



REPUBLIC OF SEYCHELLES

NATIONAL REPORT

**PREPARATION FOR THE 3rd INTERNATIONAL
CONFERENCE ON SMALL ISLAND DEVELOPING STATES
TO BE HELD IN APIA SAMOA, 2014**

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Executive Summary

The Seychelles has once more denoted strong political commitment to sustainable development through the cabinet endorsement of its Sustainable Development Strategy 2011-2020. The SSDS 2020 revises and builds upon a successive generation of highly successful Environment Management Plans of Seychelles (EMPS). The SSDS 2020 includes a greater input of other sectors and further alignment of the strategy with international conventions. It also provides stronger institutional framework with firmer mechanism for monitoring and evaluation.

Progress, constrains and gaps in BPOA/MSI implementation

Generally, the Seychelles continues to attain a high level of implementation of the BPOA and MSI despite serious economic difficulties in the intervening years. Progress has been made across all thematic and notable high implementations were in areas with good access to funding or technical expertise. Progress in other sectors e.g. freshwater, was hampered by limited investments and exogenous factors such as climate change.

Emerging Challenges & Opportunities

The plight of Seychelles against international piracy has been fully acknowledged by the international community and with a concerted global effort, there has not been a successful pirate attack in 13 months. This is a tremendous success for the country and its partners, however advances are reversible especially in the lack of regional capacity to fully securitise the Western Indian Ocean region. The political instability in Madagascar is an emerging threat to the **peace and security** of the region. In the absence of intervention, it is likely that further instability will bring adverse impacts to the region. National peace and security is increasingly being compromised with a higher by year cases of **crimes** including theft, burglary and robberies. This seems to be following an increased rate of illicit drugs, which is affecting the country. A stern response has been effected by the Government through revision of legislation and more effective legal and enforcement process. Consequently the country has one of the highest prison populations per capita in the world, which includes foreign detainees. Crime is an issue seriously affecting other SIDS in particular in the Caribbean and steps must be taken in Seychelles to prevent emergence of similar effects. It was announced recently that there has been a 15% decline in crimes, which hopefully can be maintained.

Financing for development continues to be the major hurdle for sustainable development for Small Island Developing States like Seychelles. Lack of financing hinders the full implementation of multilateral strategies and action plans. The Seychelles has suffered erosion of its trade preferences and greatly reduced official development assistance. **Access to development funding** is key to further pragmatic actions in sustainable development. Innovative approach is required and a special category for SIDS financing needs to be fully acknowledged by the international community. Capacity to fully adapt to **climate change** is required and assessment of mitigation potential of its **blue carbon**. Seychelles and other SIDS need to valorise their oceans and coasts and maximise the benefit arising from their **blue economy**. Comprehensive benthic and mineral exploratory studies are required of Seychelles EEZ. The under exploited resources in the ocean may be the greatest source of income for SIDS like Seychelles.

The country cognizant of its vulnerability in the **energy** sector through over dependence on fossil fuel has recently installed wind turbines and revised its energy legislation to stimulate the use of renewable energy. The cost of renewable energy however remains a challenge for Seychelles to fully exploit solar and wave energy. Technology transfer is required in this sector as well as human capacity. Similar actions are required in the agricultural sector in order to increase national food production and ensure **food security**.

The emergence of H7N9 virus and the threat of global pandemic is a serious concern to the Seychelles. SIDS in general are ill equipped to diagnose, contain and treat highly infectious diseases. It is important therefore that Seychelles continues to strengthen its resilience to **global pandemics** and work with international organisations such as WHO to further the responsive capacity. Seychelles and other SIDS must continue to affirm the need for technologically advanced countries to further work in vaccine development and treatment against emerging diseases such as avian flu and against tropical diseases in particular, malaria and ebola amongst others.

Amongst the critical success factors for Seychelles are the development and retention of a trained and competent workforce within and outside of Government. With the smallest population in Africa, and one of the smallest in the world, it is difficult to build and retain sufficient capacity to implement effective programmes. Reliance on external consultants and foreign labour in general are not sustainable. Programmes need to align actions that use local expertise where it exists eliminating economic barriers between national and foreign workforce. The strengthening of national **human capacity** ranks as one of the pivotal aspect of sustainable development. The issue of human capacity must be addressed through a systemic analysis of enablers, which serve to retain professionals and tradesmen, and these include **planned urbanisation**, availability of goods and services, leisure and recreational facilities amongst others.

Post 2015 UN Development Agenda

In general there is little awareness and participation in defining the post 2015 UN development agenda in Seychelles. Seychelles was integrated into the Africa process through the African Union and outcomes of that process generally harmonises with the priorities of the country. Stakeholder feels that more consultation in defining the post 2015 UNDA is required and the resources in terms of time and finance allocated to this process has not been sufficient. Nonetheless, there is consensus that SIDS require further consideration within the post 2015 framework and specifically related to access to the blue economy and financing for development.

ACRONYMS

AIMS	Atlantic, Indian Ocean, Mediterranean and South China Sea
AIDS	Acquired Immune Deficiency Syndrome
AU	African Union
BPOA	Barbados Programme of Action
CAADP	Comprehensive Africa Agriculture Development Programme
CBD	Convention on Biological Diversity
COMESA	Common Market for Eastern & Southern Africa
CDM	Clean Development Mechanism
COP	Conference of Parties
EEZ	Economic Exclusive Zone
EMPS	Environment Management Plan of Seychelles
ESA-IO	Eastern and southern Africa-Indian Ocean countries
EU	European Union
GDP	Gross Domestic Product
GLISPA	Global Island Partnership
GEF	Global Environment Fund
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
ICRI	International Coral Reef Initiative
IMF	International monetary Fund
IMO	International Maritime Organisation
IUCN	International Union of Conservation
MSI	Mauritius Strategy
M&E	Monitoring & Evaluation
MDG	Millennium Development Goals
MEA	Multilateral Environment Agreements
MTNDS	Medium Term National Development Strategy
NEPAD	New Partnership for Africa Development
NGO	Non Governmental Organisation
ODA	Official Development Assistance
RAPPICC	Anti Piracy Prosecutions Intelligence Coordination Centre
SADC	South African Development Community
SD	Sustainable Development
SDG	Sustainable Development Goals
SIDS	Small Island Developing States
SSDS	Seychelles Sustainable Development Strategy
UCSIS	University Consortium of Small Island states
UNCLOS	United Nations Convention on Law of the Sea
UNDA	United Nations Development Agenda
UNDG	United Nations Development Group
UNGA	United Nations General Assembly
UNDESA	United Nations Division for Environment Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNCED	United Nations Conference on Environment & Development
UNODC	United Nations Office on Drugs & Crimes
UAV	Unmanned Aerial Vehicle
WHO	World Health Organisation
WIOCC	Western Indian Ocean Coastal Challenge

1. Introduction

1.1 Country background

The Seychelles is an archipelagic democratic Republic consisting of 125 islands located in the Western Indian Ocean 55.6 degrees east of Greenwich meridian and 5 degrees south of the equator. The total land area is 451km² and the EEZ comprises of 1.3 million KM² of ocean. 90% of the population lives on the mainland of Mahe, which consists of a number of reclaimed artificial islands along its eastern coast. The new islands are assisting to meet further development needs of the country and currently used for human settlements, higher end tourism accommodations and renewable energy hosting seven wind turbines. Previous reclamations have been used to extend the width of the coast of Mahe allowing for a host of economic activity such as port infrastructure and industrial zones.

The population is 87,400¹ being the smallest in Africa and twelve² smallest in the world. The population is tri plural in creole (native), English and French and is composed of a racial mix of Europeans, Asians and Africans. The islands were previously uninhabited and the human population is due to migration from other countries. The populace elects a president who is head of state and Government for a period of 5 years and is constitutionally restricted to three terms in office. The Seychelles parliament comprises of 34 members of which 25 are elected by popular vote with nine seats appointed proportionally on votes received by each party. The other component of Government namely the judiciary functions separately to the executive and legislature. The Seychelles is ranked 4th on the Mo Ibrahim Index of African Governance³ out of 52 African countries (2012) and 46th world wide for human development with HDI rating of 0.806⁴ (2013), being the highest in Africa.

1.2 Socioeconomic context

The country is currently under an extended IMF programme since 2008 to restructure its economy after decades of economic stagnation and high debt servicing. High debt has accrued due to capital-intensive infrastructures such as land reclamation, roads, schools, hospitals, district clinics, water and sanitation amongst others. At the end of 2012, economic growth was 2.9% GDP and inflation at 8.9%. The country still has a sizeable current account deficit at 22% of GDP and relied on FDI and external borrowing to meet the budgetary shortfall. Debt in December 2012 was 77% GDP representing a 10% reduction over same period in 2011⁵. The country has recently committed to reducing debt to 50% of GDP by 2018 having successfully negotiated two important debt-restructuring agreements in 2012. Funding for social programme and infrastructure is being contemplated through development grants as far as possible with a 2013 debt forecast at 74% of GDP⁶. Economic growth forecast for 2013 is 3% with concurrent reduction in inflation now standing at around 5%.

¹ Seychelles in figures 2012; <http://www.nsb.gov.sc/wp-content/uploads/2012/12/Seychelles-In-Figures-2012-Edition.pdf> Accessed 21.05.13

² <http://www.worldatlas.com/aatlas/populations/ctypopls.htm#UaiDZFHd6JU> Accessed 30.05.13

³ <http://www.moibrahimfoundation.org/downloads/2012-IIAG-summary-report.pdf>; Accessed 29.05.13

⁴ http://hdr.undp.org/en/media/HDR2013_EN_Summary.pdf; Accessed 29.05.13

⁵ <http://www.cbs.sc/Downloads/publications/Annual%20Report%202012.pdf>; Accessed 29.05.13

⁶ <http://www.imf.org/external/pubs/ft/scr/2013/cr1324.pdf>; Accessed 29.05.13

Recent measures has been introduction of a new taxation regime with mandatory VAT registration at SCR 5 million turnover which the aim of going to SCR 3 million in 2014 and SCR 2 million turnover in 2015. A new Corporate Social Responsibility tax of 0.5% on turnover with sales above SCR 1 million has been introduced and a 0.5% tourism marketing tax on tourism establishments and other sectors benefiting from tourism e.g. banks and insurance. The Seychelles Customs has upgraded to the ASYCUDA world web based programme, which is expected to facilitate trade operations and improve quality and accuracy of trade statistics.

The tourism industry representing 68% GDP for the country continued to perform well with tourism arrivals achieving record number in 2012 (208,034) representing growth of 7% over 2011 and 31% increase over the last four years⁷. Europe is the principal market representing 69% of arrivals however there has been a significant (53%) increase in the Asian market, which now accounts for 12% of total arrivals. This is attributed to increased marketing and air coverage by international airlines over the last few years. The profitability of air transportation is vulnerable to fuel costs and financial difficulties of the national airline (Air Seychelles) urged a strategic partnership with gulf based Etihad Airways through a 40% equity sale in 2012. The loss of direct flights to Europe is seen as a drawback although the upside is increased international coverage, marketing and resilience of the national airline. In 2013, new destination was added (Hong Kong) and partnerships are underway to tap into the South American continent amongst others.

The fisheries sector currently accounts for 0.9% GDP and has shown 13% decline mostly in the artisanal and semi artisanal sub sector. There was no growth in agriculture sector remaining unchanged at 1.3% GDP.

In terms of social services, the Government continues to pursue its social inclusive policy. The Seychelles provides free medicare at primary and secondary level. Through a comprehensive health care programme, all Seychellois children are immunised at birth eliminating previously life strengthening or debilitating diseases such as polio. There exist a number of private clinics complementing the work of free Government clinics some offering specialist treatments. Average life expectancy is 72.6 with females outliving males by at least 10 years. Education at primary and secondary level is free and a limited number of scholarships are available for tertiary education. Over 95% of children finish primary schooling⁸ and literacy rate are 94%⁹, which is declining somewhat over previous years. There exists post secondary institutions and students are able to pursue education at Advanced level and eventually at overseas universities through Government scholarship. Since 2010 Seychelles opened its very own University (University of Seychelles) and now offers courses at degree level.

Housing poses a particular challenge in Seychelles in view of land shortages, difficulty and cost of house ownership. Presently 70% of existing households are owner occupied and 11% are rented from Government¹⁰. Nonetheless the demand for housing is significant as a greater part of the population rely on Government to build and rent houses in housing estates, the most prolific being on reclaimed Perseverance Island. Government is committed to building more houses to meet the increasing demand and vowed to build 5000 houses for the period 2006-2011. The fact that around 50% houses were built reflects

⁷ <http://www.cbs.sc/Downloads/publications/Annual%20Report%202012.pdf>; Accessed 28.05.13

⁸ http://www.nsb.gov.sc/files/Reports/MDG%20Report%202010_Seychelles.pdf; Accessed 28.05.13

⁹ Seychelles in Figures 2012 National Statistics Bureau

¹⁰ Population and housing census 2010

the ever-increasing challenge for housing¹¹. There is a need to revisit this issue in a more integrated manner (see chapter 5.16).

With respect to ICT, the country is covered throughout with telephone landlines and although only 48.7% households are connected; 90% of households uses mobile telephone through 3G networks serviced by two main telecom providers. Population and housing census 2010 revealed that 94.6% of all households have access to television, 37.8% of Seychellois owned a computer amongst these 18.2% of households access Internet on PC while 13.6% from smart phones. Since 2012, Seychelles is connected to the global optical telecommunications network through undersea fibre optic cable and now enjoys fast telecommunications including Internet. Disruptions to the service notably in 2013 highlighted the need to maintain backup installations, the need for local operators to diversify the services with international providers and the need for alternative alternate fibre optic cable link. The unexpected decrease in high speed connectivity and high cost of Internet due to consumptive charging is now an issue that needs to be addressed if Seychelles is to maximise fully the benefit of undersea cable and meet 2015 targets set by the Broadband Commission for Digital Development.

The utility sector (electricity, water and sewerage and gas), is an area where investment is lacking and are currently subsidised to residential customers. There is cognizance on the need to achieve cost recovery in these sectors and increase tariffs in the near future¹².

The Seychelles like all other countries have a vulnerable segment of the population which are low earners and are assisted by the state. A social welfare agency exists to assist this group in particular those worse affected by economic policies.

1.3 Sustainable development in Seychelles

The principal sustainable development mechanism in Seychelles is the Seychelles Sustainable Development Strategy 2011-2020 (SSDS 2011-2020). The SSDS 2020 replaces the Environment Management Plan of Seychelles (EMPS 2000-2010) and revises significantly the means to sustainability. It remains a multi thematic programme that define the policy and strategy within 13 thematics namely 1) Social and human development, 2) Land use, coastal zone and Urbanisation 3) Biodiversity and Forestry, 4) Agriculture and Food Security, 5) Fisheries and Marine Resources, 6) Water Sanitation and Waste Management, 7) Tourism and Aesthetics, 8) Economics of Sustainability, 9) Sustainable Consumption and Production, 10) Energy and Transport, 11) Climate Change, 12) Education for Sustainability and 13) Policy, Institutional and Regulatory.

The SSDS was developed after an extensive review of the EMPS 2000-2010 the result of which revealed that 85% of the programmes were implemented despite adverse economic conditions. Implementation was constrained by insufficient financing, technical capacity and weak institution. The SSDS 2020 seeks to resolve implementation difficulties and was developed through an elaborate stakeholder consultation within the various thematics and endorsed by the cabinet of Ministers. Within the new framework being operationalized in 2013, the institution will no longer be a unit within the Department of Environment but rather fully institution headed by a Chief Executive Officer. It will be overseen by the Seychelles Sustainable Development Council and assisted by a multi stakeholder committee consisting of government and non-government actors. The proper functioning

¹¹ State of Nations Address 2011; Available at <http://www.statehouse.gov.sc/index.php/speeches/505-state-of-the-nation-address-by-president-james-alix-michel-25th-february-2011> Accessed 23.05.13

¹² IMF; Sixth review under extended fund facility; <http://www.imf.org/external/pubs/ft/scr/2013/cr1324.pdf>; Accessed 23.05.13

of the institutional mechanism and financing for SSDS is seen as a major success factor for enhanced implementation.

2. Methodology

The methodology for this assignment was through three interlinked phases, consisting of A) background documentation and review as a basis of multi-stakeholder consultation, B) multi-stakeholder consultation and C) production of the national synthesis report.

A. Background documentation and review

This phase comprised of a stocktake of previous national reports and documents from the MSI+5 and Rio+20 preparatory processes, an updated compilation of national policies, strategies and action plans and the progress in the pursuit of sustainable development. This necessitated a thorough assessment of national actions plans, national strategy and other documents, which aligns to sustainable development and implementation of BPOA and MSI. Findings from this phase was earmarked for next phase which involved stakeholder consultation

B. Multi-stakeholder consultation

A first workshop was carried out in 8th May 2013 to 1) familiarise participants to the assignment 2) assess progress, gaps and constraints in implementing the BPOA and Mauritius Strategy 3) consider emerging challenges for sustainable development. Participants 4) update and stir initial discussions on the post 2015 UNDA. The civil society requested a special session but this was not organised in view that they are developing a position paper. A workshop was held on 3rd June 2013 with Women and another on 7th June 13 for the Youth. Besides these the consultant undertook various discussions with individuals within various sectors. The inputs culminated in the draft national report, which was validated in a multi stakeholder workshop held on 10th June 2013.

C. National report

In addition to the above, specific questions were proposed by UNDESA to guide the development of this report. These served as a basis not only for the national report but also to guide discussions during the multi stakeholder consultation process.

3. Progress, Constraints & Gaps in implementation

3.1 Thematic assessment

The Seychelles continues to implement the BPOA and Mauritius Strategy to a high level. Success is attributed to early deployment of similar instruments at the national level and the presence of an established institutional framework.

With regard to climate change, the Seychelles has been steadfast in UNFCCC negotiations and notable progress has been achieved in particular under the regional ACLIMATE project, partnerships with GLISPA and the Western Indian Ocean Coastal Challenge. However other areas are hampered by slow deployment e.g. the Clean Development Mechanism (CDM), roll out of adaptation and mitigation funds and the lack of scientific capability e.g. in undertaking scientific climate studies and studies in carbon sequestration. Capacity in climate change is critical with only one person trained in meteorology at Bsc level and now pursuing an advance degree, widens significantly the knowledge gap.

Important progress has been made in the management of waste through partnership with the European Union and the country boasts a new and modern sanitary landfill and leachate plant. There is a very high rate of waste collection and cleanliness in the country. Several initiatives has been developed in line with international policies and best practice including implementation of a user pay policy, ban on non re-useable plastic bags increased waste recycling and waste diversion from landfill. Despite these advances, the sector is seriously constrained by poor long-term planning, deficiency in contracting and lack of technical capacity. There are currently no graduates specialised in this sector to support the activities of the waste agency. Despite ratification of the Basel Convention, the country does not have a comprehensive programme including specialised staff, equipment and facility for the safe management of hazardous waste.

Under the thematic of coastal and marine, there is currently joint management of the Mascareigne region by Seychelles and Mauritius settling issues around delimitation of maritime boundary. Development of an ICZM Protocol at the regional level under the Nairobi Convention aims to harmonise coastal development within the Western Indian Ocean region. Threat of piracy, lack of technology has been the main barriers in this sector.

The Water sector benefitted from a comprehensive Water Supply Development Plan (2011-2030) launched in 2011 with support of the African Water Facility. The plan details specific actions to be carried out in order to resolve protracted water shortages during the dry season including increasing the capacity of the reservoir, tackling non-revenue water, enhancing institutional capacity amongst others. These activities are under implementation however the country is still experiencing persistent water shortages until these projects are completed. Investment in the sanitation sector is especially wanting in view of an aged sewer network.

The need for improved technical capacity reverberates strongly across all sectors and in particular for energy, which would also benefit from more technology transfer. A new Energy Act has been approved and updated legislation pertaining to the Energy Commission. These instruments allow independent power producers to produce and sell renewable energy to the national grid. Important on-going programmes are installation of eight wind turbines (under commissioning) and a project on Photovoltaic cells.

For Biodiversity, there is now regular reporting to the CBD and an update of the NBSAP currently under development. However there are still particular areas of weakness e.g. valuation of ecosystem goods and services and shortage of key professionals in certain areas.

For Science & Technology there is as yet no comprehensive programme within the national strategy and implementation has been across the various thematics of the SSDS/EMPS. The Seychelles does not have research laboratories although limited programmes are run with international partners under specific projects. There has been some progress e.g. in development of a Science & Technology policy however there remains significant scope for further development e.g. through new institution and fostering a culture of decision based on science.

Within the education sector, there is high rate of schooling in both state and private schools. Seychellois student perform well in external examinations and has in the past achieved the best grade in the world. The sector is however constrained by an inadequate number of competent teachers, lack of basic resources and maintenance of school infrastructure. Although the capacity issue is being addressed through recruitment of foreign nationals, students face difficulties understanding foreign accents and there are differences in remuneration between overseas and local teachers. The education sector also has to deal increasingly with and antisocial behaviour from students stemming from drug use, weakened family units amongst others. There is a feeling that more gains need to be made in the social sector in order to improve effectiveness of the education sector.

The health sector implements a comprehensive health programme and have decentralised service giving primary health care in the districts and inner islands. The sector faces challenges of teenage pregnancy due to low contraceptive intake, global pandemics and increase in communicable diseases such as HIV/AIDS, hepatitis as well as increased drug addiction. The majority deaths are however due to non-communicable diseases such as cancer, cardiovascular diseases and other complications arising from lifestyle. The Ministry opened in 2010 a unit for non-communicable diseases and promotes healthy living. Nonetheless programmes are not fully integrated into other sectors¹³ a typical example is transportation where there is scope to develop fully non-motorised vehicles, increased private sector participation in gym, health clubs and leisure facilities. There is scope to rethink health issues that encourages the population to undertake an active lifestyle to which health is a direct benefit. There also need to undertake more and accessible research into causative effects of diseases in Seychelles in order to mount effective responses.

Knowledge management in general is constrained by lack of data affecting the decision-making process. In particular it was found that data or specific information within institutions are difficult to access and combined with capacity, often crystallised to one or two key persons within the organisation. The absence of these key people compromises the institutional memory of the organisation. Despite these limitations there has been progress in data management in the financial sector and similar actions are underway in the environment sector through the State of Environment Outlook. The perception is that databases are developed within most sectors but promulgation and upkeep are highly individual sensitive. The Ministry for Land Use and other partners have made great strides in the adoption of land use plans and use of Geographic Information System.

¹³ Bovet p, Viswanathan B, Shamlaye C, Romain S, Gedeon J; Addressing non-communicable diseases in the Seychelles: towards a comprehensive plan of action.; Abstract at <http://www.ncbi.nlm.nih.gov/pubmed/20595339>; Accessed 7.06.13

In the tourism sector, new initiatives have been achieved including establishment of a new Ministry of Tourism and culture. The Seychelles Tourism Board now organises “Carnaval Internationale de Victoria” on an annual basis. The carnival three years running is highly popular with visitors and residents. The creole festival remains poignant in celebrating the creole cultural identity. Other notable event is the “Fet-Africk”, a celebration of Africanism in the Seychellois culture. Great strides have been made and tourism arrivals have reached record high in 2012. Increased marketing of Seychelles, development of informative websites and greater air coverage has proved instrumental to growth in this sector. The sector however is still heavily reliant on foreign workers in particular at supervisory and managerial level. The leading training institution for this sector, the Seychelles Tourism Academy takes in about 500 trainees every year. It has since inception forged strong partnerships with major hotel chains within the industry that allows for internships and training at international standard. The STA allows student to complete a number of qualifications such as advanced Diploma, BA and Masters degree in hospitality management through a twinning programme with Shannon College of Hotel Management in Ireland. In March 2013, thirteen students returned after completing their Bachelor of Arts in Hotel Management. Within this cohort, a Seychellois was the overall best academic student at Shannon College¹⁴. There is renewed hope that these young professionals will be absorbed and retained by the tourism industry.

3.2 Systemic gaps

3.2.1 Updating National Development Strategy

The first Environment Management Plan of Seychelles (EMPS) was developed in 1990 two years ahead of the UN Conference on Environment & Development (UNCED) and four years ahead of the BPOA. The second instrument (EMPS 2000-2010) was being implemented while the Mauritius strategy was being developed. In essence the Seychelles pioneered and experimented with sustainable development strategies years ahead of the global process. A drawback has been limited opportunity to synchronise the national strategy fully with the global process. More importantly the lack of mid-term review meant that national strategy does not mainstream *all* thematic areas of the MSI, which required adjustment at the end of the implementation period. A mid-term review of the national strategy is required to recalibrate to international actions and integrate emerging issues.

3.2.2 MSI Monitoring and Evaluation

There is a need to revisit the institutional framework around the MSI and resources allocated to monitoring and evaluation of the strategy. It is believed that countries should undertake **annual** reporting to an established secretariat on domestication and implementation. This would assist SIDS to undertake appropriate measures for integration into existing implementation framework. National reporting on progress in the MSI+5 process seems disparate from country to country and not following a specific template. Some countries carried out an extensive review whilst others did not. A stronger M&E framework such as an implementation matrix linking national programmes directly with the MSI, updated yearly by all SIDS, would aid implementation.

¹⁴ http://www.seychellestourismacademy.edu.sc/index.php?option=com_content&view=article&id=137:-best-academic-student-of-shannon-college-meets-with-president-michel&catid=1:latest-news&Itemid=82; Accessed 7.06.13

3.2.3 Human capacity

A major and common impediment to implementation across sectors has been the loss of competent personnel, and relatively low priority given to retention and capacity building. The consultations revealed few people outside the field of Environment being familiar with the Mauritius Strategy or have knowledge of its integration in sectoral policies. This can be due to brain drain coupled with weak capacity development. Within the Environment sector, significant knowledge was held within a limited number of individuals and career progression has distilled this knowledge to a minimum. The lack of recurrent budget for staff to attend key international conferences is problematic with incumbents relying fully on funded invitations. It means that Ministries is fielding at best one or two delegates. Absence of a actions to address these issues has likely reduced competency for implementation. Capacity is now *the* most important sustainable development challenge for Seychelles.

3.2.4 Financing

The BPOA and Mauritius Strategy unlike other instruments such as MEAs make no financial provision for implementation. This is sensible in view of the subject, scale of financing required and the availability of financing under other thematic such as climate change, biodiversity. These funding naturally aligns projects with internationally agreed actions plans such as the MSI. Nonetheless there remain very few funding opportunities for other sectors. Advances in energy, waste management and freshwater supply and sanitation services are high capital projects with limited means for funding. Stagnation in these areas is often due to the poor access to development funding. In so far as the BPOA and Mauritius Strategy are well integrated in national strategy and action plans, the country can only afford to carry out activities in accordance to its financial capacity. There is a need to reconsider the mechanism around development financing as the Seychelles being a high middle-income country receives no official development assistance and limited grants. Seychelles finances its development principally through bilateral partnerships and loans. Access to affordable funding is key for full implement the MSI and the trend is that this will worsen unless actions are undertaken at international level. The global financial crisis in 2008 has shown how vulnerable banking institutions and the role of governance with some countries having to be bailed out of a total economic collapse.

4. MDG & post 2015 UN Development Agenda

4.1 Millennium Development Goals

Seychelles is generally still on track with respect to meeting the MDGs¹⁵. Maintaining and retrieving development data is seen as particularly challenging for some sectors¹⁶ compromising the ability to self-monitor and install adequate responses.

Millennium Development Goals		Status
	Goal 1: Eradicate extreme poverty and hunger	
	Target 1A: Halve between 1990 and 2015 the proportion of people whose income is less than one dollar a day	Achieved
	Target 1B: Achieve full and productive employment and decent work for all, including women and young people.	Achieved
	Target 1C: Halve between 1990 and 2015, the proportion of people who suffer from hunger	Achieved
	Goal 2: Achieve universal primary education	
	Target 2A: Ensure that by 2015 children everywhere boys and girls alike will be able to complete a full course of primary schooling	Achieved
	Goal 3: Promote gender equality and empower women	
	Target 3A: Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015	Achieved
	Goal 4: Reduce child mortality	
	Target 4A: Reduce by two thirds, between 1990 and 2015 the under-five mortality rate.	Achieved
	Goal 5: Improve maternal health	
	Target 5A: reduce by three quarters between 1990 and 2015 the maternal mortality ratio	Achieved
	Target 5B: Achieve by 2015, universal access to reproductive health	Achieved
	Goal 6: Combat HIV/AIDS, malaria and other diseases	
	Target 6A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	On track
	Target 6B: Achieve by 2010 universal access to treatment for HIV/AIDS for all those who need it	Achieved
	Target 6C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases (tuberculosis)	On track
	Goal 7: Ensure Environmental Sustainability	
	Target 7A: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	Achieved
	Target 7B: reduce biodiversity loss, achieving by 2010, a significant reduction in the rate of loss	Achieved
	Target 7C: Halve by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation	Achieved
	Target 7D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	Achieved
	Goal 8: Develop a global partnership for development	
	Target 8A: Develop further an open, rule based, predictable non discriminatory trading and financial system	
	Target 8B: Address the special needs of the Least Developed Countries	
	Target 8C: Address the special needs of landlocked developing countries and SIDS	
	Target 8D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	
	Target 8E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	
Target 8F: In cooperation with the private sector, make available the benefits of new technologies especially information and communications		

¹⁵ Republic of Seychelles National Report for UNCSO May 2012 and MDG status report 2010 at http://www.nsb.gov.sc/files/Reports/MDG%20Report%202010_Seychelles.pdf

¹⁶ Millennium Development Goals committee meeting, May 2013

4.2 SDG & Post 2015 UN Development Agenda

The Rio+20 UNCSO outcome document requested that the UN work on sustainable development goals (SDGs) to further the MDGs after 2015. The UN is also undertaking work to define the post 2015 development agenda and these two processes are now being carried out by a task team. In its first report in May 2012, the task team outlined a vision for the post 2015 development agenda and suggested four key dimensions of **1) inclusive economic and social development, 2) environmental sustainability 3) peace and 4) security.**

The task force also prepared a set of 18 “think pieces” that explore how different themes could potentially be reflected in a new framework. Importantly this included a think piece on vulnerable countries¹⁷, which includes Least Developing Countries, Landlocked countries and Small Island Developing States. The team produced a second report in March 2013 that provided recommendations on key dimensions and a potential format for a global partnership in the post 2015. It advises that the partnership should include universal commitments calling for actions from all countries, according to their national capabilities. It would build on existing commitments such as those reflected in the MDGs, the Monterey Consensus and the Johannesburg Plan of Implementation, but must be broadened and strengthened to address the large array of emerging global challenges. A set of eleven thematics has been developed for consultations, namely conflict and fragility; education; environmental sustainability; governance; growth and employment; health; hunger, food and nutrition; inequalities; population dynamics; energy; and water. A report with the preliminary findings from the national and thematic consultations was released in March 2013 and a high level panel is expected to review and publish its findings in May 2013. Importantly for Seychelles, consultations have been held at regional level through the African Union to define the post 2015 UN Development Agenda culminating in an African position. The outcome has been agreement on four main themes supported by 13 development enablers.

Themes	Sub themes
1. Structural economic transformation and inclusive growth	<ul style="list-style-type: none"> - Sustainable and inclusive growth - Agriculture, food security and nutrition - Green growth & <i>the blue economy</i> - Industrialization and value addition - Economic infrastructure development
2. Innovation and technology transfer	
3. Human development	<ul style="list-style-type: none"> - Gender equality and women’s empowerment - Eradication of Extreme Poverty - Education and Human Capacity Development - Universal and equitable access to quality healthcare - Population and youth dynamics: Realizing Africa’s demographic dividend - Water resource management - Disaster risk reduction - Access to shelter
4. Financing and partnerships	<ul style="list-style-type: none"> - Domestic Financing - External Financing - Partnerships

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http://www.un.org/en/development/desa/policy/untaskteam_undf/thinkpieces/l_countries_with_special_needs.pdf; Accessed 23.05.13

Enablers

- Peace & security
- Good governance, transparency and fighting corruption
- Strengthened institutional capacity
- Promoting equality and access to justice and information
- Human rights for all
- Gender equality
- Domestic resource mobilisation
- Regional integration
- A credible participatory process with cultural sensitivity
- Enhanced statistical capacity to measure progress and ensure accountability
- Prudent macro-economic policy that emphasises fair growth
- Democratic and Developmental state
- An enabling global governance architecture

4.2.1 Awareness of SDG & Post 2015 UNDA

In consultations held, it was found that although stakeholders were familiar with MDGs, the details relating to goals and indicators were familiar only to those in the social field. With regard to the SDG there was in general limited understanding of what these were and virtually no knowledge or involvement in the post 2015 UNDA. It is recommended that there be further in country consultation to discuss the post 2015 UNDA and feed into the global process and that this cannot realistically be addressed at the time given the resources and time available within the national reporting.

4.2.2 Seychelles contribution to the Post 2015 global partnership

The Global Partnership from standpoint of Seychelles is reflected in the African position and is complemented by specific SIDS issues outlined in this national report. These relate mainly to the inclusion of the blue economy, opportunities for blue carbon and the need for special consideration to financing development for SIDS.

5. New and emerging challenges and opportunities in implementation of sustainable development

5.1 Challenges

5.1.1 Peace & Security

The Seychelles continues to see peace and security as one of the most important enablers for sustainable development. The threat of piracy originating from the failed state of Somalia is still a critical issue for Seychelles. In 2009, there were 249 pirate attacks in East Africa and Indian Ocean region representing a significant increase from 160 attacks in 2008¹⁸. Cases increased over the years and Seychelles fishermen and foreign nationals were taken hostage in Seychelles' territorial waters. In 2010 the country lost an estimated 4% of GDP from its main production sectors directly due to piracy. Shipping cost escalated as insurance companies applied greater premiums and boat owners, forced to recruit armed security for their fleet, increased the cost of freight. These actions translated into higher costs for Seychelles, which was already strained by low shipping volumes and higher than average freight cost compared to continental countries.

Seychelles response to piracy was swift and pro-active at a time when other countries were adopting a wait and see policy. With its economic activity severely impacted, Seychelles spearheaded important anti piracy initiatives, hosting the very first Ministerial regional meeting on piracy and maritime security for the Eastern and Southern Africa-Indian Ocean countries (ESA-IO) in May 2010. This meeting and others resulted in the development and adoption of a regional strategy and action plan. Seychelles was the first country to amend its laws pertaining to UNCLOS in the context of maritime security and the first to sign a memorandum of understanding with the three governments in Somalia for the transfer from Seychelles of convicted Somalis in order to finish their prison terms. Key partnerships were developed with the UN system, the European Union, the UK, India, and United Arab Emirates amongst others. The EU military presence in the region (Operation ATALANTA) remained decisive and the willingness of Seychelles to prosecute piracy cases even outside its maritime zone meant serious jail time for convicted pirates. Military actions were supplemented with capacity building activities (EU CAP Nestor) and actions within Somalia itself. Important land based actions supported by UK through UNODC related to building prisons and upgrading justice system in Somalia. In May 2013, a landmark conference was organised in London to further support these efforts in Somalia.

The capacity of Seychelles and the region to respond to this threat was enhanced with the opening of the Anti Piracy Prosecutions Intelligence Coordination Centre (RAPPICC) in February 2013, by his Excellency Dr James Alix Michel president of the Republic of Seychelles and Mr Alistair Burt UK foreign Secretary. The centre collates experts from around the world to share intelligence and information to tackle the financiers of piracy. Other countries notably India provided military support, strengthening the Seychelles navy and maritime surveillance aircrafts. The United Arab Emirates supported the complete upgrading of the naval base and USA assisted with reaper UAVs and other maritime surveillance aircrafts to maintain intelligence on suspected pirate activity. Through these

¹⁸ Annual reports of IMO; <http://www.imo.org/OurWork/Security/SecDocs/Documents/PiracyReports>; Retrieved 28.05.13

concerted actions, the number of successful cases of piracy in the region reduced from 46 hijacks in 2010 to zero for the period May 2012 to May 2013 (Figure 1). Despite these achievements, the progress remains fragile and reversible. Meanwhile piracy is on the increase in other areas namely South China Sea and West Africa. The emergence of piracy in the last five decade has further outlined the vulnerability of SIDS to adequately deal with peace and security issues especially beyond national borders. It has also shown how quickly SIDS can react and exhibit leadership in the face of adversity. Small Island leadership can make a difference within the global landscape

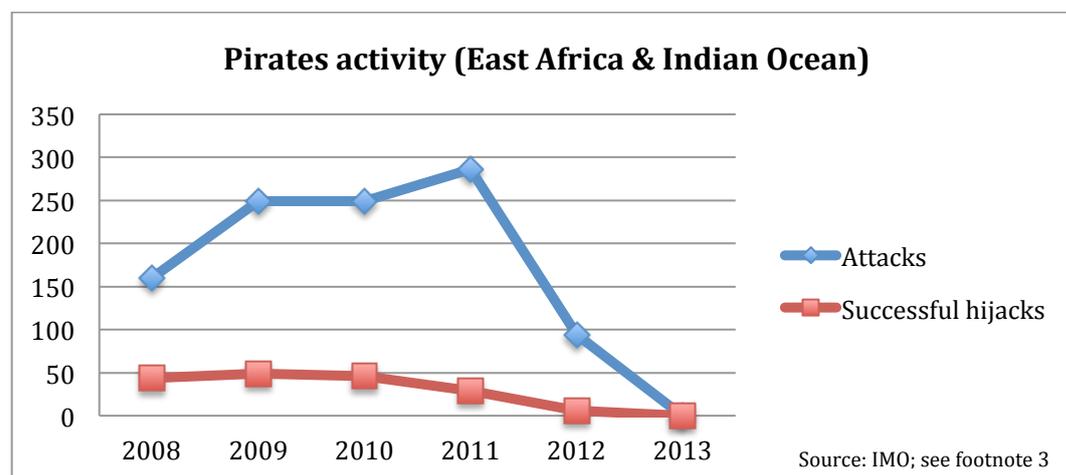


Figure 1: Pirates attacks in East Africa, & Indian Ocean region 2008-2013

With the threat of piracy somewhat silhouetted, continued political instability in Madagascar, is seen as an issue of grave concern. The Seychelles mediated through the SADC Chair reconciliatory talks between the former president of Madagascar and the incumbent president with an aim of resolving the political impasse. An election to be held in 2013 will hopefully instate a new president. The issue of piracy requires holistic consideration in the context of peace and security representing a major challenge for sustainable development.

5.12 Access to Development Funding & Debt reduction

SIDS economic vulnerability has been well acknowledged by the international community. Small economies cannot command high orders to achieve competitive prices on imports and therefore generally have higher than average unit costs for imported raw materials and finished goods. The cost of freight itself are notably higher for SIDS which lacks the option of importing by road and unless a country is positioned along a busy shipping corridor, the frequency of supplies is erratic; driven by market forces outside the spectre of the SIDS economy. Because of these issues it is difficult for SIDS to enjoy rapid economic growth and tend to accumulate trade and budgetary deficit depending on overseas aid, grants and loans to fuel development. The Seychelles like other SIDS has borrowed extensively. Infrastructure projects such as schools, hospitals, water and sewerage and energy supplies are all capital-intensive projects, which has been made possible through loans with key institutions and development partners. Access to these financial instruments has been the key to the country's transformative growth. However, with a GDP of a high middle-income country, access to ODA has effectively dwindled and concessionary loans are more difficult to secure. With loans now at market rates and servicing of previous investments, the country's ability to move itself out of debt is severely compromised. The AIMS regional synthesis paper in 2010 iterated the need for special considerations with respect to SIDS stating *"It is instrumental that special financial needs of SIDS are considered and*

appropriate measures taken enable them to access dedicated financing or enjoy special concessionary conditions.” So far not much progress has been achieved and the Rio+20 outcome document fails to redefine the need for financing for SIDS although it did recommend the establishment of an intergovernmental process to review the effectiveness and future options for development financing. The slow implementation of the Monterrey Consensus and Doha declaration affects the development capacity of SIDS and progress in financing is critical to further the development of Seychelles. There is a need therefore within the revised global partnership to be bold and innovative and request a special financing mechanism for SIDS that fits within the overall framework of international cooperation. The fund can support infrastructure development in SIDS, which is significantly less than non-SIDS countries, ideally through projects based approach. In support of this, the definition and criteria of SIDS category will require a critical review so that only the vulnerable countries can be supported. It is proposed that work on the vulnerability index and further definition of SIDS category be tabled at the 3rd international meeting of SIDS in Samoa. In parallel SIDS should explore innovative financing and debt reduction strategies such as the debt for adaptation swap and work with the development banks to secure concessionary loans for development. The case of Cyprus, previously in the AIMS grouping shows the extent of economic vulnerability.

5.13 Human capital

Capacity is an emerging cross-sectoral issue, which is affecting the sustainable development in Seychelles. Although the population is highly educated and indeed produces very intelligent, world-class academics, the loss of professionals in all sectors and shortage of skilled tradesmen leaves serious gaps. This is especially pertinent in the Government service sector where there is an acute shortage and retention of specialists. The Government has committed itself to having at least one university graduate per household¹⁹ but this will need complimenting with a retention strategy to ensure the graduates stay within their field of expertise and contribute meaningfully to the development of the country. Retention of professionals is difficult in view of limited remuneration, limited availability of quality goods and services, slow country development amongst others. Notably these underlying factors will need to be properly assessed and addressed in a comprehensive strategy. The strategy needs to harmonise with an immigration policy geared towards increasing the number of trained workforce including tradespeople and ensuring that the native population remains in employment. There is a need to reverse the trend in unemployment of young able citizens who instead depend on welfare²⁰ or resort to crime. Greater use must be made of existing human capital and ensure that development programmes and projects use local expertise²¹ with remuneration based on qualifications and experience. There needs to be more emphasis on quality vocational training that inspires the less academically gifted and working holidays and job fairs that allows the youth to enter the job market²². Enablers that work to retain capacity must be strengthened such as development of modern shopping malls, food courts and recreational and leisure facilities²³. Government will not be able to do this and requires a strong partnership with the private sector. There must be greater commitment and resources to develop a comprehensive capacity action programme to address these issue in their entirety otherwise

¹⁹ Seychelles state of the Nation address 2013 at <http://www.statehouse.gov.sc/index.php/speeches/1135-state-of-the-nation-address-2013-english> Accessed 23.05.13

²⁰ Seychelles state of nation address 2012 at <http://www.statehouse.gov.sc/index.php/2011-07-15-09-16-47/news-archive/9-latest-news/speeches/917> Accessed 23.05.13

²¹ Discussions with civil society held on 24.05.13 and Youth on 7.06.13

²² Notes on discussion held with Women’s Group on 3rd June 13 and Youth Group on 7.06 13

²³ Discussion with the Youth on 7.06.13

the country faces insufficient competent human resources to execute meaningful programmes.

5.14 Crime & Drug trafficking

It was reported in the AIMS meeting held in Seychelles that crime and drug trafficking is on the increase in most SIDS and poses a serious threat to development. The AIMS meeting in Seychelles agreed that crime and drug trafficking coupled with human trafficking is a major threat. In Seychelles, the number of crime and drugs cases reported annually has shown a general increase (figure 2), which prompted Government to launch a full-scale war on crimes and drug trafficking. Although still a safe destination, the increase in crimes and drug trafficking is of concern. In his state of the nation's address 2013, President Michel stated *“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”*. Drug trafficking is particularly difficult for SIDS in view of the limited human and technical capacity coupled with increased sophistication of drug concealment. Technology transfers from developed nations is wanting in particular in detecting crimes, evidence gathering and laboratory tests. The Seychelles is amongst countries with the highest prison population rate in the world²⁴ of which 20% are foreigners (pirates) and innovative rehabilitation programme is being deployed to ensure that released prisoners do not revert to crime. Government action in combatting crime has been to boost police forces by recruiting Gurkhas, increased patrols and traffic stops, and encouraged a greater involvement of the community reporting on crime. Changes in legislation allows for higher mandatory prison sentences. This strategy is starting to bear fruit with a notable 15% decrease in crimes reported in 2013 compared to the same period in 2011²⁵. There is concern that actions need to be in education, rehabilitation as opposed to harsher sentencing²⁶ and stricter criteria for recruitment and better training of police officers²⁷.

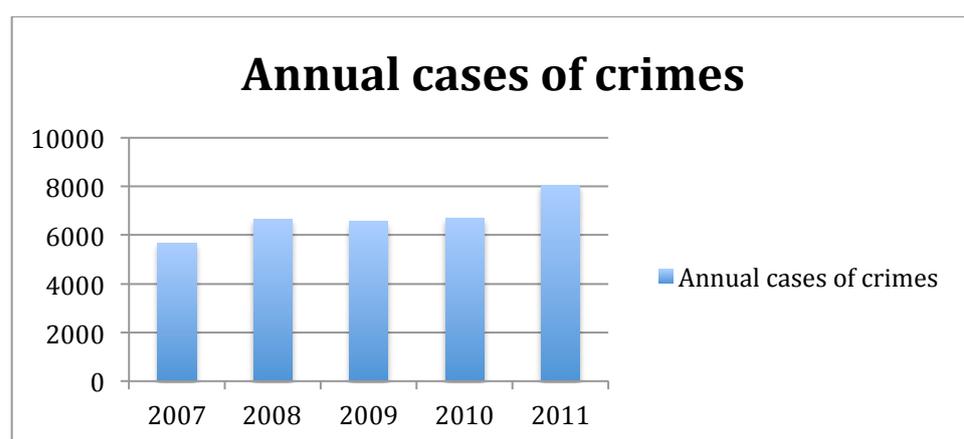


Figure 2: Rate of crime in the Seychelles

Source: Seychelles in Figures 2012

²⁴ 2012 figures of the International Centre for Prison studies at

http://www.prisonstudies.org/info/worldbrief/wpb_stats.php?area=all&category=wb_poprate Accessed 20.05.13

²⁵ Article in Seychelles Nation at <http://www.nation.sc/index.php?art=31608> Accessed 31.05.13

²⁶ Notes from meeting with Women's group held on 3rd June 2013

²⁷ Notes from meeting with Youth held on 7.06.13

5.15 Energy

Energy is central to the development of any country. Fluctuation in the international price of oil represents a development challenge for Seychelles as for other Small Island Developing States. During the 2008 energy crisis, the price of oil increased to USD 140 a barrel from USD 60 in 2007. Energy is the basis of economic development for all countries and fuel is used for electricity generation from which everything else depends. Especially vulnerable is the transportation sector, which imports food, medicines and other materials. Additionally for SIDS, air transportation represents the main capital inflow into the economy in terms of the tourism and related industry. Lack of energy deposits, limited land area and small economy mean that SIDS do not have access to large quantities of fuel to mitigate fluctuations or influence world prices. It is required that Seychelles continues to pursue a renewable energy policy to decrease overall dependence on fossil fuel coupled with the search for energy sources within its territorial waters. The international community must put more money into research and technology development in particular in maximising solar energy, which represents the greatest opportunity for Seychelles.

5.16 Urbanisation & climate change

SIDS in general are densely populated with 19 out of the 50 most densely populated nations being in the SIDS category. The population density of Seychelles is 186.81/km² ; 45th on the global scale. The land area on the mainland of Mahe²⁸ is 155km² and 20% is protected. Additionally some areas are unusable due to unreasonable topography and access. Putting all country infrastructures on such tiny space is challenging and is one likely to increase in the next decade and beyond. Over the years the country has resorted to reclaiming land from the shallows primarily on the eastern side of the island to put up important infrastructures. The sustainability of land reclamation will need to be fully assessed given financial, technical and environmental considerations. A long-term outlook of 50-100 years for land management would indicate grave sustainability issues. The country would be pressured by increased population, the need for additional infrastructures such as roads, housing etc. Notable work has been done in land use planning such as designating land for specific uses, however the utmost challenge is in urban planning and making better use of existing land resources, ensuring city development is sustainable. This is an area where capacity is severely lacking. The request for land continues to increase and space now ranks amongst key constraints for starting new businesses. The issue is complex and interlinks with other sectors such as commerce, agriculture, and transportation. The number of vehicles in the country has increased despite high taxes imposed by Government and traffic jams are now commonplace. Awareness of this issue prompted Government to consider a light rail network for mass transportation and an investor has been earmarked but it is unclear when this project will be implemented; Additionally investments are required for construction of new roads and parking. The country will need to consider innovative development approaches in order to balance the need for development and economic growth with the traditional Island living persona which it feels its tourism industry rely upon, and which defines its culture and heritage. Nonetheless development policies that maximises the use of land and integrate advances in urban planning will have to be implemented in order to be sustainable.

²⁸ Density 487km² and population 75,600 (2012)

The issue of urbanisation is compounded by climate change. The country experienced its worse disaster post Tsunami 2004 in January 2013 after persistent heavy rainfall caused damage to public infrastructure and private property. The disaster highlighted the vulnerability of coastal infrastructures such as road and housing to landslides and flooding. Planning for disasters and adaptation to climate variability underpins the strategic response but needs to be more pragmatic at the local level where it matters the most. The Seychelles need to prepare itself for more intense rains over shorter duration and the impacts this will have on its development. Coastal infrastructures are likely to be severely impacted over the coming years in the absence of mitigative actions. Seychelles and SIDS must continue to engage in climate change negotiations and mount effective responses. It needs to develop pragmatic actions at community level and strengthen the mainstreaming of climate change in all development projects.

5.17 Freshwater

The supply of potable freshwater in Seychelles is available to the population and Seychelles is well on its way to achieving the MDG goal 7. Over the last 20 years the demand for water has increased however the supply has fallen short. This is due to rapid increase in demand, climate change induced rainfall variability and insufficient investments in storage infrastructures. As a consequence the amount of water storage capacity falls very short of the demand for water with unacceptable losses within the network²⁹. The result being continuous restrictions on water supply affecting household, commercial services including the tourism industry. Requirements for hotels and other developments to buy and maintain their own water treatment plants is seen as an unnecessary burden on developers and represents a loss of revenue for the local water authority. Investments in desalination have highlighted the huge cost in procuring operating and maintaining such equipment especially in the context of the global energy crisis. The Government has committed to investing in storage and desalination however access to affordable financing will determine the success of these initiatives. Meanwhile the irregular supply of water is a development challenge and Seychelles must pursue policies of maximising storage of rainwater and consider use of treated effluent for non-potable application. It has to seek partnerships for investment in water reclamation and implement demand side management programmes including tariff revision with a view to attaining full cost recovery.

5.18 Global Pandemics

Infectious substances such as fungus, bacteria, viruses pose a major threat to any country let alone SIDS with small and vulnerable populations. Viruses and bacteria that uses animal host or originate from animals indirectly affect global food security since all infected livestock are often exterminated. The outbreak of BSE and foot and mouth disease in UK illustrates the impacts that diseases can have on food production. The threat to humans however assumes a greater concern to Seychelles especially with the emergence of mutated avian influenza virus. The emergence of H5N1 in 2003 caused a global scare in terms of its propensity and deadliness. These viruses originally affecting birds managed to jump species and infect humans through genetic mutation. The SARS coronavirus also caused a global pandemic with high rate of fatality. In Africa the deadly strains of Ebola virus still infects and kills people and so far no vaccine exists. More recently there has been the emergence of a new variant of avian influenza virus H7N9 in China. The rate of mutation seems faster than the ability of the scientific community to respond and viruses remain a

²⁹ Water Supply Development Plan (2011-2030);

major threat to SIDS which are ill equipped to diagnose, contain and treat highly infectious diseases. It is important therefore that Seychelles and other SIDS strengthen their resilience to global pandemics and work with international organisations such as WHO to further their capacity to respond to global pandemics. In line with this strategy Seychelles must continue to affirm the need for technologically advanced countries and key organisations to work on vaccines and treatment against these emerging diseases whilst not forgetting work on tropical diseases in particular, malaria, ebola, avian flu viruses.

5.19 Sanitation & solid waste management

SIDS in general face enormous challenges in managing their wastes and waste treatment remains in general very capital intensive. The Seychelles developed a sewerage system for Victoria and its suburbs in the early 90's and associated wastewater treatment works. 97% of all households use flush toilet and sewage is treated to a high level. However not all the people are connected and the sewer network is out-dated requiring major renovation. Consequently, most of the rivers and water bodies are receiving greater pollution loads and advancement in water treatment technologies combined with sewer upgrading works is urgently required. In managing its solid wastes, Seychelles has made significant strides with the re-creation of a dedicated waste agency in 2009 and setting up of several initiatives by the Ministry of Environment & Energy that enhances waste minimisation and recycling. Successes have been in the development of economic incentives through environment levies and refundable deposit schemes to stimulate recycling and divert recyclables from landfill. In partnership with the European Union, the Seychelles has recently constructed a modern sanitary landfill and leachate treatment plant, soon to be commissioned in order to meet challenges of inadequate space and negative impacts of waste. In parallel, the country is implementing through the energy commission projects that consider deriving energy from waste. Advanced waste treatments are however costly and reliant on a trained workforce both of which are limiting in SIDS. The need for landfill will remain for waste that cannot be recycled or processed and remnants of treatment processes such as incinerator ash. With limited land available for landfilling, lack of investments and technical capacity compounded by yearly increase in waste production, Seychelles need to be innovative to contain the waste problem and develop sound strategies including construction and operation of long term disposal facilities.

The sector is also constrained by lack of technical capacity, affecting long term contracting and hampering the implementation of integrated waste management strategies. Human capacity is now critical with lack of university trained and experienced specialists to further the work in this sector and very few individuals consider waste management a career choice. Consequently the ability of the waste authorities in implementing sustainable policies is compromised and likely to worsen in the intervening years. Greater cognizance must be made to the increased complexities and capacity needs of this sector especially in contracts formulation and waste treatment processes. Treatment options must remain economically and environmentally sustainable for SIDS. The Seychelles currently does not have capacity for treatment of hazardous waste and there are gaps in identification, characterisation, tracking, treatment and disposal of hazardous substances. A disposal facility is urgently required in the short term.

5.20 Food security

Seychelles produces 30% of the food that is consumed in the country. Out of an in country 24,770 households, a total of 8662 (35%) are growing crops of which only 5.8% of produce is for sale. Livestock production is being carried out by 12.4% of households and 14% are engaged in fishing. Of all the catches only 18% are for sale and the rest being for subsistence or pleasure³⁰. Considering households not involved in all three activities and making rough adjustments, it would seem that at least 50% of households and potentially more, are supplementing their food intake by farming fishing or rearing livestock. This is quite significant and important for Small Island like Seychelles given the limitation in land for such activities.

The other mainstay of the Seychellois diet is rice, which are imported. There is in general heavy reliance on other countries for food and the premise has been that if the country can earn sufficient from other sectors it can always import food on the international market. However this has created specific vulnerability in this sector and in the 2008 food crisis when cyclone Nargis destroyed production in Burma, several rice producing countries placed quotas on exports to secure domestic supplies and prices increased significantly. Seychelles was severely impacted as the price of rice rose by 217% between 2006 and 2008 doubling the price in just seven months³¹. Limited stockpile in the country exacerbated this problem and high level talks were required to persuade rice producing countries and other partners notably FAO to assist the country³². Food security is inextricably linked to climate change and as climate variability increases food production is likely to be affected. It may be that there will never be a repeat of 2008 as global stockpiles increases³³ but there is no certainty. The Seychelles need to implement policies, which allows stockpiling and encourages local production thereby reducing to an extent dependency and vulnerability.

³⁰ Population and housing census 2010

³¹ <http://news.bbc.co.uk/2/hi/business/7387251.stm>; Accessed 1.06.13

³² http://www.mfa.gov.sc/static.php?content_id=36&news_id=72; Accessed 1.06.13

³³ Food Outlook FAO, 2010; <http://www.fao.org/docrep/013/al969e/al969e00.pdf>; Accessed 1.06.13

5.2 Opportunities

5.21 Blue economy

The Seychelles, as most SIDS is composed of greater ocean area than land. Consequently major resources exist in the ocean, which are currently being exploited, but certainly not to the full extent. There are huge potential for mariculture and exploitation of other species and for developing secondary processing plant based on marine resources. Furthermore large parts of the oceanic floor remain unexplored and represent a potential for mineral discovery including oil and gas. Seychelles and other SIDS need to be steadfast in pursuing policies for exploration and sustainable use of their oceans with a view towards not only maximising the benefit of their blue gold (tuna) but also other aspect of their blue economy.

5.22 Blue carbon

Recent scientific advances have exposed the greater role that coastal ecosystems consisting of marshes and mangroves have over terrestrial systems in carbon sequestration and how their destruction dumps excessive brown carbon in the environment. SIDS being mostly coastal represents important carbon sinks and their coasts are providing untapped climate change mitigating services. Protection and rehabilitation of marshes and mangroves represents an opportunity for SIDS for climate change mitigation. Coastal and marine projects should harmonise with the CDM so that the amount of carbon captured can be traded to industrialised countries to meet their emission quota. There have been proposals³⁴ to establish a global blue carbon fund for protection and management of coastal and marine ecosystems and ocean carbon sequestration. This will translate into increased funding for projects that aligns to this objective. Seychelles and SIDS need to support the development of such funding mechanisms and align to sustainable use of coastal and marine resources.

5.23 SIDS Vulnerability Index

The BPOA and MSI illustrated the need to develop a vulnerability index for SIDS. It is felt that SIDS are being penalised on progress based on existing development indicators. There is an urgent need to look beyond GDP and adopt the vulnerability index, which will reflect the true vulnerability of countries to development. There has been work done on various frameworks for vulnerability and it is important that this be finalised.

5.24 Green Climate Fund

Adaptation Fund and Green climate Fund represents opportunities for securing financing for projects under the thematic of climate change. At COP 16 in Cancun it was agreed (Article 95) that “*Funding for adaptation will be prioritised to the more vulnerable developing countries such as the least developing countries and Small Islands States*”. Seychelles and SIDS should take opportunity to push for greater access to funds for adaptive responses.

³⁴ Nellemann, C., Corcoran, E., Duarte, C.M., Valdes L., De Young, C., Fonseca, L., Grimsditch, G. (Eds) 2009. Blue carbon. A rapid Response Assessment. UNEP, GRID-Arendal, at <http://www.grida.no> ; Accessed 20.05.13

5.3 Strengthening Partnerships for Sustainable Development

5.3.1 Bilateral and multilateral partnerships

Seychelles must renew existing partnership for sustainable development and look beyond what has been accomplished; examining critically the mechanism with a view to maximising the benefits of these partnerships. Most programmes implemented as project or budgetary assistance recruits international consultants. This is unsustainable in view that local knowledge continually remain constrained, consultants develop outputs which are generally not adapted to the local context and often results in poor implementation or follow up action. Additionally overseas consultant fees drain a significant part of the financial assistance to SIDS leaving few resources for practical actions. On the other hand nationals may not necessarily have the expertise and experience to undertake specialised assignments. These issues pose an intriguing dilemma but nonetheless need to be re-examined. Partnerships must be able to reduce the gap and ensure that opportunities are available to utilise local expertise and build local capacity in areas where they are lacking.

5.3.2 Fishery Partnership Agreement

The EU is the major partner for exploitation of fishery within the EEZ of the Seychelles and has a well-documented partnership with Seychelles drawing from the late eighties. Significant strides have been made under past agreements and quite recently a new partnership was negotiated for the period 2011-2014 worth Euro 5.6 million³⁵. Under this agreement the EU is supporting Seychelles financially with respect to 1) access right for tuna fishing in Seychelles' waters and 2) supporting the implementation of Seychelles' sectoral fisheries policy and maritime policy. The Seychelles must remain mindful of fish stocks in particular the threat of overfishing and ensure that fair price is received for its fishery.

5.3.3 NEPAD

The New Partnership for Africa Development is a platform of the African Union adopted by African Heads of State and Government of the OAU in 2001 and ratified by the African Union (2002) to address Africa's development problems. NEPAD's main objectives are to reduce poverty, put Africa on a sustainable development path, halt the marginalization of Africa, and empower women. NEPAD define its development agenda across six themes namely 1) Agriculture and Food security, 2) Climate change and national resource management, 3) Regional integration and Infrastructure, 4) Human development 5) Economic and corporate Governance and 6) cross cutting issues such as gender, capacity development and ICT.

Seychelles currently partners with NEPAD through the Comprehensive Africa Agriculture Development Programme (CAADP). The CAADP is administered by COMESA and is aimed at enhancing agriculture led economic growth, food security and poverty eradication. For Seychelles the CAADP is aligned to the Seychelles Medium Term National Development Strategy (MTNDS) focusing on five intervention areas being 1) Protection and Sustainable Use of Agriculture land and Infrastructure 2) Agricultural Research, 3) Irrigation and extension, 4) Sustainable fisheries development, 5) Marketing and trade of

³⁵ http://eeas.europa.eu/delegations/mauritius/documents/press_corner/191211_pr_eu_sey_-_fisheries_agreement_final.pdf; Accessed 19.05.13

agricultural produce and 6) Food and nutrition security.³⁶ . Within this partnership Seychelles seeks to attain as an overarching goal food security

5.3.4 Trade Organisation

The Seychelles is party to regional economic organisations being the South African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA). These are key Regional Economic Communities (REC) in which the country benefits from trade and policy harmonisation. Additionally the Seychelles is engaged in accession to the WTO since it filed its application in 1995. In July 2012, its attainment was examined at the third working party meeting. Members expressed their appreciation for the substantive work undertaken with some members voicing support for allowing more flexibility in the accession of a small and vulnerable economy such as Seychelles. The country has already signed three bilateral market access agreements with Oman, Mauritius and Canada with four others (EU, South Africa, Thailand and USA) being negotiated.³⁷ .

5.3.5 Indian Ocean Commission

The AIMS meeting held in Seychelles highlighted the need to strengthen regional institutions for sustainable development. The Indian Ocean Commission was identified as a suitable coordinating mechanism for AIMS³⁸. There is opportunity in this regard to strengthen the IOC to take a proactive role in sustainable development in the SIDS of the Western Indian Ocean region including others in constituting the AIMS group. The recommendation however needs to be strengthened in the upcoming AIMS meeting and translated into formal agreement within the IOC that can be announced and integrated as an outcome at the 3rd international conference for SIDS in 2014.

5.3.6 Global Island Partnership & WIO Coastal Challenge

The Global Island Partnership (GLISPA) is an initiative called for by the President of Seychelles and President of Nauru made in 2005 at the Second International Conference of Small Island Developing States. It was formally launched at COP 8 of the Convention on Biological Diversity in 2006 and COP 9 (Decision IX/21)³⁹ recognised GLISPA as one of the implementation mechanism for SIDS to implement the CBD programme of work on island biodiversity. GLISPA is hosted at the IUCN headquarters in Washington and has since inception, engaged stakeholders to advance high-level commitments and on the ground action for island conservation and sustainable use of natural resources. It catalysed more than US\$70 million in commitments to island conservation. GLISPA with leadership from Seychelles is supporting the operationalization of a Western Indian Ocean Coastal Challenge within the Indian Ocean region with a vision that by 2032 the WIOCC partnership would have built and implemented climate-resilient development options and strategies to achieve a balance between enhanced coastal livelihoods, economies and effective conservation of biodiversity, ultimately contributing to greater levels of social security among coastal communities. A regional project under the auspices of the Indian Ocean Commission is implementing activities pertaining to the WIOCC.

Seychelles and WIO countries must partner with the international community to leverage financing and support operationalization of the WIOCC.

³⁶ Seychelles CAADP compact 2011; <http://www.caadp.net/pdf/Seychelles.pdf> Accessed 23.05.13

³⁷ http://www.wto.org/english/news_e/news12_e/acc_syc_11jul12_e.htm; Accessed 23.05.13

³⁸ Article 14 AIMS Outcome document

³⁹ Available at <http://www.cbd.int/doc/decisions/cop-09/cop-09-dec-21-en.pdf>; Accessed 19.05.13

5.3.7 University Consortium of Small Island States

The university consortium of Small Island States administered by the University of West Indies in Jamaica groups six SIDS universities (Malta, Mauritius, Seychelles, South Pacific, Virgin islands, West Indies). Its mission is “*to enhance graduate education institutions in Small Island States by facilitating the development of the capacity needed to implement the Barbados Programme of Action*”. In line with this, the UCSIS is working on a joint Master’s Degree in Sustainable Development, which represents further actions towards building capacity for Sustainable development. Seychelles and other SIDS must seize the opportunity to enhance its human capital but must also seize opportunities for enhanced partnerships within the WIO region. The UCSIS could be a platform for enhancing knowledge and know how and develop research geared towards SIDS specific issues such as solar energy.

5.3.8 International Coral Reef Initiative

The International Coral Reef Initiative (ICRI) is a partnership of governments, international organizations, and NGO’s launched at COP1 of CBD with the aim of preserving coral reefs and related ecosystems. ICRI was in the past co-chaired by Seychelles and UK and has adopted a programme of work on corals. ICRI will be holding its 28th general meeting in Belize in October 2013. There is a sense that despite early leadership and involvement, Seychelles is losing impetus somewhat within ICRI and there is further scope for enhancing this partnership.

6. Way forward

This section is a distillate of issues arising from stakeholders and supplements the roadmap for the sustainable development for Seychelles in the next decade.

A. Economic Growth, Financing & Debt Reduction

1. Stimulating economic growth, reducing unemployment and dependence on welfare
2. Increasing the use of technology in the business environment such as online banking, online bill payments.
3. Stimulating growth in industry and commerce, encouraging retailers to remain open for longer especially in weekends and public holidays with the long-term ambition of becoming a 24-hour economy.
4. Inputting significantly into the global process for effective development financing with an eye for pragmatic actions such as establishment of a specific development funding mechanism for SIDS
5. Developing and operationalizing innovative financing mechanism and debt reduction strategies such as adaptation debt swap
6. Focusing on deriving maximum benefit from the country's blue economy.
7. Enhancing access to funding for small businesses
8. Concluding bilateral trade negotiations and accession to the WTO

B. Consolidating and improving the social & environmental dimension

9. Installing human capacity for urban planning and developing urbanisation programme that conceptualises compact city designs reducing urban sprawl, commuting and maximising the use of land.
10. Revising housing policies in particular location, height restrictions, technology and cost with a view to reducing environmental footprint.
11. Furthering action to combat non communicable diseases, teenage pregnancy, on HIV/AIDS and global pandemics
12. Furthering action on crimes drug trafficking and rehabilitative programmes for prisoners to re-integrate back into the society
13. Seeking increased investments and technical expertise in utility provision including freshwater supply, sanitation and waste management including hazardous waste
14. Encouraging renewable energy and food security suited to Small Island States taking into consideration exogenous factors and climate change
15. Partnering with private sector for projects in the recreational and leisure sector where opportunity exists such as theme park, bowling, games rooms etc
16. Developing and enhancing programmes that address climate change induced air temperature increases such as tree planting, taller buildings, creation of boulevards

C. Emerging Issues & opportunities for sustainable development

17. Recognizing that actions on piracy has to date been successful and that impacts are reversible and the need to build local capacity for maritime safety and security
18. Addressing comprehensively the human capital; Operationalizing the goal of having at least one graduate in all households and aligning action on capacity retention, incentives and value of Island living.
19. Realigning development programmes that build and use local expertise in programme inception and delivery, reducing dependence on external consultants and foreign labour as far as practicable
20. Supporting the use of vulnerability Index for SIDS and integrating SIDS concern within the 2015 post UN Development Agenda

D. Strengthening Institutions & Partnerships for sustainable development

21. Political commitment and financial support to the SSDS coordinating mechanism to continually implement sustainable development in Seychelles.
22. Mid term review and update of the national strategy (SSDS) to synchronise with global processes and integrate emerging challenges.
23. Supporting scientific research in Small Island Developing States and regional institutions
24. Reaffirming partnerships with development partners for sustainable development
25. Strengthening the Indian Ocean Commission and promoting regional cooperation in sustainable development