of our health system. There is no place for indifference, insubordination, negligence ...

But let us not only criticize and point fingers. Let us take ownership of our health system. Let us all join together to make it work.

Expectations are high, and often these do not conform to reality. Our system is not perfect, but it is functioning despite its weaknesses. Let us not forget that most of the workers of the Ministry of Health are doing a good job, often under a lot of pressure. They deserve our encouragement, and we salute their devotion. Health care is free, not like in certain countries including developed nations. In spite of our limited resources we save lives, we restore hope.

Youth Development

Mr Speaker,

People of Seychelles,

The youth of Seychelles are a reflection of our country : vibrant, dynamic, resilient and optimistic ...

Young people who believe in the value of hard work, in the values and fundamental principles that unite us as a people, make the greatness and prosperity of our country. A

youth that takes ownership of the programmes and facilities we have put in place help strengthen our vision for the New Seychelles.

I believe in the youth, and I have never hesitated to give them the opportunities to prove their capabilities, and to blossom. I did it recently in the framework of government restructuring. I am confident that these young leaders will confirm the trust we have placed in them.

The youth of our country are more and more connected to the global village we live in. This brings challenges, but also opportunities. We have to look for all possible ways to maximise these opportunities. It is important that we strengthen networks to connect our youth to the region, and beyond. The future of Seychelles will not depend only on the opportunities we are able to create on our own territory. It will also depend on opportunities in the region and around the world. In this context, I have asked the Ministry of Foreign Affairs to elaborate a regional youth integration concept within the framework of the Indian Ocean Commission. The Seychellois youth are an integral link in our economic development strategy, and also our strategy of active economic diplomacy.

We ask our youth to remain model citizens. That they have respect for their elders, as our culture has taught us. That they have respect for authority, for the law, and for State institutions. We ask that they promote patriotic values, that they sow love, solidarity, fraternity and compassion in their communities. We also ask them to avoid bad company, and that they don't fall into delinquency, and the traps of substance abuse and social scourges. Moreover, we ask them to put Seychelles first. That they become true children of the New Seychelles!

Sustainable development

Mr Speaker,

A fundamental principle of our development strategy, and our foreign affairs policy, is sustainable development. It is our unqualified militancy in favour of environment protection that has made us -- a small island state -- a world leader in this field.

When we speak, the world listens. Because we practice what we preach. Because we in Seychelles are conscious of the impact of climate change on us. Because we campaign for the sustainable management of our blue economy, and are against the injustices in the way revenues from the exploitation of our blue economy are distributed.

Our blue economy is an integral part of our oceanic eco-system, with all the resources it contains and which can bring equitable and sustainable benefits for all of us. It is the protected marine reserves, sustainable fishing practices, management of our ocean to mitigate the impact of climate change. The blue economy is a principal element which sustains us as a people. I believe it is so important that we are redoubling our efforts to sensitise other nations to share our vision, to join us to undertake concerted action. We have plans to convene a regional conference on this subject.

Another aspect of sustainable development that has capital importance for us is renewable energy. The vision that I have already shared with the people is to increase our energy independence, reduce the impact of fuel costs on our economy, and reduce its impact on our environment.

In a couple of months we will commission our eight wind turbines. This is a step forward, a new beginning. Another positive step is our Energy Act which aims to attract investment in this sector, particularly in solar energy.

The next major step in the diversification of our sources of energy and the consolidation of our engagement to renewable energy and sustainable development is solar energy. It is in abundance here, and we have to make greater use of it. We also have to take the necessary measures to transform waste into energy. Our long-term objective is to generate more than 25% of electricity from solar energy, biomass and waste. The agreement we've just signed with the Clinton Climate Initiative will contribute significantly towards this objective.

In the meantime, the increase in the number of small enterprises in the renewable energy sector is an encouraging sign. Government will continue to put in place all the possible means to attract private sector participation in this important sector of our economy.

Human beings and their natural environment are impossible to separate. One complements and nourishes the other. For as long as we put our people at the centre of our development strategy, for as long as we manage our environment well and preserve it for future generations, we can confront all challenges with serenity.

Order, peace and security

Dear people of Seychelles,

Order, peace and security are the foundation of all modern societies. A country cannot progress if order, peace and security do not reign. A citizen who does not feel at peace, in security, is in a permanent state of anxiety. He or she cannot enjoy life or be productive.

I have always accorded greatest importance to these three key elements. I have listened to the people of Seychelles, their fears and apprehension. And I have taken appropriate measures to address the problem of insecurity. We have put more resources at the disposal of the services responsible for order and peace. We have given them more training. We have improved their conditions of service. We have redoubled our vigilance. Police presence is much more visible. There have been big improvements in their performance and results of their work. The judiciary, too, has listened to the public calls for more severe sentences.

Today, we see the fruit of our effort. I cannot say that everything is perfect. But I can confirm that we have recorded a considerable reduction in criminality and delinquency. Statistics show a reduction of 15% overall in criminality in 2012, compared to the trend of 40% increase between 2006 and 2011.

NDEA, too, has achieved much success in its mission. Last year it seized drugs which had a total street value of over SR100M, and put behind bars several traffickers who are rotting our society.

Our strategy is working! Our communities feel more secure. But we are not going to stop here. We will continue to intensify our struggle against criminality and delinquency, in all their forms.

At the same time we will offer possibilities of rehabilitation to young people who have fallen astray, and to prisoners who are not a major risk to society. The open prison on Coetivy is functioning well. Detainees on the island get the opportunity to learn a trade which will be

useful to them when they return into society. Work will start soon on another detention facility on Coetivy for young people in need of detoxification and rehabilitation from substance abuse. Work will also begin on an incarceration centre on Praslin for minors convicted of criminal activities. The centre will be equipped with facilities and other resources to help the minors to retake control of their lives.

But for drug traffickers, hardened criminals and those who molest children and abuse their innocence, we will never have any compassion or pity, for them. They will continue to serve their sentences on Marie-Louise. At the end of March this year there will be 124 criminals and drug traffickers on this island. While there they will learn the values of hard work in an environment where they are unable to hurt our communities and poison our children and our youth.

We will never lower our guard. I said last year that we have to retake our society from the hands of bandits and delinquents. We are doing it!

Thanks to our vigilance, thanks to our relentless fight, thanks to the concerted international effort, we have been able to put piracy in our waters under control. The threat has not gone away completely. There are less risks but we have to remain vigilant.

A bigger threat weighing down on us presently is drug trafficking. Like piracy, drug trafficking transcends all boundaries. It affects all countries in the region. All our efforts to eliminate drug trafficking will be useless if determined actions are not taken against organized crime, against traffickers, who continue to conduct their dirty trade in neighbouring countries. We need a concerted effort, we need to coordinate our actions to combat this scourge which threatens the security, sovereignty, wellbeing and prosperity of all the countries in the region. It is a grave danger which threatens the health and future of our youth. We will continue to fight it with determination, with the mobilisation of all the necessary resources, and with the assistance and expertise of our foreign partners.

Rule of Law

Mr Speaker,

Dear people of Seychelles,

This year we are commemorating 20 years of existence of our Third Republic. It is a memorable milestone in our history. The Third Republic rests on certain symbols and fundamental institutions which distinguish us as a people. One of these is the Constitution of the Third Republic of Seychelles. It contains a chapter that inspires us and will continue to inspire future generations. It is the Seychellois Charter on Fundamental Human Rights and Freedoms. It guarantees the fundamental rights and freedoms of all citizens of Seychelles. The charter is a pillar of our society, a pillar of our modern State. It is the foundation of the three branches of the State: the Executive, Legislative and Judiciary. It is the basis of the rule of law.

Today, on the eve of the celebration of this great historical event, we reaffirm fervently and unequivocally, our profound commitment to the Seychellois Charter. We recognise and respect the rights and freedoms it guarantees us, but at the same we also recognize and

accept our obligations towards our fellow human beings, towards society. The Charter will continue to guide us in the evolution of our state as an institution, in the strengthening of our democracy, good governance and on the road of progress and prosperity. The Charter remains the basis of the New Seychelles – a democratic society, free, tolerant and united in strength – a country united, a people proud and hardworking. A country that is open to itself and to the world.

Seychelles Shining on the International Scene

Mr Speaker,

Our foreign affairs policy will always serve the national interests, whilst taking into account the major currents on the international scene. The Seychellois diplomacy is imaginative, pragmatic and ambitious. It is at the centre of our bilateral and multilateral programme to strengthen and diversify our ties of friendship and partnership, and to find solutions that are suited to our island characteristics.

A fundamental feature of our foreign affairs policy is the creation of opportunities for business, investment, economic growth, employment, training, technical expertise.

When we assumed the presidency of the Indian Ocean Commission, we placed emphasis on the economic dimension, security and regional stability. We gave impetus to several projects, notably tourism, maritime and air connectivity, the fight against piracy, and a solution to the crisis in Madagascar.

We will pursue and even strengthen this process in 2013, with a greater commitment to the development and valorisation of our considerable assets in the Indian Ocean region. This is the purpose of my initiative and visits in countries of the region. This is the sense of Seychelles' candidature for a non-permanent seat on the United Nations Security Council in 2017.

We want to define a new future for our region, based to a large extent on the blue economy.

In order to realize it, we have to be bold in projecting ourselves forward.

We should never hesitate to defend our interests on the regional and international scene. Because we are small, we are more impacted by events which may be entirely beyond our control.

Our bid for a Security Council seat is founded on this principle, that we cannot just sit idle and wait to be hit by the negative effects of globalization. We cannot just wait for problems to reach our doors.

On the contrary, we have the determination to defend our interest at the highest level.

Mr Speaker,

We are a young nation whose identity, and cohesion as a people of multi-ethnic diversity, have been shaped by a little over 240 years of history. We have a unique heritage, a legacy that we need to promote and protect at all costs.

A fundamental aspect of this heritage is our Seychellois citizenship, which we inherited from our parents, grandparents, and which we pass on to our children and our grandchildren as a sacred right. We have to protect it at all cost.

There is a perception that we are giving our citizenship indiscriminately. In fact this just a perception which certainly arises from the number of published applications which we see in the Nation newspaper. Actually, we have very strict regulations governing citizenship. And we are putting in place even more stringent regulations. Getting married to a Seychellois will not suffice. The duration of residence alone will not suffice. A foreigner who wishes to become a citizen of Seychelles needs to deserve Seychelles! The foreigner will need to know, understand and appreciate Seychelles, its constitution, its people, its history, its culture, aspirations and heritage! The person will need to be loyal and sincere to Seychelles. The new law and policy will specify the criteria, including contributions to the development of the adopted motherland. It will also state the conditions for the revocation of citizenship when national interests are threatened.

The new regulations and policy will, at the same time, make provisions for a system of permanent residency. Guided by well-defined criteria, this will give permanent residency to the category of foreigners who normally do not qualify for citizenship but who have made a significant contribution to the development of our country, who have invested in Seychelles, and who wish to reside here, with their own financial means to support themselves. They will not enjoy the same rights as Seychellois. They will not, for example, benefit from social security and pension. They will not vote. But they will have the right to reside here, work, invest and engage in business activities that are not reserved for Seychellois.

Let us not forget that at different times in our history, all of us, our ancestors, were foreigners in this land! Expatriates contributed a lot to the development of our country, in a wide range of areas. They continue to do it today. We have reached a stage today where we cannot walk alone. Let us treat them with friendship and fraternity. At the same time they too need to respect Seychellois.

Conclusion

Mr Speaker,

Dear people of Seychelles,

The overview has allowed me, in a frank and honest manner, to share with you the state of our Nation. We are conscious of the immensity of the work we have started together. We are also aware that a considerable amount of work remains ahead of us. But we are not afraid of challenges. We aspire to reach the new horizon. Our New Seychelles requires a great deal of effort. It demands hard work on the part of all its children. It demands a new way of doing things. We cannot continue to live in the nostalgia of the past. The new world order dictates things differently. We cannot continue to look for excuses why we cannot realise the ambitions dreams that are good for Seychelles. Let us move forward, our heads held high, with optimism, confident in our capability, confident in the future. We can realize our vision for the New Seychelles provided we remain united as a people. Our political affiliations, our diverging opinions, matter little. What is important is the future of our country, the future of our New Seychelles. I invite all Seychellois to join with me in this great enterprise. Let us work together and put our differences aside. It is our unity and solidarity as a people that guarantee our success. Doctor Martin Luther King illustrated this well when he reminded us that we need to work together as brothers and sisters or else we will fall by the wayside among the ignorant. Let us choose to work together and stand strong in our

diversity. Let us promise our children that they will inherit from us a better Seychelles, thanks to our unity, solidarity and hard work.

Thank you. May God continue to shower his blessings on the Seychellois nation.

A copy of this speech, and its original Kreol version, may be accessed on the State House web site at <http://www.statehouse.gov.sc>