



Country Progress Report on the Implementation of Agenda 2063

Volume 2

Republic of Seychelles

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Introduction and country context.

The Republic of Seychelles is a small island developing state (SIDS) in the Indian Ocean, comprising 115 islands, with a population of just below 99,000 as at 31st December 2020, indicating a growth rate of 0.9% over 2019, with almost all of the population living on just three of the inner granitic islands of Mahé (home to 86 per cent of people), and Praslin and La Digue (11 per cent combined). The capital, Victoria, lies 1,500 kilometers (932 mi) east of mainland East Africa. Other nearby island countries and territories include Comoros, Mayotte, Madagascar, Réunion (region of France) and Mauritius to the south; as well as the Maldives and Chagos Archipelago to the east.



Figure 1: Geographical Position of Seychelles

Seychelles is very land-scarce, having little land in absolute terms, but also amongst the smallest amount of arable land per person of any country. Seychelles has also been dubbed a “large ocean state”, however, as it has an exclusive economic zone (EEZ) of approximately 1.4 million square kilometers, about 3,000 times the size of its land territory or 2.5 times the size of France.

Social Development

Seychelles’ life expectancy of 77.3 years (2020) is relatively high compared to countries in the region but still lags behind its income-level peers, mostly because of the life expectancy gap between women and men. Seychelles has an ageing population, mainly

due to increased life expectancy and a low and declining birth rate. Nevertheless, the projected population is expected to increase slightly over the next 25 years. Seychelles became the first African country to attain “very high” human development under the auspices of the United Nations Human Development Index (UNHDI) in 2019. This is largely attributed to the country’s broad socio-economic policies which have boosted human capital. These include universal access to primary healthcare as well as to education, from early-childhood to tertiary level.

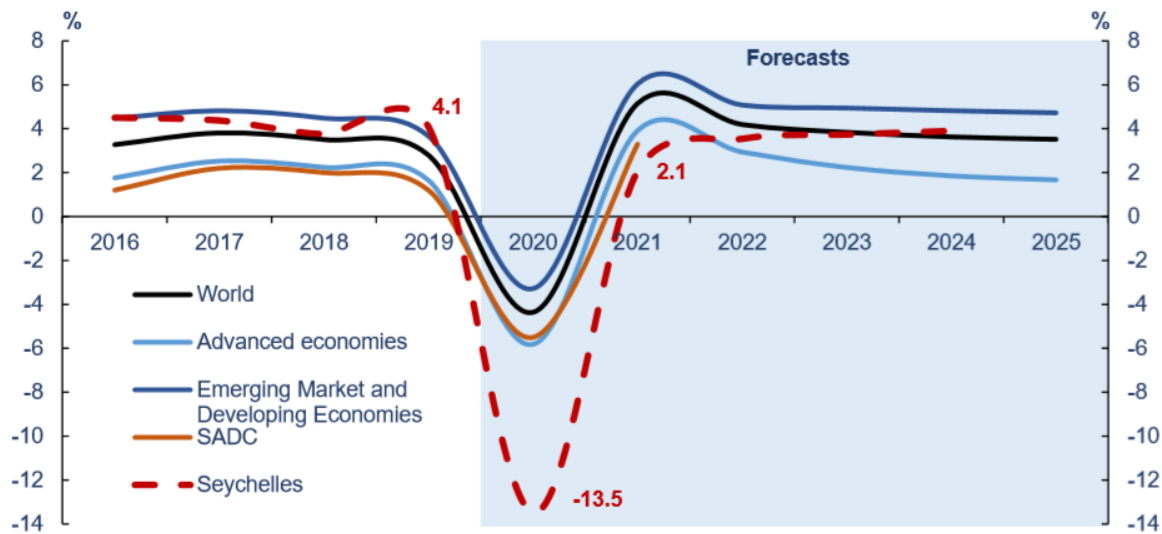
Economic Development

Pre-pandemic economic performance has been strong, largely driven by continued growth of the tourism industry, which contributes significantly to the country’s economy, primarily through the generation of foreign exchange earnings and government revenue, driver of economic growth and employment creation. Seychelles has established a strong tourism brand, which elevates the country’s position on the global tourism market. European markets remain key to the Seychelles tourism industry, but the sector is also benefiting from increases in tourists from new markets. In 2018, tourist arrivals rose by 2% from 2017, accounting for a direct contribution of 23.1 per cent of GDP. In 2019, tourist arrivals rose by 2.1%, accounting for 23 per cent of GDP. In 2020, arrivals declined by 71% due to COVID-19 and lockdown effects.

Real growth in 2018 was 1.8%, whereas in the final quarter of 2019 -prior to the outbreak of COVID-19- an increase of 3.8% was recorded relative to the corresponding quarter of 2018¹. Given the high vulnerability of Seychelles to exogenous shocks (economic and otherwise), the impact of COVID-19 has had accentuated adverse effects on the economy. In comparison to previous economic crises, the impact this time has been particularly significant as it is directly affecting the tourism sector, the mainstay of the economy. In the first year of the outbreak, the tourism sector was drastically affected following restrictions on movement and international travel. Seychelles’ economy contracted by 13.5 per cent in 2020 compared to the initial 3.5 per cent growth anticipated prior to the onset of the pandemic.

¹ NBS, Quarterly National Accounts Statistics 2021-Q1

Figure 2: Real GDP Growth Estimates (2016 – 2025)



Source: IMF World Economic Outlook October 2020. NBS and Macroeconomic Forecasting & Analysis Branch estimates

In the final quarter of 2020, the national unemployment rate stood at 3.3%, with both males and females observing a similar unemployment rate of 3.3%. Youth unemployment was at 12%.

Seychelles has a generous broad-based transfer programme, which has helped to eliminate absolute poverty. By international norms, absolute poverty (individuals living on less than \$1.90 per day) is considered as being inapplicable in the context of Seychelles as the minimum hourly wage is similar to this amount. Multidimensional measures of poverty, which address a multitude of aspects relating to poverty, rather than being solely income-focused, have been adopted since 2019.

Environment and Climate Change

The Seychelles land mass is a mere 455km², a high percentage being mountainous areas, protected on account of unique biodiversity or watershed protection. The majority of constructible land is along the coast, where the country's essential infrastructure (housing, hospitals, schools, transportation network, air and seaports), and businesses, sports and leisure activities are primarily located. Like in most Small Island Developing States (SIDS), there is a high demand for land for development while considering the mitigation from climate change adversities on government and private developments.

Seychelles is rich in endemic species and has long-adopted strong environmental conservation programmes. Internationally recognized as a biodiversity hotspot, Seychelles was the first country in the western Indian Ocean region to designate part of

its ocean territory as marine protected areas (with 30 per cent of its Exclusive Economic Zone being protected by law), and today about 50 per cent of its land territory remains under legal protection. This anchors Seychelles' position at the forefront of the region's environmental conservation efforts and promotes the Maritime Spatial Planning (MSP) sustainable blue economy concept, as well as solidifying its commitment to becoming a global leader in environmental conservation. The Protected Areas Policy (2013) greatly emphasizes the need to extend designated protected areas, in addition to making the Protected Areas System stronger. Being a large ocean state with scattered islands of limited land mass, Seychelles is vulnerable to strong winds, tsunamis, storm surges, extreme rainfall, flooding, landslides, rockslides and forest fires.

Seychelles is a regional champion for sustainable environmental management, and conservation, as well as in its efforts to spearhead renewable energy uptake in the country, with the world beginning to look to the islands for inspiration. To note, Seychelles' EEZ is currently ranked 9th out of 221 countries on the Ocean Health Index (OHI).

Champion of Climate Change adaptation and mitigation

Seychelles is honouring its submission of Nationally Determined Contributions (NDCs) as per the Paris Climate Accord with an updated, ambitious NDC covering all aspects of the economy, *'re-iterating and improving upon its conditional commitments towards increasing the reduction of greenhouse gas emissions from 188 ktCO_{2e}, stated in NDC 2015, to 293,8 ktCO_{2e} by 2030, concomitantly increasing its mitigation contribution and improving its adaptation strategies to effectively respond to climate change in the context of sustainable development, with a particular emphasis on Seychelles' Blue Economy, supported and enabled by technology, financing and capacity building.'* (NDC, 2021).

By reducing its reliance on imported fossil fuel for electricity generation, Seychelles is striving towards a climate smart, resilient economy, and self-sustaining pathway through energy efficiency and renewable energy. Seychelles will continue to work together with development partners to access *Climate Finance* for implementing the community-based mitigation and adaptation plans.

Vulnerability characteristics such as concentration of development on narrow coastal zones, non-resilient populated areas and ecosystems alike make Seychelles extremely sensitive to climate change and its associated impacts economically, culturally and environmentally. The impact of climate change on coastal livelihoods as a result of sea level rise, storm and tidal surges, extreme sea-surface temperatures, and coastal flooding, is currently, and will continue to have serious consequences for livelihoods, life both on land and below water in the Seychelles even if the target of 1.5 degrees is not met by countries who have ratified the Paris Climate Accord.

Key Strategies for Implementing Agenda 2063

Policy Frameworks.

A wide array of policy/legal frameworks are in force, to ensure an enabling environment for sustainable development, which integrates the core values of Agenda 2063. Such frameworks are broadly aligned to the aspirations, goals, priority areas of Agenda 2063, covering thematic areas such as job creation, poverty/inequality, education, health, environment sustainability, peace and justice and good governance, to name a few.

Constitutional Provisions

The Constitution of Seychelles recognizes the right of every citizen to health and to health care. Article 29 is emphatic that primary health care shall be free in state institutions and that citizens bear a substantial degree of responsibility for their own health. This is consistent with Goal 3 of Agenda 2063 “Healthy and well-nourished citizens”. Furthermore, the state ensures universal access to education: pre-primary, primary and secondary, with boys and girls enrolling at the appropriate ages. Through its National Scholarship Scheme, Seychelles has also known success in the provision of tertiary education for selected priority areas which reflects, “Well Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation”, goal four of Agenda 2063.

African Review Peer Mechanism

In early 2020, Seychelles acceded to the African Peer Review Mechanism (APRM), and became the 40th member of this continental mechanism. This accomplishment is part of the government’s efforts and commitments to promoting good governance, transparency and accountability in the country. Following the accession, in June of 2020, the country’s leadership approved the setting up of the National Structure of the APRM mechanism for the Republic of Seychelles.

Open Government Partnership

The Open Government Partnership (OGP) brings together government reformers and civil society leaders to create actions plans that make governments more inclusive, responsive, and accountable. Seychelles was accepted into the OGP in August 2018. The First National Action Plan (NAP) was co-created by a committee composed of both Government representatives and the Civil Society. The first NAP focuses on the achievement of four main commitments as seen below;

Themes	Commitment Number	Title
Participation	1	Strengthening public participation in the budget process
Transparency	2	Implementation of the Access to Information Act
	3	Implementation of the Fisheries Transparency Initiative (FiTI)
Technology and Innovation	4	Creation of an E-Engagement portal to increase citizen responsiveness

Participating governments are encouraged by OGP to produce End-of-term Self-Assessment Reports. In this regard, Seychelles is currently in the process of developing its first Self-Assessment Report.

Results-based Management

In 2013, the **Results Based Management (RBM)** policy was approved by the Seychelles Government, with the aim of improving the effectiveness and accountability of the public service. The Government recognized that addressing the efficiency of public spending is at the core of decreasing the gap in public service delivery. From the onset, the reforms also had the goal of improving transparency and openness.

The RBM policy lays the foundations of a robust framework to enable a shift from traditional public-sector management to results-oriented management. The Government had to manage for measurable outputs (leading to policy outcomes for people), as opposed to simply managing inputs (activities and resources). The shift required a mindset change towards greater accountability by both the public institutions and individuals working in the public service. The integrated RBM system is made up of four key components that provide the necessary framework for planning, implementing, monitoring and reporting on organizational performance, and linking organizational performance to personnel performance.

The components are:

- Strategic Planning
- Programme Performance Based Budgeting (PPBB)
- Performance Monitoring and Evaluation (PM&E)
- Performance Management System (PMS)

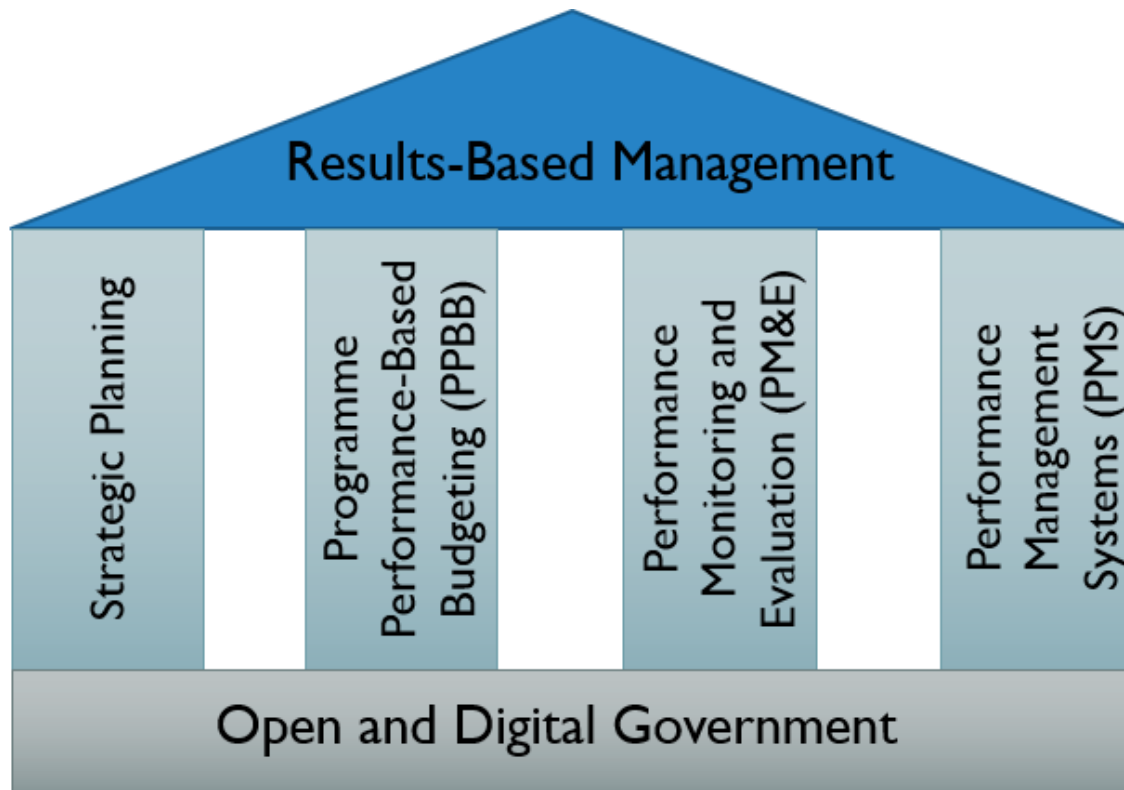


Figure 1: Structure of RBM in Seychelles

Economic Policy

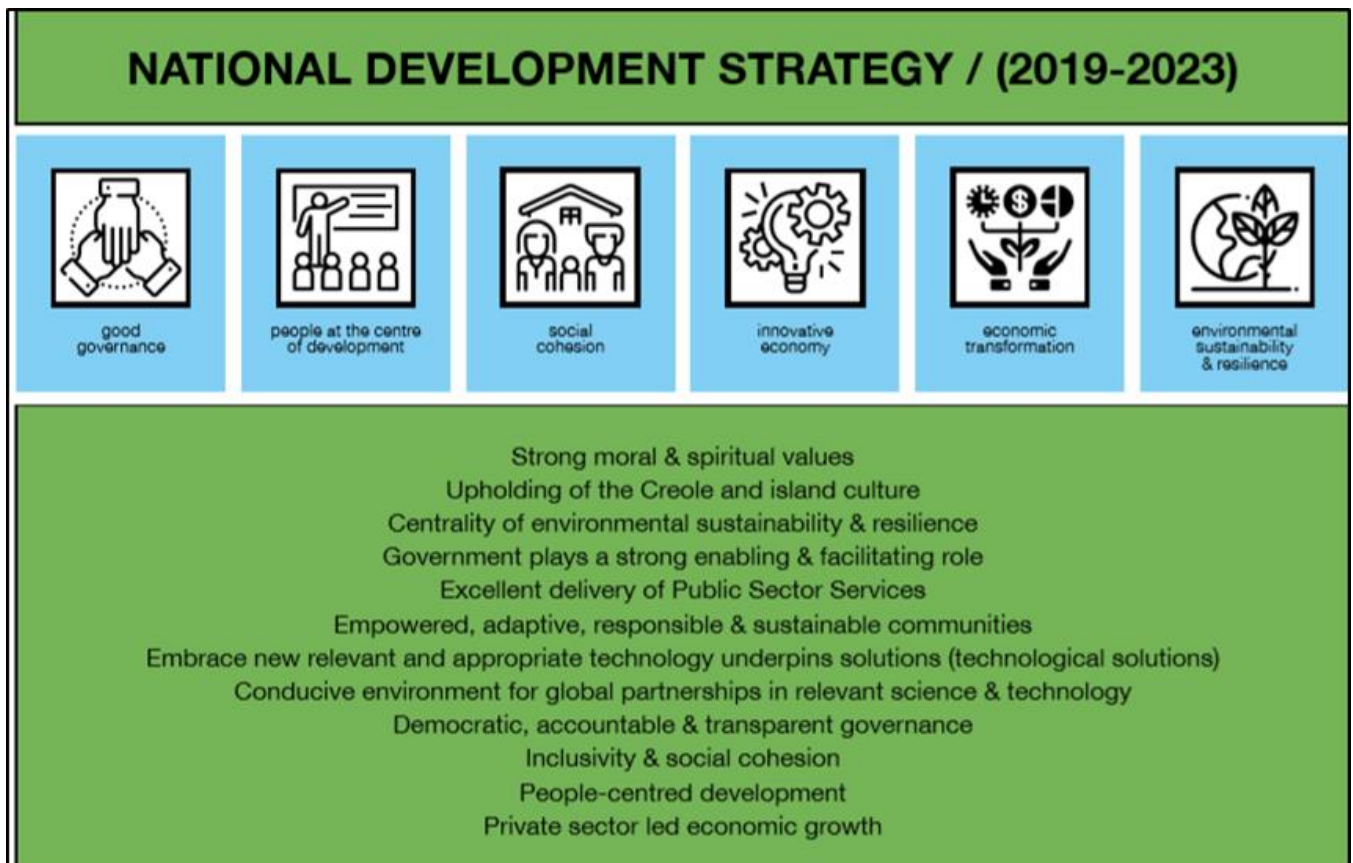
On the economic side, various frameworks provide the platform for the successful implementation of Agenda 2063. The Tourism Masterplan (2019-2023) sets forth the path towards sustainable and inclusive tourism practices in Seychelles, anchoring the role of the tourism industry as a pillar of the economy. Various other policy frameworks for fisheries and agriculture are in place guiding the development and innovation of these sectors. The aforementioned policy frameworks address Aspiration one (1) of Agenda 2063, "A Prosperous Africa, based on Inclusive Growth and Sustainable Development".



In terms of the overarching national development framework, the National Long-Term Vision- Vision 2033- puts forth “A Sustainable and Inclusive Future” and this is put into action by the National Development Strategy (NDS 2019-2023).

Both frameworks, launched in August 2019, incorporate Global and Regional Commitments including Agenda 2063 and Agenda 2030. The six thematic pillars of NDS 2019-2023 incorporate the aspirations of Agenda 2063 alongside the SDGs, as shown below.

This report provides progress on select Goals of Agenda 2063, owing to availability of data and appropriate country context.



1. Governance

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

8. United Africa (Federal or Confederate)
11. Democratic values, practices, universal principles of human rights, justice and the rule of law entrenched
12. Capable institutions and transformative leadership in place
13. Peace, security and stability is preserved
14. A stable and peaceful Africa
15. A fully functional and operational APSA
20. Africa takes full responsibility for financing her development

2. People at the Centre of Development

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

1. A high standard of living, quality of life and wellbeing for all citizens
2. Well educated citizens and skills revolution underpinned by science, technology and innovation
3. Healthy and well-nourished citizens
18. Engaged and empowered youth and Children

SAMOA Pathway

11. Health and non-communicable diseases

3. Social Cohesion

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

1. A high standard of living, quality of life and well-being of all citizens
13. Peace, security and stability is preserved
14. A stable and peaceful Africa
15. A fully functioning and operational APSA
16. African cultural renaissance is preeminent
17. Full gender equality in all spheres of life
18. Engaged and empowered youth and children
19. Africa as a major partner in global affairs and peaceful coexistence

SAMOA Pathway

6. Food security and nutrition
12. Gender Equality and women's empowerment
13. Social Development

4. Innovative Economy

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

2. Well educated citizens and skills revolution underpinned by science, technology and innovation
4. Transformed economies
18. Engaged and empowered youth and children

5. Economic Transformation

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

1. A High Standard of Living, Quality of Life and Well Being for All Citizens
4. Transformed Economies
5. Modern Agriculture for increased productivity and production
6. Blue/ ocean economy for accelerated economic growth
9. Continental Financial and Monetary Institutions are established and functional
10. World Class Infrastructure criss-crosses Africa

SAMOA Pathway

1. Sustained and sustainable, inclusive and equitable economic growth with decent work for all
16. Means of implementation, including partnerships

6. Environmental Sustainability and Resilience

2030 Agenda on Sustainable Development Goals



Agenda 2063 goals

5. Modern agriculture for increased productivity and production
6. Blue/ocean economy for accelerated economic growth
7. Environmentally sustainable and climate resilient economies and communities

SAMOA Pathway

- | | | |
|----------------------------|--|----------------------------|
| 2. Climate Change | 8. Sustainable transportation | 14. Biodiversity |
| 3. Sustainable Energy | 9. Sustainable consumption and production | 15. Invasive alien species |
| 4. Disaster risk reduction | 10. Management of chemicals and waste, including hazardous waste | |
| 5. Oceans and seas | | |
| 7. Water and sanitation | | |

Progress on Agenda 2063 Goals

Goal 1: A High Standard of Living, Quality of Life and Well Being for All Citizens

In a recent report titled “Poverty and Inequality in Seychelles”, done jointly by the National Bureau of Statistics (NBS) and the World Bank, it was estimated that 25.3 per cent of the population was found to be living below the national poverty line of SCR 4,376 (USD 267) per month per adult. Furthermore, only 5 per cent of the population was living below the international poverty line of USD 5.50 (2011 PPP terms), albeit broadly in line with peer countries with similar levels of GDP per capita. Inequality is relatively low, with a Gini coefficient of 0.30 in 2018.

With the minimum hourly wage being close to the international poverty line of US\$1.90, this measure of (absolute) poverty is inapplicable in the Seychelles context. Seychelles has adopted a Multidimensional Poverty Index as of 2019, as a broader measure of poverty. The MPI in 2019 stood at a value of 0.04. Pre-pandemic, the economy reached record employment levels in 2019, with an unemployment rate of 3.5 per cent. However, youth unemployment, the size of the informal sector and labor quality remain longstanding issues.

Social security and protection, including Persons with Disabilities

The state implements various social protection schemes such as specialized medical treatment, bursaries for students and social security for Seychellois aged 63 years and above. This is part of a robust social safety net, catering to those most in need. In 2020, social protection spending increased to more than 8 per cent of GDP, with a substantial part of the budget being spent on benefits for the elderly. Much effort is now being placed towards reforms which will help to ensure the long run sustainability of the social protection system through better targeting.

Modern and Livable Habitats and Basic Quality Services

The Government makes subsidized mortgage loan facilities available for families seeking to purchase or build their first home through the state-owned Housing Finance Company (HFC). Between 2015 and 2019, approximately 5,500 loans were made available by HFC. In addition, Seychellois families have been able to acquire their own homes at a subsidized rate through a longstanding social housing scheme. In one flagship project, situated at “Ile Perseverance”, over 2,000 houses were constructed; this was one of the Government’s largest efforts to provide affordable housing.

Moreover, a graduate housing scheme, subsidized by the state, provides high-quality housing solutions for university graduates wishing to acquire their first home (see below).



Figure 3: Graduate Housing Project

Goal 2: Well-Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation

Seychelles has made great strides in its quest for quality education over the last decade, this being the main preoccupation of government since access to education is virtually guaranteed for all. In 2020, the country was listed by the World Bank as having a Human Capital Index (HCI) of 0.63, and ranked 52nd out of 174 countries, the highest in Africa and the region.

Seychelles has universal provision of education facilities for all its citizens, inclusive of free and comprehensive 11 years' compulsory general education (6 years primary and 5 years secondary), access to free post compulsory high schools and occupationally oriented Centres and University. To date, the country can report 100% enrolment in basic/primary education and adult literacy rate above 90%, one of the highest in Africa.

Early Childhood Education

As of 2019, Seychelles has held the highest Human Development Index (UNHDI) for Africa, with a value of 0.801. The Institute for Early Childhood Development (IECD), founded in 2013, has achieved the prestigious designation as a United Nations Educational, Scientific and Cultural Organization (UNESCO) Category 2 Centre for Early Childhood Care and Education, at the 40th session of the UNESCO General Conference on November 15th, 2019. The geographical scope of the UNESCO Category 2 Institute means that IECD has acceded to a global recognition as a leader in this field.



As a Category 2 Centre, the Seychelles Institute is to provide global intellectual and operational leadership, capacity building and other programmes to advance the development of and strengthen ECCE systems across UNESCO member States. The UNESCO International Bureau of Education also bestowed IECD with an award of “Best Practice Hub for Early Childhood Care and Education” in 2017. An agreement between UNESCO and Republic of Seychelles was signed on 1st June 2021 and the UNESCO Category 2 Centre will be established and operational in 2022.

General Education

Education budget remains the second highest after Health, which emphasizes the government’s commitment to basic education. Enhancing students’ performance at all levels remains a priority as new strategies are put in place to meet this target. The Ministry of Education is in the process of developing the School Autonomy Framework as a way of giving more power to the school governance in the day to day running of their institutions. This will require strengthening the roles of all partners in education. To that effect a new regulation has been adopted which delineates the obligations of the main parties in the education of a child: the school management, the teacher, the parent and the student. Another important development is the setting up of the Teacher’s Council for Seychelles in 2021.

E learning

Technology enabled learning is central to the change and modernization of the Education Sector as depicted in the Ministry’s Three-Year Strategic Direction (2021-2023). One of the objectives is to enhance the provision of distance education through virtual learning

platforms. In the context of the challenges of COVID-19 pandemic, provision of access to digital contents for all levels was expedited to ensure continuity of learning.

Technical and Vocational Education and Training (TVET)

The technical and vocational education and training (TVET) in Seychelles is guided by the United Nations Educational, Scientific and Cultural Organization (UNESCO) Education 2030 Framework of Action, as well as the UNESCO TVET Strategy 2016-2021 and the Ministry of Education Strategic Plan 2018-2022. In an attempt to bridge the gap between training and employment, the Government through the Ministry is in the process of establishing a new Technical School for Secondary 4 and Secondary 5 students who have a strong interest in this field. This will be a direct means for addressing the labour market needs and also to better prepare learners for further Technical training. One of the national Professional Centres, the Seychelles Institute of Technology (SIT) is an internationally recognized UNESCO-UNEVOC training centre since 2016 and in 2019 the institute became one of the ten i-hubs selected by UNESCO-UNEVOC.

University of Seychelles

The University of Seychelles (UniSey) was launched on the 17th September 2009. It offers a number of courses at undergraduate and postgraduate levels in different disciplines namely Banking, Finance, Business Administration, Public Administration, Law, Environmental Science, Marine Science, Social Work, Youth and Community Work, Languages, Education, Journalism, Media, Environmental Health and Food Hygiene, Computing and Information Systems.



The teaching and learning modes have progressed extensively for the past years and UniSey now offers a blended mode of instruction – virtual and face-to-face on-campus. This has enabled students to have access to more international programmes online and continue studying even during the pandemic. Staff manage to participate in more international webinars and engage in research projects.

UniSey has three research institutes: the *James Michel Blue Economy Research Institute*, *The Creole Language and Culture Research Institute* and *The James Mancham Peace and Diplomacy Research Institute*. The *Island Biodiversity and Conservation Centre* and the *Confucius Institute* are also housed in the university.

For the future, UniSey aims to partner with more international universities to offer a more diverse range of twinning programmes, exchange for staff and students to and from Seychelles and collaborative research projects that would help the country advance economically, socially and intellectually. UniSey thrives to be the bridge between Seychelles and the intellectual and innovative world.

Quality Assurance

The Seychelles Qualifications Authority (2006) established a National Qualifications Framework at the start of 2009 and to date the great majority of qualifications (almost 90%) on offer locally meets national quality standards. More than half of the tertiary education institutions have met institutional accreditation standards, and we expect the rest to attain that distinction over the next few years. Importantly, educational institutions within the general education and tertiary education cycles now subscribe to the importance of quality assurance and strive to meet these standards. To crown it all Seychelles was the second country in SADC, after South Africa, to align its National Qualifications Framework with the Southern African Development Community Qualifications Framework (SADCQF) in 2019. Essentially this means that qualifications offered in Seychelles can be recognized through the SADCQF for entry into education institutions or for employment across southern Africa.

Goal 3: Healthy and well-nourished citizens

The year 2020 saw improvements in key health status indicators, while a few targets remained elusive. There were improvements in neonatal, infant and under-five mortality as compared to 2019; however, the end-term target for infant mortality as stipulated in the National Health Strategic Plan (NHSP) was not met. Non-communicable diseases (NCDs) remain the lead cause of morbidity and mortality and diseases of the circulatory system and cancer caused the majority (56 per cent) of deaths in 2020. Life expectancy (LE) at birth increased and reached NHSP targets in 2020, supported by a reduction in external causes of mortality in young people possibly due to restrictions on movement and leisure activities imposed to prevent the spread of COVID-19.

Obesity among schoolchildren remains a public health concern, with annual data from the School Health Programme revealing a steady rise in the prevalence of overweight and obesity in children since 1998 to reach 36% in girls and 28% in boys in 2019.

The government invests considerable resources in the nation’s health. In 2020, 11% of the government’s annual budget was allocated to the health sector. Total health expenditure as a percent of nominal GDP rose from 3.8 per cent in 2013 to 6 per cent in 2020. The health sector employs an adequate number of qualified health professionals, with the local doctor density is 25.6 doctors/10,000 population, well-above the global average of 15/10,000 population. Nevertheless, the onset of COVID-19 placed great strain on human resources in health. Health care workers (HCWs) underwent training, upskilling and strategic redeployment to support the national response to COVID-19. With a surge in cases of COVID-19 late in 2020, infections in HCWs were reported.

As of January 2021, a national vaccination campaign was launched against COVID-19, with the country’s leadership, Health Care Workers, other front line groups and the most vulnerable being inoculated first. As at June 2021, 72% of the total population of Seychelles had received at least the first dose of the COVID-19 vaccine, and 68 % of the total population having received both doses.

Vaccine Dose	Vaccination Uptake	Total Population	Coverage
Dose 1	70,671	98,462	72%
Completed (Dose 1 & 2)	67,305	98,462	68%

Source: Ministry of Health, June 2021



Figure 2: President Wavel Ramkalawan receiving the COVID-19 vaccine in January 2021

Seychelles achieved a high service coverage index in recent years, a composite indicator to measure Universal Health Coverage (UHC). However, some aspects of UHC like equity and quality of services are not routinely measured. By the end of 2019, the country had achieved several of the end-term national targets and the Sustainable Development Goal (SDG) 3 targets. The country needs to protect health gains secured so far; however, the impact of COVID-19 pandemic on the health sector, the economy and on the social determinants of health is a real threat and requires new strategic directions and joint actions with other sectors.

Goal 4: Transformed Economies

Sustainable and inclusive economic growth

The Seychelles economy is mainly driven by the tourism and fisheries sectors. In 2019, tourism and fisheries accounted for 24.4 per cent and 7.2 per cent of Gross Domestic Product, and comprised of 23.2 per cent and 1.4 per cent of the total workforce, respectively.

The Seychelles Blue Economy sector is being developed, with the aim of boosting value addition in the sector. The country is engaging in partnerships with development partners, both bilateral and multilateral, to explore new ways of developing the sector. The Blue Economy sector is guided by the *Blue Economy Strategic Roadmap* and framework which highlights all the activities which will enable the development of the sector in Seychelles. The Roadmap is based on four key strategic priorities namely (1) creating sustainable wealth; (2) Sharing prosperity; (3) securing healthy, resilient and productive oceans; and (4) Implementation of the Blue Economy through the strengthening of the enabling environment. With the support of the European Union, the Blue Economy Department, within the Ministry of Fisheries and Blue Economy, has developed a Monitoring and Evaluation Framework which was finalized earlier this year.

The Government of Seychelles acknowledges the country's heavy reliance on imports as well as on the tourism sector which poses a significant threat for the small island in the face of external shocks. With the current global COVID-19 pandemic, such conditions were exacerbated, resulting in economic losses, particularly in the tourism industry. The commitment to transform the economy has been further amplified in order to enable the economy to mitigate future risks and implement contingencies. As the country continues its efforts to build back from the effects of the pandemic, it remains committed to pursue a robust agenda to ensure a rewarding transformation of its economy.

Hospitality/Tourism

The tourism sector contributes significantly to the Seychelles economy. Primarily, through the generation of foreign exchange earnings, government tax revenue, stimulation and source of economic growth, FDI, and employment creation (approximately 20-25 per cent of the labour force). Due to the global outbreak of the COVID-19 pandemic, the tourism industry suffered significant losses as a result of travel bans and restrictions which were first introduced in April, 2020. This also included a temporary cruise ship ban, which was introduced in an effort to prevent potential outbreaks due to the high prevalence of outbreaks on cruise ships observed throughout the initial spread of the virus.

As an economy greatly dependent on Tourism, the effects of the pandemic were drastic and extensive restrictions proved unsustainable. With the ease on restriction measures effective 25 March 2021, visitors are able to enter quarantine-free, with a negative 72-hour PCR test. The cruise ship season is subject to resume towards end of August, 2021.

With most of Seychelles' top tourism source markets being in Europe there was greater need for diversification of source markets. The tourism arrival statistics recorded an increase in new markets such as the United Arab Emirates, Israel and Russia, which have contributed greatly to the boost in visitor arrivals and the revamping of the tourism sector.

As part of its efforts to promote sustainable practices in the tourism industry, the Tourism Department introduced, in 2011, the Seychelles Sustainable Tourism Label (SSTL) – a sustainable tourism management and certification programme designed specifically for use in Seychelles. It is voluntary, user-friendly and designed to inspire more efficient and sustainable ways of doing business. The SSTL is presently applicable to tourism accommodation establishments of all sizes and seeks to encourage and guide improvements in sustainability outcomes. As such, the project is as much an educational process as an examination process. To date, 21 tourism establishments have been certified out of over 600 that are presently operating in Seychelles.

The Digital Economy

Following Government's commitment to develop a national Digital Economy (DE) strategy, an assessment of the current state of the digital economy was deemed necessary to map out the most suitable pathway for further development in this area. A diagnostic survey was thus conducted by the World Bank outlining the key strengths, challenges and opportunities of the digital economy. In determining the level of digital economy, practical, evidence-based and actionable recommendations were highlighted on priority areas for development, reform and growth. Subsequent consultations with the relevant stakeholders allowed for further prioritization with a focus on resource implications and that of the current priorities of the government.

Goal 5: Modern Agriculture for increased productivity and production

The Agricultural sector is guided by the National Comprehensive Agricultural Plan which aims to expand the agricultural sector and boost production and value chains within the sector. Essentially, the government aims to ensure food and nutrition security for its people. To address issues of national food security, emphasis has been placed on increasing the practice of climate smart agriculture, as well as sustainable fisheries. All of these strategies are reflected in the National Development Strategy (NDS 2019-2023).

Goal 6: Blue/ ocean economy for accelerated economic growth

As previously outlined in Goal 4 of the document, the Blue Economy Strategic Roadmap and Framework 2018-2030 is the guiding document which was approved early in 2018. This document displays an integrated approach to ocean based sustainable development which brings together the economy, the environment and society, all in alignment with the Sustainable Development Agenda 2030 (SDGs), Agenda 2063, the Aichi Target 11 of the Convention on Biological Diversity (CBD) and the Paris Agreement on Climate Change (2015). The roadmap is to be further strengthened by the Monitoring and Evaluation Framework which will verify whether targets are being met and address any challenges identified to ensure the successful development of the Blue Economy.

Despite the many activities and projects being undertaken within the sector, there still remains a misconception on what the blue economy is and what it entails, particularly amongst the general public. As a result, the Blue Economy Department continues to work on ways to educate and sensitize the public at large on sustainable oceans development which is essentially what the Blue Economy sector encompasses. Plans to strengthen the development of educational programs such as ocean governance and ocean related issues are well underway. The Department is working in close collaboration with the Ministry of Education in ensuring the inclusion of ocean literacy in the school curriculum through the support of the Indian Ocean Rim Association.

In the pursuit of building a strong and sustainable Blue Economy sector, Seychelles launched the world's first sovereign "Blue Bond" in October 2018, which is a financial instrument designed to support sustainable marine and fisheries projects. Proceeds from the bond will be used to support the expansion of marine protected areas, improved governance of priority fisheries and the development of the Seychelles' blue economy. Grants and loans will also be provided through the Blue Grants Fund and Blue Investment Fund, managed by the Seychelles' Conservation and Climate Adaptation Trust (SeyCCAT) and the Development Bank of Seychelles.

As one of the world’s biodiversity hotspots, Seychelles remains committed to balancing the need to both develop economically and protect its natural endowment. Efforts to ensuring more controlled access to its small scale fishery includes the development and subsequent approval of the Mahé Plateau trap and line fisheries co-management plan in 2018 which is currently in process of its implementation. Remarkably, Seychelles has gazetted over 400,000 square kilometres of its EEZ which accounts for 30 per cent of its marine protection status as of March 2020. This is triple the UN Convention of Biological Diversity Target 11, stating 10 percent marine protection and the United Nations Sustainable Development Goal SDG 14 for 10 per cent coastal and marine protection, both by 2020.

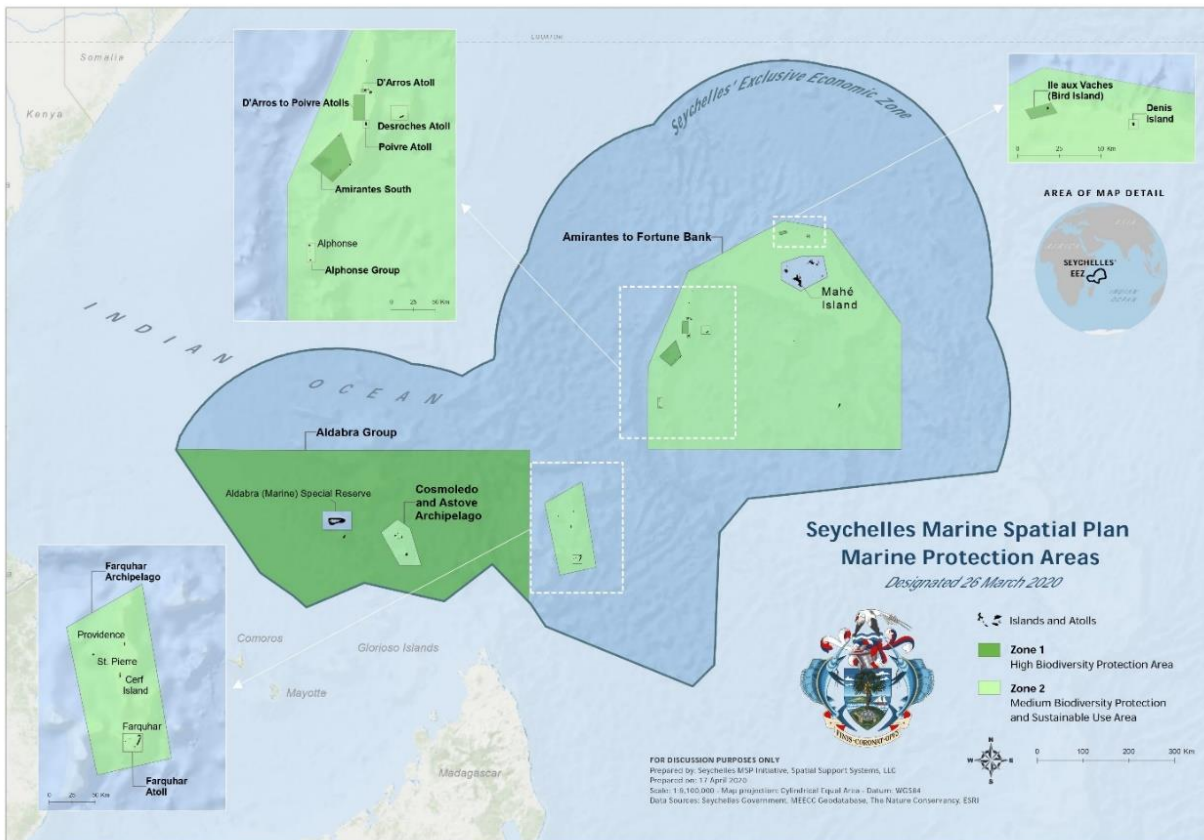


Figure 3: Seychelles Marine Spatial Plan

Seychelles has also, since last year, approved its very own Marine Spatial Plan Policy as part of the Marine Spatial Plan Initiative which began in 2014. This government-led initiative is one focused on planning for and management of the sustainable and long-term use and health of its oceans. The policy will ultimately provide a roadmap for planning and the guiding principles to inform the decision making process for both development and conservation of the marine environment. Following the outstanding achievement of not only meeting but also surpassing the marine protection area target,

the Government is expected to set up an independent ocean authority by 2025 which will ensure the proper monitoring and protection of the EEZ.

Moreover, Seychelles is expected to launch the aquaculture subsector towards the end of the year, 2021 as a result of COVID-19 which delayed much of the works. This launching follows the aquaculture regulations which was gazetted in December 2020 with an expected commencement date in the third quarter of 2021 to enable the regulations and the aquaculture industry to become effective. The regulations were drafted to ensure the industry's development is aligned to the Seychelles National Aquaculture Policy 2018-2021 as well as other global best practices.

It is worth noting that the first boost to the aquaculture industry was when the Seychelles Fishing Authority (SFA) opened a broodstock, acclimation and quarantine facility at the Providence Fishing Port in October, 2019. The facility - one of its kind in Seychelles - was funded by the European Union under the fisheries sectoral fund.

Marine resources

Seychelles submitted its first annual report to the Fisheries Transparency Initiative (FiTI) in April 2021. The FiTI Report provides the public with clear summaries of key status information on Seychelles' marine fisheries sector, evaluates Seychelles' compliance against internationally recognized transparency requirements, and issues unbiased recommendations on how the government can continue to increase transparency in fisheries management.



The accuracy and credibility of the information published as part of the FiTI Report was ensured through the fact that it was produced via the collective effort of the Seychelles FiTI National Multi-Stakeholder Group, which is composed of equal numbers of local representatives from government, business, and civil society. The FiTI Report, the first of its kind produced by any country in the world, establishes Seychelles as a world leader in the field of transparent marine fisheries management. It is hoped Seychelles' commitment to implementing the FiTI will lead to other countries in the region (and further afield) joining the initiative, making transparency in marine fisheries the global norm.

The launch of the report represents a significant step forward towards Seychelles' ultimate goal of becoming (and maintaining the status of) a 'FiTI Compliant' country. Work on Seychelles' second FiTI Report is already underway, with the report due to be submitted to the FiTI by the end of 2021. To note, the FiTI International Secretariat, formerly operating from Germany, has been headquartered in Seychelles since 2020.

As part of its efforts to manage waste and reduce the impacts of waste on the environment, the government strongly advocates for a circular economy, which aims at reducing waste at all levels of the value chain, especially within the fisheries sector. This initiative which is being led by the Blue Economy Department, aims to promote the circular economy through sensitization and awareness campaigns to the general public. Following that, they anticipate to have capacity building sessions, particularly with the business community, to support entrepreneurs to integrate the concept of a circular economy within their business models and encourage businesses to become more efficient in waste management. The Indian Ocean Tuna (IOT) factory is an example of a company that is researching ways to turn its fishery waste into fuel.

Marine resources are critical to the country's economic growth. After tourism, the fisheries sector is the country's most important industry, contributing significantly to annual GDP. Fish products make up around 95% of the total value of goods exports and activities account for the bulk of re-exports, primarily fuel.

The artisanal fishery, which is still an open access fishery and comprises boat and shore-based activities. The artisanal sub-sector directly employs between 1,300 and 1,400 full and part-time fishers (SFA Annual Report, 2014). The Seychellois population relies heavily on the artisanal fishery as a source of food and nutrition. Total catches in the artisanal fishery from 2006 to 2016 have declined, on average, from over 4000 to below 3000 tons per annum.

The semi-industrial fishing sector comprises a longline fishery operating on the Mahé plateau. The highest recorded catch from the semi-industrial fishery was in 2018 which amounted to 1228.8 MT. A majority of the catches from this fishery are exported. Contrary to the industrial fishery, the semi-industrial longline fishery is a comparatively small segment of the industry. However, it has substantial capacity for growth.

The industrial fishery of the Seychelles is comprised of a fleet of large (>24m length overall) commercial long liner and purse seine vessels primarily targeting tuna species. The majority (96 per cent) of frozen fish are unloaded through Port Victoria into reefer containers and transshipped. Although only a small portion of fish unloaded in Port Victoria is retained (roughly 20 per cent), the industrial tuna fishery is an important source of foreign revenue for the local economy. Expenditures on goods and services by foreign fishing vessels in Port Victoria, through payments for licenses, and compensation through the European Commission Fisheries Partnership Agreement generate the majority of gross income. Despite healthy growth, concerns remain on the sustainability of yellowfin tuna, which is currently under a restricted Total Allowable Catch.

Energy

Seychelles is committed to reduction of greenhouse gas emissions and is currently aiming to improve energy security along with economic and environmental benefits by reducing

the dependence on imported fossil fuel. The Energy Policy for 2010 – 2030 established a target to achieve 15 per cent use of Renewable Energy (RE) by 2030 and identified increasing Energy Efficiency (EE) by decreasing the energy intensity for the Seychelles by at least 10% by 2030. Both RE and EE are cost effective measure to reduce our carbon emissions. It should be noted that the Seychelles Energy Policy for 2010-2030, identifies increasing EE as “the main contributor to sustainable development” and to reduce the Seychelles’ dependence on foreign oil supply for energy generation. Additionally, the *Seychelles Energy Act (2012)* makes provisions for others to participate in electricity generation and promotes the adoption of Renewable Energy and Energy Efficiency across all sectors of the economy. Both the Energy Policy and Energy Act are currently being revised and will establish new targets for Energy Efficiency. Various approaches to harness renewable energy at a relatively greater extent are underway by conducting resource assessment on solar, wind and marine sources.

It is important to mention Seychelles’ plan for a potential Waste-to-energy conversion, which would allow for effective and strategic use of waste generated domestically. This would represent a sustainable pathway for combined reductions in greenhouse gas emissions as well as clean-up of waste from the environment.

Additionally, clean, affordable, secure and economically viable renewable energy developments should be made accessible to all and eventually achieve energy efficiency in Seychelles’ low carbon development pathway.

Goal 7: Environmentally sustainable and climate resilient economies and communities.

The archipelago is internationally recognized as a biodiversity hotspot, and Seychelles was also the first country in the western Indian Ocean region to designate part of its ocean territory as marine protected areas. This exemplifies Seychelles’ commitment to becoming a global leader in environmental conservation. Sustainable natural resource management and Biodiversity conservation have also been given great level of attention.

A climate smart, resilient economy is the national aim of Seychelles. Being a large ocean state with scattered islands isolated from the rest of the world, Seychelles is vulnerable to strong winds, tsunamis, storm surges, extreme rainfall, flooding, landslides, rockslides and forest fires. For this reason, amongst others, climate change adaptation and mitigation is vital for the foundation of the nation’s economy and is a national priority. National water security and mapping out water demand relative to economic development and sustainable consumption and production patterns are two other components of the climate smart resilient economy.

Seychelles has also, in recent times, been involved in innovative climate finance, with one of the best examples being the Debt-For-Nature-Swap. Seychelles is the first ever country to successfully launch the Debt-For-Nature-Swap, leading to the country reaping benefits in gathering financing for adaptation projects relating to Coastal ecosystems such as Coral Reefs and Mangroves.

Most importantly, Seychelles has kept its commitment to the UNFCCC by providing its updated Nationally Determined Contributions (NDC) in 2021. The NDC covers a wide array of sectors vital to the national economy. Amongst the topics are; movement towards a low-carbon economy, disaster risk management, waste reduction and management, coastal adaptation, fisheries and the blue economy, agriculture and sustainable critical infrastructure development.

In terms of waste management, the government's strategy is to install machinery to extract and flare methane by 2025 with a more ambitious target of collecting 80 per cent methane from the *Providence II* Landfill. This is expected to result in mitigation of 71.2kt CO₂e in 2030 reducing the business as usual (BAU) emission from 88.96kt CO₂e to 17.79kt CO₂e. Over the next 20 years (2030-2050) this measure will mitigate 1,349kt CO₂e from the atmosphere. In terms of disaster risk management, the NDC focuses on natural disasters risk preparedness and prevention building capacity, coordinating strategies, implementing plans and recognizing vulnerable groups. Seychelles has also embraced blue carbon ecosystems (seagrass and mangrove habitats) as noteworthy carbon sinks in its 2021 submission to the UNFCCC.

Seychelles has, over the years, developed plans and policies to guide the way forward towards a climate resilient economy. This includes but is not limited to: The Coastal Management Plan, the Energy Policy, the National Water Policy, the National Climate Change Policy, the Wetlands Policy and Action Plan, the National Biodiversity Strategy and Action Plan, the National Integrated Emergency Management Plan and the Blue Economy Strategic Policy Framework and Roadmap.

Goal 8: United Africa

Seychelles signed the African Continental Free Trade Area (AfCFTA) agreement during the Extraordinary Summit of the African Union (AU) in Kigali, Rwanda in March 2018.

In June 2021, the National Assembly of Seychelles ratified the African Continent Free Trade Agreement (AfCFTA). The agreement is aimed at providing preferential rates and zero percent tariffs through its objective of eliminating or reducing tariff and non-tariff barriers among the 55 member states so as to provide a single market for goods and services and facilitate movement of persons. The ultimate aim is to deepen the economic integration and increase prosperity.

The AfCFTA agreement has provided the local private sector with the opportunity to be exposed for businesses with 1.2 billion people around the continent which has a combined GDP of USD 2.5 trillion. Seychelles is still engaged in negotiations with member states of AfCFTA for better deals in relation to business, communication, financial, tourism and travel-related and transport services including other topics such as competition policy, intellectual property, e-commerce and women in business, among others, with which negotiations are yet to start.

Goal 10: World Class Infrastructure crisscrosses Africa

Communications and Infrastructure connectivity

One of the objectives of the National ICT Policy is to promote the provision of accessible, universal, affordable, reliable, modern and high quality levels of ICT facilities and services in Seychelles. This is expected to, among other objectives, promote infrastructure upgrades and investments, which improve international access and connectivity to global markets. In line with the ICT Infrastructure objectives of the National ICT Policy, Seychelles saw the landing of its first Submarine Cable; SEAS (Seychelles East Africa Submarine (SEAS) cable) which is connected to Dar es Salaam, Tanzania. The Seychelles Cable Systems Company Limited (SCS) is the owner of SEAS and it is a private-public partnership between the Government of Seychelles and a few local Telecommunications Company. The laying of SEAS has boosted the internet usage mainly with the decrease in price per GB for internet usage and the increase in speed of internet. This has also led to the establishment of many businesses and also encouraged the private sector and the Government to provide their services on the digital platform.

A second submarine Cable owned by SCS is expected to land in Seychelles during the first quarter of 2022 which is the connected to the PEACE (Pakistan East Africa Connecting Europe) submarine cable. An independent Telecommunications Operator is also expected to land its own cable which will be connected to the 2Africa cable in the near future.

As at 31st December 2020, the number of mobile number subscriptions was at 183,498 which is a penetration of more than 186 per cent. Also, both service providers providing mobile services have more than 95 per cent coverage for their 3G and LTE mobile networks. In 2020, one of the service providers Cable and Wireless (Seychelles) Ltd introduced 5G in certain locations in Seychelles.

Goal 11: Democratic values, practices, universal principles of human rights, justice and the rule of law entrenched.

Democracy and Good Governance

Seychelles is a presidential republic with a multi-party political system and a Constitution which upholds the rule of law based on the recognition of the fundamental human rights and freedoms, as declared by its preamble. The Preamble also declares Seychelles to be a democratic state that assures the exercise of individual rights and freedoms. The Constitution further guarantees judicial independence and the creation of independent constitutional bodies that are subject only to the Constitution.

Over the past five years, Seychelles has made remarkable progress towards good governance. This includes more open and participatory political discussions after the parliamentary elections of 2016, the passing of new legislation, increased efforts to fight corruption, and the creation of numerous institutions and civil society organizations to advocate for greater protection and education on human rights, transparency and accountability. Moreover, *Good Governance* is a pillar of the National Development Strategy (2019-2023).

October 2020 saw an exemplary handing over of power, following the first change in government administration from presidential elections held in that same month.



Figure 4: President Ramkalawan and (outgoing) President Faure share a photo following the handing over of power

Human Rights, Justice and the Rule of Law

The Seychelles Human Rights Commission (SHRC) was set up in August 2018 and is primarily responsible for, as legally defined in the Seychelles Human Rights Act 2018: to promote and to protect universal human rights. Its functions consist of implementing the country's national and international obligations, providing human rights education and raising public awareness, monitoring behavior and ensuring compliance to human rights, reviewing laws and policies and investigating human rights issues and complaints.

SHRC conducts numerous educational and training workshops on basic human rights, using multi-media platforms as a way of reaching more youth and social groups. In addition, SHRC is at present assessing new and existing laws to ensure that human rights are reflected. Further to this, the SHRC is investigating complaints brought by members of the public regarding violations of their human rights – these include abuses of the right to work, right to property, right to a fair hearing and right to shelter, to name but a few. These alleged violations are not solely against the Government, but are to be found within all sections of society.

Goal 16: African Cultural Renaissance is preminent

The Arts program as community building

During the 2018–2019 period, the national arts program has been extensively and successfully developed, with at least five districts currently participating in the programs. The art program also looks outward, evolving with foreign partners such as the MOSHITO, the National Art Council (NAC) of Zambia, the NAC South Africa and the NAC Zimbabwe. This strengthens Goal no.16 of the African Renaissance Agenda 2063, which involves a concerted effort to bring African countries together and promote cultural exchanges between member states of the Africa Union. The exchanges also promote the inclusive approach and the reliance and resilience philosophy of the African continent and address Goal no.14 of the Agenda 2063 which aims for a stable and peaceful Africa.

The latest *Seychelles Art Biennale* was organized by the Seychelles National Arts Council in 2018. The biennale involved the participation of several accomplished and prominent artists from the Indian Ocean region, as well as from the Africa mainland. The activity produced excellent artwork, from both the foreign participants. The activity provides for further cultural exchanges between regional and international artists from various cultures and civilizations. This activity promotes the spirit of regional and International Corporation, leading to more unity and peace in the region. This is achieved through an art and cultural renaissance programme; as cultural exchange promotes peace between nations. This activity is in line with Goal no.16 of Agenda 2063, which promotes African cultural

renaissance as well as Goal no.19 of the same Agenda encouraging Africa as a major partner in global affairs and peaceful co-existence.

Protection and promotion of Seychelles' heritage values

The heritage, values and Seychelles' Creole culture are managed and promoted through various means, methodologies and systems which are structured in various cultural programs. The primary methods used are research and documentation, teaching and training of the youth, promotional and awareness programs as well as the creative activities. It must be noted that heritage and culture have intrinsic values, meaning that they are priceless and inestimable. It is not possible to attribute monetary values to them or attempt to quantify them in commercial sense. It is a very complex notion and intellectual considerations, as culture is the lifeblood of the society. The conservation and protection of the cultural heritage of a society is also a fundamental human right to the people of Seychelles and all other non- creole communities living in Seychelles.

Access to culture as social cohesion

One basic tenet of the Seychelles' cultural policy is access to culture, and that means that all cultural groups in Seychelles have the right to enjoy their own cultures and traditions while ensuring that they do not encroach, infringe nor offend the cultural sensibilities of other groups and operate within the laws and norms of the Seychellois society. This will promote social cohesion and national unity. It also respects the fundamental human rights to culture. This is in line with Goal no.11 of Agenda 2063 which are democratic values, practices, universal principles of human rights, and Goal no.13 Agenda 2063 ensuring that peace, security and stability prevail.

Artistic expressions as freedom of expression

The development of the arts and artistic expressions, allows for people to freely express themselves as is their right to culture, as per the Seychelles cultural policy and the National Development Plan, which also ensure social cohesion and national harmony. Allowing people to express themselves especially the artists, is fundamental to promoting national cohesion, security and peace. The artists have the power and the ability to bring national harmony to a country which may be in havoc. This is in line with Goal no.11 of Agenda 2063 which encourages democratic values, practices, universal principles of human rights, and also Goal no. 13 of Agenda 2063 which is peace, security and stability.

The preparation of the UNESCO dossier as safeguarding and promotion of the Seychelles' African heritage

The Department of Culture is in the process of preparing two nomination dossiers to have two cultural elements of Seychelles cultural heritage, listed on the Heritage for Humanity Listing under the 2003 UNESCO Convention, and a future submission to the UNESCO World Heritage List under the 1972 UNESCO Convention. The first dossier is the submission of the *Moutya* dance, which is one of Seychelles' traditional dances of African origin. The *Moutya* dossier has been accepted and the final procedure is underway to have it nominated to the World Heritage for Humanity listing.

The second dossier is a cultural site named *Venn's Town*, which used to be a school for liberated African children set up by the Church Missionary Society between 1876 and 1889. The preparation and submission of the dossiers are part of the national effort to bring to the forefront the African heritage of the Seychellois creole culture, and therefore contributing to the African renaissance at the global level.



Figure: Ruins located at Venn's Town

Goal 17 - Full Gender Equality in All Spheres of Life.

The Seychellois Charter of Fundamental Human Rights and Freedoms (Chapter 3 of the Constitution) which incorporates many of the principles of international human rights instruments, guarantees 25 rights applicable to both men and women equally. The constitution guarantees universal access to healthcare and education, irrespective of gender.

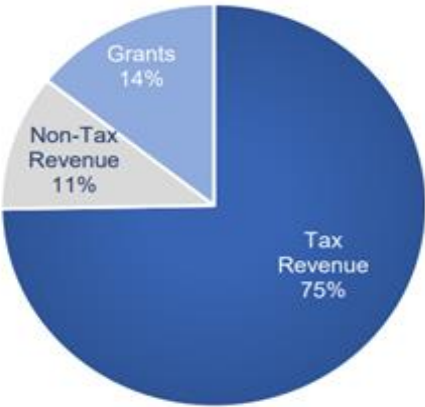
To note, in 2021, the Cabinet of Ministers is 40 per cent female whilst Parliament (the National Assembly of Seychelles) is 25 per cent female. Seychelles has made commendable traction in empowering men, women, boys and girls by ensuring the formulation and implementation of the proper legal and policy frameworks. This can be observed from the extent to which women are participating in both the public and the private sectors, as well as civil society and academia. Additional sensitization of the general public on the positive roles of men and women across society will be instrumental for reducing ills such as gender-based violence and gender-based discrimination. On a policy level, the National Gender Policy of Seychelles articulates a number of recommendations going forward. These include;

- Raise awareness and build the capacity of men and women decision-makers to become gender champions at all levels of government, agencies, state-owned enterprises and the private sector.
- Strengthen gender mainstreaming capacity in educational and training institutions
- Identify barriers to women in traditionally male-dominated fields, including STEM sectors, and increase opportunities for women in these sectors at all levels.

It should be noted that the Government of Seychelles is advocating for further action on women's empowerment, with a keen focus on factors limiting female participation in politics and private enterprises. On a broader level, the Government and other stakeholders remain engaged in promoting women's economic empowerment to permit them to participate equally with men in the economic sector; easing access to existing markets and productive resources and obtaining decent work and equal pay.

Goal 20: Africa takes full responsibility for financing her development

The Ministry of Finance, Economic Planning and Trade reported that the Budget envelope for the 2021 fiscal year is set at SR 8.26bn, which corresponds to an increase of SR 1bn or 14%, a growth of 2 per cent of GDP. Tax revenue, which has accounted for 86 per cent on average of the total annual government budget envelope over the past five years, is now expected to contribute about 75 per cent. Such decline is as a result of weaker economic performance, revisions on specific tax policies and higher projections for grant income, which is expected to quadruple in 2021 reaching an unprecedented SR 1.2bn. Non-tax revenue is also estimated to be higher in 2021 with an estimated increase of about SR 246m on the basis of higher fees and dividends.



Source: MoFEPT

The Seychelles Revenue Commission, responsible for tax collection, has stepped up efforts to strengthen domestic resource mobilization. This includes the creation of a waiver of charges on outstanding tax liabilities, to encourage debtors to meet their tax obligations. The Seychelles Revenue Commission ended the fiscal year of 2020 with a total collection of SR 6014.05 million against a total collection of SR 6,847 million in 2019, amounting to a deficit of SR 833.46 million or -12.17 %. Only Income Tax performed above the total collection of 2019, resulting in a positive variance of SR 48.25 million. Immoveable Property Tax produced a positive variance, as it was only introduced in 2020.

Challenges

Sustaining economic gains

Over the course of the country's development, Seychelles has attained many socio-economic gains in areas such as health, education, environment, governance. The shock caused by COVID-19 has meant that many of the hard-fought gains have been put at risk. For instance, following the macroeconomic reforms initiated in 2008, the country underwent a period of sustained fiscal consolidation in partnership with its Development Partners. Such actions resulted in government debt declining from 142 per cent of GDP in 2008 to reach 62 per cent of GDP by 2019. This has changed following the onset of COVID-19, with debt levels by end-2020 amounting to almost 100 per cent of GDP. Despite substantial fiscal support, the fact that the economy is mostly service-centered nature, a record contraction of 13.5% was observed in 2020, and this following a decade of uninterrupted growth.

As such, this has led to Seychelles being unable to meet the long-standing target of 50 per cent of debt-to-GDP by 2021. Given the severity of the crisis and the major funding gaps as a result of shallow financial markets, Seychelles will now embark on another set of reforms, supported by development partners.

Applicability and country-context

A number of aspirations, goals and priority areas are to some extent inapplicable to the context in Seychelles. For instance, issues pertaining to infrastructure, gender, cultural integration cannot be reported on by Seychelles due to the geographical location. As a small island developing state (SIDS) and with a population below 0.1 million, Seychelles has limited human and financial resources to effectively implement, monitor and evaluate the 2063 development agenda. In addition, there is insufficient technical capacity or technological resources within stakeholder groupings.

Data issues

Reporting on Agenda 2063 compels Seychelles to produce various sets of data, which may not necessarily be readily available. This calls for more robust data collection, processing and dissemination efforts. Furthermore, there exists differences in concepts/definitions and quality of indicators that may impose comparability challenges owing to the frequency and manpower constraints.

Numerous International Commitments

On a more global aspect, Agenda 2063 is only one of the numerous development frameworks for which Seychelles must implement and report upon. Seychelles is therefore faced with the implementation of other commitments such as the S.A.M.O.A Pathway, which take into account the specificities of SIDS, the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) and other global and regional development frameworks. In July 2020, Seychelles presented its first Voluntary National Review of the SDGs, on the margins of the United Nations High Level Political Forum (HLPF).

Opportunities

Regional Integration

The continued partnership with the AU/AUC, RECs and fellow AU member states provides the platform for sharing of experiences and best practices, in turn creating opportunities for synergies and alignment of the broader development agenda.

As a pioneer large-ocean state, Seychelles is uniquely positioned to make use of its vast exclusive economic zone and other marine resources to bolster economic growth, all while maintaining its commitment towards sustainable practices to ensure preservation of the resource base. This is in line with the goals of Agenda 2063, particularly Goal 6 “Blue/ocean economy for accelerated economic growth” and Goal 4 “Transformed Economies”. While the existence of other regional and global development frameworks places additional responsibility on the limited capacity at national level, they all reflect common themes and share similar outcomes. That is, the holistic development of nations, with sustainability and inclusivity at the forefront.

Public Private Partnerships

The role of public private partnerships (PPPs) cannot be overlooked and more so given the country context. It has proven to be an important tool for development across the globe. PPPs can be utilized as a means of introducing private sector technology and innovation in providing better public services through improved operational efficiency. They can also serve to incentivize the private sector to deliver projects on time and within budget.

Diaspora.

The diaspora of Seychelles spans across all continents and includes diverse educational and socio-economic backgrounds. It is hoped that with ongoing efforts to mobilize the diaspora, this will provide a source of opportunities and bring about a renewed interest in the development of Seychelles.

Conclusion

The impact of COVID-19 will affect the attainment of the goals and targets of Agenda 2063 as well as those of other development frameworks such as the SDGs. The adverse effects on economic growth, decent work and employment growth, as well as on human health and wellbeing, will undoubtedly compel the international community to realign national and global priorities.

The Republic of Seychelles remains committed to the attainment of the aspirations, goals and targets of Agenda 2063, which are aligned to its national development needs

-END-