

S.I. 99 of 2025

NATIONAL PAYMENT SYSTEM ACT, 2014

*(Act 14 of 2014)***National Payment System (Licensing and Authorisation) (Amendment) Regulations, 2025**

In exercise of the powers conferred by section 42 of the National Payment System Act, 2014 (Act 14 of 2014), the Central Bank hereby makes the following regulations—

Citation and commencement

1. (1) These regulations may be cited as the National Payment System (Licensing and Authorisation) (Amendment) Regulations, 2025.

(2) These regulations shall come into operation on the 30th day of its publication in the Official Gazette.

Amendments of regulation 4

2. The National Payment System (Licensing and Authorisation) Regulations, 2014 (hereinafter referred to as the principal regulations), is amended in regulation 4—

(i) by repealing subregulation (1) and therefor substituting the following subregulations—

“(1) The Central Bank may grant an application for authorisation if it is satisfied that—

(a) the operation of the payment, clearing or settlement system will not jeopardise the compatibility and unity of any existing payment, clearing or settlement systems and financial stability;

(b) the application is in the best public interest of the Seychelles;
and

(c) the applicant meets the conditions specified in subregulation (1A).

(1A) The conditions to be met by an applicant for the grant of an application for authorisation are that the applicant—

(a) is a company incorporated under the Companies Act;

(b) is financially sound;

(c) has an adequate capital structure;

- (d) has submitted a business plan that demonstrates viability and sustainability of the proposed business;
- (e) demonstrates the lawful origin of its paid-up capital or, in the case of a transfer of shares, of the funds used to acquire such shares, and that any such transfer was transparent and legal;
- (f) has submitted all the information specified in Schedule III;
- (g) has, in complying with regulation 3, submitted documents which are valid, authentic and satisfactory to the Central Bank;
- (h) has in place adequate governance arrangements for its proposed payment, clearing or settlement system, including –
 - (i) clearly defined roles and responsibilities for the applicant's decision-making bodies, its organisational structure with well defined, transparent and consistent lines of responsibility;
 - (ii) effective procedures to identify, manage, monitor and report the credit, liquidity, operational, settlement and other risks to which it is or might be exposed;
 - (iii) adequate internal risk control and internal audit mechanisms, including sound administrative, accounting and reporting procedures commensurate with the nature, scale and complexity of the payment, clearing or settlement system;
- (i) has clear procedures for handling of complaints and settlement of dispute arising out of or in connection with operation of the proposed payment, clearing or settlement system;
- (j) has safe and reliable Information Technology systems and adequate interfaces to ensure straight-through processing, complies with all statutory data protection provisions adopted by the Republic of Seychelles and maintains robust contingency, disaster recovery and business continuity procedures;
- (k) has an adequate number of well-trained and competent staff and management in respect of business requirements, operational needs and risk management in both normal and abnormal times;
- (l) has directors of good character and relevant professional experience;
- (m) has established the identity of its owners, in particular persons holding a substantial interest and the good character of such persons;

- (n) is not exposed to any risks or engaged in corporate activities which may affect the applicant or the international standing and good repute of Seychelles;
- (o) has in place policies, practices and procedures for evaluating financial soundness of participants and for identifying, monitoring and controlling any risks associated to the working of the system;
- (p) has clear and publicly disclosed rules to ensure—
- (i) the system's principle of operation (real time, gross, deferred net, etc.), its rules on finality, including the moment of irrevocability, of payment and settlement, clear netting, loss allocation and apportionment procedures; and
 - (ii) disposal of adequate collateral in all its forms, nature, effectiveness and means of realisation, haircuts and concentration limits in conformity with relevant legal and statutory provisions of Seychelles;
- (q) has clear, risk based and non-discriminatory rules for direct and indirect membership as well as access procedures membership rules adequate to the operation of the system;
- (r) has suitable criteria for the selection of agents, outsourcing of parts of the activities, and wherever applicable. risks are adequately mitigated and monitored;
- (s) intends to operate a payment, clearing or settlement system in Seychelles; and
- (t) such other information or any other criteria as the Central Bank may consider relevant.”.

Amendment of regulation 5

3. Regulation 5 of the principal regulations is amended, by inserting the following sub regulation after subregulation (2)—

“(2A) Where the Central Bank grants an authorisation under subregulation (1) of regulation 4, the Central Bank shall issue an authorisation certificate to the applicant, within 7 business days from the date of receipt of authorisation fee.”.

Substitution of regulation 6

4. By repealing regulation 6 of the principal regulations and therefor substituting the following regulation—

“Annual fees

6. (1) Every operator of a payment, clearing or settlement system shall pay to the Central Bank an annual fee, due on and payable not later than the anniversary date of the approval of the authorisation, as specified in Schedule II.

(2) Where the holder of an authorisation to operate a payment, clearing or settlement system fails to pay the annual fee under subregulation (1), before the beginning of the year for which the annual fee is due, the operator shall be subject to an additional charge of 1 percent of the annual fee, per day:

Provided that the holder of an authorisation shall not be required to pay the annual fee for its operation in the first year of its authorisation.”.

Substitution of regulation 7

5. By repealing regulation 7 of the principal regulations and therefor substituting the following regulation—

“Authorised operator to apply for operating a new system

7. (1) Where an existing authorised operator of a payment, clearing or settlement system intends to operate a new payment, clearing or settlement system (other than the system already authorised) the operator shall –

(a) obtain the prior approval of the Central Bank; and

(b) in applying for approval, submit all the relevant information as specified in Schedule III and any other additional information as may be required by the Central Bank.

(2) The application for operating a new payment, clearing or settlement system (other than the system already authorised) shall be treated as an independent application and the application fee specified in schedule II shall be applicable.

(3) Upon approval of an application made pursuant to subregulation (1), the Central Bank shall amend the operator’s authorisation certificate to reflect the new payment, clearing or settlement system.

(4) An operator shall, in respect of any payment, clearing or settlement system approved pursuant to this regulation, be subject to the annual fee specified in Schedule II.”.

Amendment of regulation 9

6. By repealing subregulation (1) of regulation 9 of the principal regulations and therefor substituting the following subregulations—

“(1) The Central Bank may grant an application for licence, if it is satisfied that—

(a) the operation of the payment service will not jeopardise the compatibility and unity of any existing payment, clearing or settlement systems and financial stability;

(b) the application is in the best public interest of the Seychelles; and

(c) the applicant meets the conditions specified in subregulation (1A).

(1A) The conditions to be met by an applicant for the grant of an application for licence are that the applicant—

(a) is a company incorporated under the Companies Act;

(b) is financially sound;

(c) has an adequate capital structure;

(d) has submitted a business plan that demonstrates viability and sustainability of the proposed business;

(e) demonstrates the lawful origin of its paid-up capital or, in the case of a transfer of shares, of the funds used to acquire such shares, and that any such transfer was transparent and legal;

(f) has submitted all the information specified in Schedule IV;

(g) has, in complying with regulation 3, submitted documents which are valid, authentic and satisfactory to the Central Bank;

(h) has in place a robust mechanism for safeguarding funds, including the separation of the applicant's own funds from the funds which have been received from payment service users or through another payment service provider for the execution of payment transactions, and where applicable, insulating same against claims of third party creditors of the applicant, particularly in the event of insolvency;

(i) has in place adequate governance arrangements for its proposed payment services business, including –

(i) clearly defined roles and responsibilities for the payment service provider's decision-making bodies, its organisational structure with well-defined, transparent and consistent lines of responsibility;

- (ii) effective procedures to identify, manage, monitor and report the risks to which it is or might be exposed;
- (iii) adequate internal risk control and internal audit mechanisms, including sound administrative, accounting and reporting procedures commensurate with the nature, scale and complexity of the payment services to be provided;
- (j) has clear rules for handling of complaints arising out of or in connection with operation of the proposed payment services;
- (k) has safe and reliable Information Technology systems and adequate interfaces, as well as measures to ensure compliance with statutory data protection measures adopted by the Republic of Seychelles and robust contingency and disaster recovery procedures;
- (l) has an adequate number of well-trained and competent staff and management in respect of business requirements, internal control, operational needs and risk management in both normal and abnormal times;
- (m) has directors of good character and relevant professional experience;
- (n) has established the identity of its owners, in particular persons holding a substantial interest and the good character of such persons;
- (o) has suitable criteria for the selection of agents or the outsourcing of parts of the activities, where applicable, and copy of any agency or outsourcing agreement where risks are adequately mitigated and monitored, as appropriate;
- (p) is not exposed to any risks or engaged in corporate activities which may affect the applicant or the international standing and good repute of Seychelles;
- (q) intends to undertake payment services business in Seychelles; and
- (r) such other information or any other criteria as the Central Bank considers relevant.”.

Amendment of regulation 10

7. Regulation 10 of the principal regulations is amended by inserting after subregulation (2), the following subregulation—

“(2A) Where the Central Bank grants a licence under subregulation (1) of regulation 9, the Central Bank shall issue a licence certificate to the applicant, within 7 business days from the date of receipt of the licence fee.”.

Substitution of regulation 11

8. By repealing regulation 11 of the principal regulations and therefor substituting the following regulation—

“Annual fees

11 (1) Every payment service provider shall pay to the Central Bank an annual fee, due on and payable not later than the anniversary date of the approval of the licence and corresponding to the payment service it is providing, as specified in Schedule II.

(2) Where the holder of a payment service provider licence fails to pay the annual fee under subregulation (1), before the beginning of the year for which the annual fee is due, the payment service provider shall be subject to an additional charge of 1 percent of the annual fee, per day:

Provided that the holder of a payment service provider license shall not be required to pay the annual fee for its operation in the first year of its licence.”.

Substitution of regulation 12

9. By repealing regulation 12 of the principal regulations and therefor substituting the following regulation—

“Licensees to apply for new payment service

12. (1) Where a licensee intends to provide a new payment service, it shall obtain prior approval of the Central Bank.

(2) A request for approval under subregulation (1) shall be accompanied by the information and documents in respect of items 5, 8, 9, 10, 11, 12, 13 and 15 of Schedule IV and such other information as may be required by the Central Bank.

(3) The provisions of subregulation (3) of regulation 15 shall apply to a licensee making a request for approval under subregulation (1).

(4) Upon approval of a request made under subregulation (1), the Central Bank shall amend the terms and conditions of the payment service provider’s licence to reflect the new payment service.”.

Amendment of regulation 13

10. Regulation 13 of the principal regulations is amended, —

(i) by repealing subregulation (2) and therefor substituting the following subregulation—

“(2) The payment service provider or operator of a payment clearing or settlement system shall start its operations—

(a) only on payment of the annual fee for its first year of operation and the annual fee shall be payable within 30 working days from the date of grant of licence or authorisation;

(b) within a period of 6 months following the licence or authorisation; and

(c) after evidencing that it possesses the necessary informational, technical, organisational and functional preparedness to start the activity for which it was licensed or authorised.”;

(ii) by inserting after subregulation (3), the following subregulation—

“(4) A payment service provider holding a licence certificate or an operator of payment, clearing or settlement system holding an authorisation certificate shall continuously display a copy of the certificate conspicuously in a public part of each place of its business in Seychelles.”.

Substitution of regulation 14

11. By repealing regulation 14 of the principal regulations and therefor substituting the following regulation—

“Amendment of terms and conditions of licence or authorisation

14. (1) The Central Bank may, for sufficient reasons to be recorded in writing, amend the terms and conditions of the authorisation granted under regulation 5 or the licence granted under regulation 10.

(2) Where the Central Bank varies any condition of an authorisation or licence, it shall serve a notice on the authorised or licensed person giving reasons for the proposed variation and to provide its comments on the proposed variation within 15 business days’ time.

(3) The Central Bank shall take into consideration the comments, if any, received in pursuance of subregulation (2), in confirming or modifying the terms and conditions.

(4) The Central Bank shall within 7 business days of confirming the varied terms and conditions, issue an amended authorisation or licence certificate to the authorised or licensed person, which shall carry out all its obligations under the said amendment.”.

Amendment of regulation 15

12. Regulation 15 of the principal regulations is amended by repealing subregulation (3) and therefor substituting the following subregulation—

“(3) Where the applicant is required by any other written law to hold initial paid-up capital or where more than one payment service is to be provided, the applicant shall hold the

amount of initial paid-up capital whichever is greater of the amount specified in the law or specified in Schedule V to these regulations.”.

Amendment of regulation 17

13. Regulation 17 of the principal regulations is amended—

(i) by repealing subregulation (1) and therefor substituting the following subregulation—

“(1) A bank or credit union shall be exempt from the payment of annual fees for providing payment services.”;

(ii) by repealing subregulations (2) and (3);

(iii) by renumbering subregulations (4) and (5) as subregulations (2) and (3).

Amendment of regulation 18

14. Regulation 18 of the principal regulations is amended—

(i) in subregulation (1) by inserting after clause (c) the following paragraphs —

(ca) the Central Bank has reasonable cause to believe that the operator may likely become insolvent in the near future;

(cb) ceases or fails to continue operations or is unable to effectively conduct its operations;

(cc) is operating in a manner detrimental to the public interest;

(cd) engages in activities either restricted or not permitted under the Act;

(ce) has a winding-up order made against the operator or a resolution for voluntary winding up has been passed against the said operator;

(cf) fails to comply with the provisions of the Beneficial Ownership Act, 2020; the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020; and the Prevention of Terrorism Act, 2004 or any regulations made under those Acts respectively;

(cg) applies to the Central Bank for the suspension of the authorisation where good cause has been shown;”;

(ii) by repealing subregulations (2) to (7) and therefor substituting the following sub-regulations—

(2) Subject to sub regulation (1), the Central Bank shall immediately give notice of its decision to the licensee or authorised operator;

(3) The licensee or authorised operator may, within 30 days after receipt of notice under sub regulation (2), submit to the Central Bank reasons why, in its opinion,

the licence or authorisation should not be suspended or revoked or bring forth evidence that show the rectification of any irregularity which may have been the cause of the suspension or revocation of the licence or authorisation.

(4) At the latest 30 business days before the suspension or revocation of a licence or authorisation is to take effect, the Central Bank shall –

- (a) confirm the suspension or revocation with or without modification; or
- (b) withdraw the suspension or revocation unconditionally.

(5) Notwithstanding sub regulation (2), the Central Bank may revoke a licence or authorisation where the Central Bank considers necessary to revoke a licence or an authorisation in the interest of monetary policy or financial stability of Seychelles or for any other reasons connected to public interest.

(6) Where a licence or an authorisation is revoked under sub regulation (1), the Central Bank may issue such direction as it deems necessary to protect and safeguard the interest of persons affected by the revocation.

(7) The suspension or revocation of a licence or an authorisation under sub regulation (1) shall be published by the Central Bank in a local daily newspaper of wide circulation .

(8) The suspension or revocation of a licence or an authorisation shall become effective on the date of its publication or any further date as the Central Bank may specify.

(9) A payment service provider or an operator shall be prohibited from providing payment services or operating a payment, clearing or settlement system from the effective date of the revocation.”.

Amendment of regulation 20

15. By repealing paragraph (d) of regulation 20 of the principal regulations and therefor substituting the following paragraph—

“(d) electronic money institution shall open an account at two or more licensed banks or credit unions designated for the purpose of safeguarding the funds collected from electronic money holders;”.

Amendments to Schedule III

16. Schedule III of the principal regulations is amended—

(a) by repealing paragraph 9 and therefor substituting the following paragraph—

“9. A description of the applicant’s organisational structure, including, where applicable, a description of the intended use of agents and branches and of the off-site and on-site checks that the applicant undertakes to perform on them at least annually, as well as a description of outsourcing arrangements and of its participation in a national or international payment system”;

(b) by repealing subparagraph (d) of paragraph 11 and therefor substituting the following subparagraph—

“(d) How data security and data integrity is ensured, including a description of the process in place to file, monitor, track and restrict access to sensitive payment data; and”;

(c) by repealing paragraphs 21 and 22 and therefor substituting the following paragraphs—

“21. A description of business continuity arrangements including a clear identification of the critical operations, effective contingency or disaster recovery plans and a procedure to regularly test and review the adequacy and efficiency of such plans.

22. A description of the principles and definitions applied for the collection of statistical data on performance, transactions and fraud.

23. An Anti-Money Laundering and Countering the Financing of Terrorism Policy.

24. Such other relevant information as the Central Bank may require.”.

Amendments to Schedule IV

17. Schedule IV of the principal regulations is amended—

(a) by repealing paragraph 8 and therefor substituting the following paragraph—

“8. A description of the applicant’s organisational structure, including, where applicable, a description of the intended use of agents and branches and of the off-site and on-site checks that the applicant undertakes to perform on them at least

annually, as well as a description of outsourcing arrangements, and of its participation in a national or international payment system.”;

(b) by repealing subparagraph (c) of paragraph 10 and therefor substituting the following subparagraph—

“(c) How data security and data integrity is ensured, including a description of the process in place to file, monitor, track and restrict access to sensitive payment data”;

(c) by repealing paragraph 17 and therefor substituting the following paragraphs—

“17. A description of the procedure in place to monitor, handle and follow up a security incident and security related customer complaints, including an incident reporting mechanism.

18. A description of business continuity arrangements including a clear identification of the critical operations, effective contingency or disaster recovery plans and a procedure to regularly test and review the adequacy and efficiency of such plans.

19. A description of the principles and definitions applied for the collection of statistical data on performance, transactions and fraud.

20. An Anti-Money Laundering and Countering the Financing of Terrorism Policy.

21. A security policy document, including a detailed risk assessment in relation to its payment services and a description of security control and mitigation measures taken to adequately protect payment service users against the risks identified, including fraud and illegal use of sensitive and personal data.

22. Such other relevant information as the Central Bank may require.”.

MADE this 15th day of December, 2025.

**CAROLINE ABEL
GOVERNOR
CENTRAL BANK OF SEYCHELLES**
