Seychelles SDG Investor Map
Catalysing Private Sector Capital for Sustainable Development
Introduction

The Seychelles SDG Investor Map is the product of a partnership between the Ministry of Investment, Entrepreneurship, and Industry (MIEI) and the United Nations Development Programme (UNDP). The market intelligence tool identifies concrete and emerging Investment Opportunity Areas (IOAs) to attract private capital to national development needs and policy priorities in five sectors with strong SDG positive impact. The priority sectors and IOAs identified are subject to change based on the evolving market, enabling environment conditions and national development priorities, and therefore require regular review and updating.

The Sustainable Development Goals

The Sustainable Development Goals (SDGs) were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030, all people enjoy peace and prosperity.

The 17 SDGs are integrated—they recognize that actions in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Countries have committed to prioritize progress for those who are furthest behind. The SDGs are designed to end poverty, hunger, AIDS, and discrimination against women and girls.

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The SDG Investor Map

- **Directs private capital** to where it can have the most positive impact on people and the planet while ensuring financial profitability.
- **Identifies Investment Opportunity Areas (IOAs)** at the intersection of national development needs and policy priorities.
- **Provides information on priority sectors** where private sector solutions can address development needs at scale.
- **Presents evidence, data and concrete recommendations on viable business models.**
- **Ensures follow-up**, including entry points for public-private financing dialogue platforms which promote private participation in SDG-aligned public investments.
Investment Opportunity Areas (IOAs)

IOAs offer market-ready business models that show significant financial and impact potential. They have the potential to address national development needs aligned with policy priorities through private sector intervention. IOAs encompass extensive data sets covering business and impact considerations that allow investors to kick-start private sector due diligence.

Emerging IOAs

Emerging IOAs offer the potential to generate additional private sector-led development impact once the market and policy and regulatory environments progress with the evolving market dynamics and an enabling environment for private sector contributions is established. They can evolve into market-ready IOAs with comprehensive data sets once business models are proven and the policy and regulatory opportunities are addressed.

- **Emerging IOAs with Market Momentum** serve a development need, but there is an absence of private sector momentum despite a favourable policy and regulatory momentum.
- **Emerging IOAs with Policy and Regulatory Momentum** serve a development need, but policy and regulatory gaps need to be addressed.

For the full market intelligence on SDG investment opportunities, please visit the Seychelles Country Page of the UNDP global SDG Investor Platform available at: https://sdginvestorplatform.undp.org/country/seychelles

Foreign investors interested in respective IOAs should carefully consider the list of activities reserved for nationals as outlined in the Reserved Economic Activities Policy of April 2020. This policy is accessible at: https://investinseychelles.com/investors-guide/where-to-invest
Seychelles Factsheet

Seychelles became a high-income economy in 2015 and is the only country to retain such status in Sub-Saharan Africa

Mo Ibrahim index 2022
2nd in Africa

Human Development Index 2022
2nd in Africa 72nd Globally

Global Competitiveness Index 2019
4th in Africa 76th Globally

Index of Economic Freedom 2022
5th in Africa 79th Globally

E-Government Development Index 2022
3rd in Africa 85th Globally

Corruption Perception Index 2022
1st in Africa 23rd Globally
IOAs per Priority Sector

Renewable Resources and Alternative Energy
- Grid-Connected Rooftop Solar PV Systems
- Off-Grid PV Systems
- Floating Photovoltaics

Services
- Eco-Tourism Development and Value Chains
- Cultural and Creative Tourism Development

Food and Beverage
- Fish Processing
- Sustainable Export-Oriented Crop Production

Infrastructure
- Cold Storage Infrastructure

Technology and Communications
- Fisher’s Digital Marketplace Applications
Renewable Resources and Alternative Energy

Seychelles aims to increase the share of renewable energy sources in its energy supply from 5% to 15% by 2030. Its 100% Renewable Energy Strategy also seeks to achieve full decarbonization of the energy sector by 2050. Seychelles Energy Efficiency & Renewable Energy Programme (SEEREP), initiated in 2014, offers a subsidized loan for renewable energy investments of Small and Medium Enterprises (SMEs) and households.
Grid-Connected Rooftop Solar PV Systems

Business Model

- **Install grid-connected rooftop solar panels** for domestic and commercial use. This includes fish processors, cold storage facilities, hotels, and public institutions.
- **Must abide by the Public Utilities Corporation (PUC) network limitations.** Domestic consumers are allowed to install PV panels to generate up to 100% of their monthly consumption. Commercial consumers who produce more than 10kW are allowed to generate up to 50% of their monthly consumption.

Impact Thesis

Increase clean energy access and share in the national mix, helping business continuity and cost reduction, as well as modernization of the grid.

Market Size

Total electricity consumption exceeding **400 million kWh**

Indicative Return

>25% in ROI

Payback Period

<4 years

Enabling Factors

- **Seychelles Energy Efficiency & Renewable Energy Program loan**
- **GOS-UNDP-GEF Solar PV Rebate Scheme**
- **Net-metering Programme**
  Promotes the use of renewable energy in the residential and commercial sectors
- **Imported solar panels**
  Exempted from goods and services tax

IMP Classification C

To decrease low-income and price-sensitive households’ energy bill and contribute to SIDS energy security.
Off-Grid PV Systems

Business Model

Develop off-grid solar PV installations in the Outer Islands and other remote areas to generate electricity for the use of hotels and key infrastructure operations, including desalination and water treatment plants, small businesses and households.

Impact Thesis

Complete decarbonization of energy supply in remote islands, power critical infrastructure, and benefit resorts and small enterprises with reduced costs and modern infrastructure.

Market Size

Aldabra and four of the Seychelles’ 14 outer islands have gone green with off-grid solar systems while all are expected to be powered by clean energy.

Enabling Factors

Four Outer Islands (Desroches, Alphonse, Astove and Farquhar) Already depend on solar energy for their energy needs

Curieuse Island
Selected for a USD 4.6 million off-grid solar system project.

Imported renewable energy-related commodities
Exempted from Value Added Tax

Indicative Return Payback Period

10-15% in IRR

5-10 years

IMP Classification C

Far-flung islands (which are not connected to the national grid) will gain access to public utilities and services, and enable small businesses, women and youth to benefit from economic opportunities.
Floating Photovoltaics

Business Model

- Develop, construct and operate grid-connected utility-scale floating photovoltaics (FPV) systems in lagoon or offshore areas as an Independent Power Producer (IPP) with the Public Utilities Corporation (PUC) as the off-taker, and liaising with the Marine Spatial Planning.
- Acting as an IPP, firms might be active in the whole value chain, which includes pre-feasibility, site selection and development, financing, and operation.
- Pricing should be below the marginal cost of electricity production in Seychelles, which is approximate to the cost of fuel oil.

Impact Thesis

Increase renewable energy share in the national grid to improve secure access to energy, reduce electricity costs and price volatility from imported fuel, and save land space and forested areas.

Enabling Factor

Seychelles Energy Commission awarded rights to develop and operate a 4MW Floating PV farm project in Providence to an independent power producer.

Market Size

Seychelles’ energy consumption reached **402 million kWh** in 2020, having increased by 25% in the last five years and by 55% in the last ten years.

IMP Classification C

Contribute to energy and sustainable land management solutions by economising the use of scarce land space and opening large spaces for other public services and business that will benefit low-income communities’ livelihood and employment.

Indicative Return

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Medium Term

Payback Period

**10-15%**
in IRR
Seychelles’ service sector is strongly aligned to its flourishing tourism.

Seychelles’ Vision 2033 aims to strengthen the tourism sector by managing the environmental impact and supporting the mainstreaming of sustainability practices into business operations and diversifying beyond its traditional “sand, sea and sun” offerings.
Eco-Tourism Development and Value Chains

Business Model

- Design, refurbish and operate guest houses, hotels and tourism establishments with eco-tourism and green design practices, thus improving operational performance in energy and water efficiency as well as waste circularity.
- Increase local sourcing, including the use of local organic food, Sea-to-Table schemes, and agricultural technology.
- Diversify tourism operations and experiences towards cultural and natural offerings and eco-activities such as trails and culinary tours, increasing community engagement and links with terrestrial and marine national parks.

Impact Thesis

Lessen the industry-induced environmental burden on the planet and encourage the participation of local communities and actors in tourism value generation.

Enabling Factors

Marketing and promotion tax deduction

Deduction allowance
On training certified by the Department of Tourism

30% of EEZ is designed as Marine Protected Area (MPA).

IMP Classification C

Will lessen the industry-induced environmental burden on the planet and encourage the participation of local communities and actors in tourism value generation.

Market Size

USD 100 million - 1 billion

Indicative Return 15-20% in ROI

Payback Period 5-10 years

Medium Term
Cultural and Creative Tourism Development

Business Model

- **Develop infrastructure for the creative tourism services** by re-developing and operating tangible cultural heritage sites.
- **Integrate intangible cultural heritage**, including oral traditions, festivals, music, traditional crafts, and community-based tourism activities oriented on the shared Creole and African culture, plantation history (such as cinnamon, copra, and coconut), and nature in Seychelles.

Impact Thesis

Safeguard national heritage and shared prosperity from services sector by improving access to resources and generate higher tourism income by diversifying offerings and promoting longer stays.

Market Size

Approximately **USD 50 million**

Indicative Return

>25% in Gross Profit Margin

Payback Period

Short Term **<5 years**

Enabling Factors

**Marketing and promotion tax deduction**

Up to 5% of taxable income or the actual expenditure

**Deduction allowance**

150% of the actual expenditure incurred on training certified by the Department of Tourism

Two UNESCO World Heritage Sites

**IMP Classification C**

Investments in cultural and creative tourism development may contribute to the safeguard of the national heritage and shared prosperity from services sector by helping local communities, youth, and women, who are underrepresented in the nation’s critical tourism value chain, improve their access to resources.
Agriculture and fisheries have a low contribution to the GDP, accounting for 2.2% together in 2020. 60% of agricultural land remains currently underutilized. As a result, the country is 70% dependent on imported food.

The Seychelles National Agricultural Investment Plan aims to improve local food production using sustainable agricultural innovations. The Seychelles National Development Strategy (2019-2023) sets fisheries as one of the key intervention areas, and highlights a need to make fisheries more sustainable, outlining the need to diversify the economy by increasing the value-added contributions.
Fish Processing

Business Model

- Set up fish processing plants for adding value to main fish caught within Seychelles’ Exclusive Economic Zone (EEZ), including tuna and demersal species such as snappers, and by-catch such as mahi and marlins.
- Produce high-demand sashimi, loins, smoked products, fillets, and chilled products for export to the African Continental Free Trade Area (AfCFTA) and EU, and sell products in the local and regional market, to hotels and through fish exchanges.
- Develop circular economy models to produce omega oil, animal feed inputs or fertilizers from fish processing waste.

Impact Thesis

Increase value addition from fisheries, enhance industrial capacity and export volumes and improve employment opportunities.

Enabling Factors

**Blue Investment Fund (BIF) loan scheme**
Up to USD 3 million at 4% interest rate

**Blue Grant Fund (BGF)**
Grants to impactful sustainable fisheries projects

**Fisheries Development Fund**
Up to €500,000 at 3% interest rate, with a maximum of 12 years repayment schedule

**Import tax exemption**
Includes VAT refunds on locally purchased goods for registered fishers and supporting activities

**Customs duty exemption**
On goods imported as capital equipment, bait, and protective and safety equipment.

**Marketing and promotion**
Deduction of the expenditure incurred up to 5% of taxable income or of the actual expenditure incurred, whichever is lower

**IMP Classification B**
Investment in fish processing benefits stakeholders by increasing value addition, enhancing industrial capacity and export volumes, and improving employment opportunities.

Market Size

USD 100 million - 1 billion

Indicative Return
5-10% in net profit margin

Payback Period
Medium Term 5-10 years

**Market Size**

USD 100 million - 1 billion

**Indicative Return**

5-10% in net profit margin

**Payback Period**

Medium Term 5-10 years
Sustainable Export-Oriented Crop Production

Business Model

- Set up distilleries to produce high-value-added products from Seychelles tropical cash crops, including cinnamon, vanilla, copra, and Coco de Mer for dietary, cosmetic, and medicinal use.
- Extract, distillate and distribute pure essential oils from locally available sources, for example cinnamon bark and cinnamon leaf, that have potential forward linkages to higher value-added products such as soaps, perfumes or pharmaceutical products.

Impact Thesis

Enhance regional integration with sustainable industrial capacity and growing export volumes, amplify income-generating activities for farmers, and mitigate current account deficit.

Market Size

Approximately

USD 50 million

Enabling Factors

Construction of farm buildings, upgrading of equipment and setting up of agri-tech systems and others
Loans at 2.5-5% interest

Import tax exemption
Includes VAT refunds on locally purchased goods for registered farms and supporting activities

Customs duty exemption
On goods imported as capital equipment, and protective and safety equipment.

Marketing and promotion
Deduction of the expenditure incurred up to 5% of taxable income or of the actual expenditure incurred, whichever is lower

IMP Classification B

Investments in sustainable crop production benefit stakeholders by enhancing industrial capacity and export volumes, amplifying income generating activities for farmers and improving decent work and employment opportunities.

Indicative Return

>25% in Gross Profit Margin

Payback Period

<5 years
Infrastructure

Inadequate cold storage capacity constrains exports and processing operations in the fisheries sector. Government is working to remove obstacles to the implementation and financing of infrastructure projects. Infrastructure services are facilitated by the “Promote Added Value and the Modernization of Infrastructure” strategy, supported by the Seychelles Fishing Authority (SFA), and the Agreement for Sustainable Fishing Partnership with the European Union.
Cold Storage Infrastructure

Business Model

- Build cost-effective and solar-powered cold warehousing facilities with high infrastructure connectivity to store processed frozen food at minus 20 or minus 40 degrees Celsius.
- Work with a firm customer base either from fish processors, the regional fisher's association artisanal fishers and other actors to eliminate the risk of cross contamination.

Impact Thesis

Enhance processors’ and small-scale producers’ access to capital-intensive market infrastructure, increasing value added from key sectors.

Market Size

USD 100 million - 1 billion

Indicative Return

>25% in Gross Profit Margin

Payback Period

Medium Term 5-10 years

Enabling Factors

Blue Investment Fund loan scheme
Up to USD 3 million at 4% interest rate

Blue Grant Fund
Grants to impactful sustainable fisheries projects

Fisheries Development Fund
Up to €500,000 at 3% interest rate, with a maximum 12-year repayment

Fish Processing Zone at Ile du Port
Allocation of a land area covering 70,000 square metres for private investors

IMP Classification C

Investments into cold storage infrastructure contribute to solutions by enhancing processors’ and small-scale producers’ access to capital-intensive market infrastructure, increasing value added from key sectors.
Technology and Communications

Budget 2021 places the digital economy sector within priorities. Seychelles Digital Economy Agenda, devised thereafter, concerns digitizing government services, becoming a FinTech hub and building online payment and cybersecurity capacity. Private sector is included through outsourcing of software and IT services, developed 90% in-house by the Department of ICT (DICT).
Fisher’s Digital Marketplace Applications

Business Model

- Develop digital marketplace applications to connect artisanal and semi-industrial fishers with businesses in tourism and fish processing value streams, specifically large hotels in Inner Islands, to improve the traceability in terms of source and sustainability of the catch, and increase fresh produce sales through direct transactions.
- The application may include additional tracking services such as preventing fishers from getting into a Marine Protected Area (MPA).

Impact Thesis

Improve efficiency in the fisheries sector, specifically small-scale artisanal and semi-industrial fishers, and increase product diversification and traceability to unlock access to finance and markets.

Enabling Factors

Blue Investment Fund (BIF)
May be accessed through the Fisher’s marketplace application

Blue Investment Fund (BIF) loan scheme
Offers up to USD 3 million at 4% interest rate

Fisheries Development Fund
Aims at increasing value addition from fishing activity

ICT sector
The Government of Seychelles is in the process of compiling different incentives to be applied by 2023

IMP Classification C
Investments in digital marketplace application can contribute to solutions by improving resource efficiency and sales in the fisheries sector, specifically small-scale artisanal and semi-industrial fishers, and increase product diversification and traceability to unlock access to finance and markets.

Market Size

USD 100 million - 1 billion

Indicative Return
>25% in ROI

Payback Period
Short Term <5 years
Emerging IOAs

In addition to the Investment Opportunity Areas (IOAs) that feature a proven business model and have the potential to address national development needs aligned with policy priorities through private sector intervention, the Seychelles SDG Investor Map also establishes emerging IOAs. Emerging IOAs offer the potential for Seychelles to generate additional private sector led development impact once the market momentum and the policy and regulatory momentum, respectively, progress with the evolving market dynamics and the Government’s further efforts towards ensuring the enabling environment for private sector contributions.

They can evolve into market-ready IOAs with comprehensive data sets once business models are proven and the policy and regulatory opportunities are addressed.
Emerging IOAs with Market Momentum

- Sustainable Aquaculture Production
- Waste Management
- Waste Circularity in Hotels
Sustainable Aquaculture Production

Business Model

- **Set up and operate sustainable aquaculture farms and sea-ranching**, in onshore and offshore areas, for the cultivation of high-value species such as snappers, groupers and other finfish.

Development Need

- Fish is the major contributor to dietary protein, accounting for 35-40% of total protein consumed.
- The industrial and semi-industrial commercial fishing sectors are subject to quota due to depleting resources.
- The fisheries sector is unlikely to maintain the current fish consumption rate, without diversifying production and improving productivity.

Emerging Potential

- The new Broodstock Acclimation and Quarantine Facility (BAQF) was inaugurated at the Providence Fishing Port in 2019 to accommodate commercial fish species such as grouper and red snapper.
- BAQF can serve as a foundation for further integration into an aquaculture research and development facility, where a specialized hatchery will be established.

Market Momentum

- Aquaculture farms and related infrastructure are currently developed by the Government of Seychelles.
- High investment and research costs, and land space requirements associated with aquaculture, evidence the need for public sector intervention during the infancy of the sector.
- Once piloted, it should commercialize, improving the food security and fishery value chain in Seychelles.
Waste Management

Business Model

- Provide waste management services, including collection, sorting, recycling, and waste logistics through PPP and B2B models to reduce and recover waste ending in landfills.
- Leverage digital waste management solutions such as food waste tracking applications.
- Produce biogas-based clean energy from organic waste through Anaerobic Digestion (AD) while further utilizing the digestate as fertilizer or raw material.

Development Need

- Seychelles, a geospatially isolated biodiversity hotspot with limited and mountainous land, serves a sizeable fishing industry and a tourist population more than three times its own in the absence of engineered landfills.
- The main sanitary landfill at Providence has a projected lifespan ending in 2024.
- The unavailability of new land space impedes the development of new landfills amid an increase of 6% in solid waste generation per year.

Emerging Potential

- The waste generation rate in the island of Mahé is twice the world average, while the solid waste collection rate is 100% on the island.
- More than half of the waste generated in Seychelles is recoverable for energy production and the total waste amount is expected to increase by 50% by 2030.

Market Momentum

- There is strong demand for the end products of the Anaerobic Digestion (AD), which are the biogas and the digestate with multiple use (including energy, fertilizers, and heating), from farmers, industry, hotels, households, restaurants, and landscaping companies.
  Moreover, the biodegradable waste supply is also sustained by farmers, food and beverage processing industries, hoteliers, households, restaurants, landscaping companies, and sewage treatment plants.
  Improved waste management could also unleash export potential of waste materials such as glass.
Waste Circularity in Hotels

Business Model

- **Invest in circular waste management or sustainable material management** (SMM) in hotels.
- This includes utilizing waste as the production input for the manufacturing of upcycled goods and commodities, and reducing solid and liquid waste.

Development Need

- The quantity of waste generated per hotel per tourist per day (kg/person/day) may be as low as 0.56 kg for a small establishment, and as high as 4.07 kg for a full-service establishment.
- Sustainable waste management practices are amongst the criteria for the Seychelles Sustainable Tourism Label (SSTL) but received limited scrutiny by a small share of hotels and establishments.

Emerging Potential

- There were efforts to establish a system to recycle waste oil from hotel kitchens, which would be converted into biodiesel and used in hotel vehicles to further reduce reliance on non-renewable energy.
- However, the need for laboratories for checking quality of the used oil accentuated the need for feasibility studies and incentives.

Market Momentum

- Waste circularity in hotels is a potential business model to address one of the main development challenges arising from the country’s dependence on a tourism industry which generates high volumes of waste.
- With the integration of this business model, hotels will also be aligned with global sustainability standards and have a broader outreach to potential impact-oriented customers and investors.
Emerging IOAs with Policy and Regulatory Momentum

- Local Agricultural Production
- Semi-Industrial Commercial Fishing
- Digital Transformation: Business and e-Government Software Solutions
- Digital Marketplace for Diversifying the Export Market
Local Agricultural Production

Business Model

- Produce nutrient-dense crops in Seychelles, particularly fruits and vegetables locally produced by smallholders for local households and the hospitality industry. These products comprise staple foods such as sweet potato, cassava, breadfruit, and yam; fruits such as mango, tomatoes and papaya; vegetables and spices such as moringa, lettuce and watercress, and other products (including an option for combining with livestock production of poultry, pork, and beef).
- Use intensive agriculture techniques such as aeroponics and hydroponics, notably for high-tech vertical farming in Seychellois islands that go green in energy supply, and climate-smart techniques such as drip irrigation, integrated pest and disease management, conservation agriculture, and improved drainage.

Development Need

- The country is heavily dependent (70%) on food imports for domestic needs.
- Shocks such as the COVID-19 pandemic and the Russian-Ukrainian conflict are affecting food security further.
- Addressing these development needs will contribute to SDG 2 (Zero Hunger), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 15 (Life on Land).

Emerging Potential

- Sustainable agriculture could be developed in outer islands with focus on specific crops including, onion, potato, carrot, ginger garlic, vanilla and vanilla products, and coconut and coconut products.
- Around 400 smallholder farmers operate in Seychelles. If policy and regulatory gaps are addressed, Seychelles can substitute fruits and vegetable imports which amounted to SR 509 million (USD 40M) in 2020.

Policy and Regulatory Momentum

- Designing an agricultural policy, introducing incentives and establishing vocational training among entrepreneurs, could make the sector profitable and competitive.
- A comprehensive assessment of potential projects could support farmer engagement in sustainable production.
- The Government could create facilities and infrastructure through public-private partnerships such as Build-Operate-Transfer and Design-Build-Operate.
- The capacity and competitiveness of smallholder farmers could be strengthened with necessary measures to prevent large enterprises and SOEs from monopolizing the market.
Semi-Industrial Commercial Fishing

Business Model

- Harvesting fish using artisanal fishery techniques or semi-industrial long-line fishery techniques to catch demersal and pelagic fish species to sell in the domestic market and for export to the AfCFTA and EU.

Development Need

- Stability of fisheries in terms of catch is under scrutiny due to fishing size and methods. Although highly regulated by the government of Seychelles licensing structures and the Indian Ocean Tuna Commission, yellowfin tuna, one of the main targeted fish species, and other stocks in the demersal fishery, are already overfished.
- Fishers lack adequate infrastructure like markets, ice-making plants, repair areas, and modern fishing vessels.

Emerging Potential

- Revenue from fresh, frozen and processed fish exports accounted for almost USD 550 million in 2021, owing to an extensive Exclusive Economic Zone of 1.35 million km², situated within the Western Indian Ocean where approximately 14% of the value of global tuna catch is sourced.
- In 2021, the Seychelles Fishing Authority undertook six artisanal fishing projects in the districts of Baie Sainte Anne in Praslin, Glacis, Ile Perseverance, Cascade, Anse Aux Pins and Grand Anse Praslin.
- The European Union-Seychelles Sustainable Fisheries Partnership Agreement (SFPA) guarantees a total of €2.8 million each year for the promotion of sustainable management of fisheries in Seychelles and the development of small-scale fisheries.
- The ratification of the AfCFTA will allow Seychelles to diversify beyond European markets and assure economic stability.

Policy and Regulatory Momentum

To improve local production capacities, several interventions are required. These include:
- Applying software solutions for the facilitation of a demand-driven supply network in the fishery sector.
- Introducing trade facilitation reforms and market entry support for businesses in the form of EU-based guidance and AfCFTA guidance.
- Improving opportunities to access Blue Bond disbursement and Debt-to-Nature Swap proceedings by preparation and implementation of the sub-projects (promoting financial literacy and bookkeeping and operational capacity in terms of boat ownership and maintenance) to help increase capacity for local production.
Digital Transformation: Business and e-Government Software Solutions

Business Model

- **Develop customized software and enterprise technologies**, including inventory and supply chain management software, enterprise resource planning (ERP), customer relationship management (CRM), search engine optimization services, and conversion rate optimization, specifically for micro, small and medium enterprises (MSME), digital tools for ministries, departments and agencies (MDAs), government-to-citizen (G2C) and government-to-business (G2B) e-governance services.

Development Need

- A limited supply of digital talent, wide fluctuations in electricity rates, and the high price of internet connectivity restrain the development of internet-based services and products.
- Few educational establishments are engaged in the sector.
- There is ample scope for creating a more enabling environment for the development of home-grown technological innovation and e-business, with incentives in place to allow for start-ups and/or established entities.

Emerging Private Sector and Market Potential

- African start-ups raised over USD 4bn in 2021, growing by over 2.5 times in 2021. Seychelles can substantially contribute to this trend if the ICT sector is improved.
- After the approval of the Digital Economy Agenda, the Digital Economy Steering Committee was created.

Policy and Regulatory Momentum

- The digital economy agenda could improve policy and regulatory environment by providing guidance and management structure for digital entrepreneurship and fostering the establishment of an ICT ecosystem in the country, notably with fintech labs, IT incubators, and IT academies that would complement the education policy regarding the bilingual characteristic of the Seychellois workforce.
Digital Marketplace for Diversifying the Export Market

Business Model

- Develop a digital marketplace application or platform to connect Seychellois producers with international markets specialized in tourism, fisheries value chains, and agriculture, and improve demand forecasting, supply decisions, origin traceability, and sustainability of products to trade via AfCFTA and EU agreements.

Development Need

- Seychelles’ intra-Africa trade (USD 8 million in 2020) represented only 2% of the country’s global exports.
- The ratification of the African Continental Free Trade Area (AfCFTA) can enable diversification beyond the European Union.
- Seychelles should tap into markets such as the Gulf Cooperation Council (GCC), the US, and the ASEAN countries.

Emerging Private Sector and Market Potential

- There have been discussions regarding the initiation of a Mauritius fish exchange platform to trade the excess fish caught mainly in Praslin (or La Digue) from Seychelles to Rodrigues, an outer island of Mauritius. As islands of both countries transport the catch to the mainland first and then export, there is a need to create a link between the two countries.
- The partnership will take place between fishers’ associations and NGOs to facilitate fish trade between artisanal communities.
- The Government of Seychelles is soon to issue the E-money regulation to ensure guidance to Payment Service Providers (PSPs).
- Government engagements to advance the digital ecosystem include incentives to increase the usage of digital financial services; study internet affordability and reliability; the adoption of the Financial Consumer Protection Act; Digital Financial Literacy, and the implementation of a new Credit Information System and associated legislative framework.

Policy and Regulatory Momentum

- Digital Marketplace applications could take off with the introduction of a roadmap for tapping into potential sectors and areas of engagement in AfCFTA and other trade blocs.
- Standardization and compliance procedures might be developed by introducing trade facilitation reforms and providing market entry support for businesses.
- Government works on establishing a payment council and updating the e-payment policy.
For information on how to invest in Seychelles please visit: https://investinseychelles.com/