

# Investing in Seychelles' climate smart Blue Economy

Based on the Blue Economy  
Strategic Policy and Roadmap:  
Charting the Future  
2018-2030

Mr. Theodore Marguerite

Principal Policy Analyst For Energy and Climate Change

Ministry of Environment, Energy and Climate Change

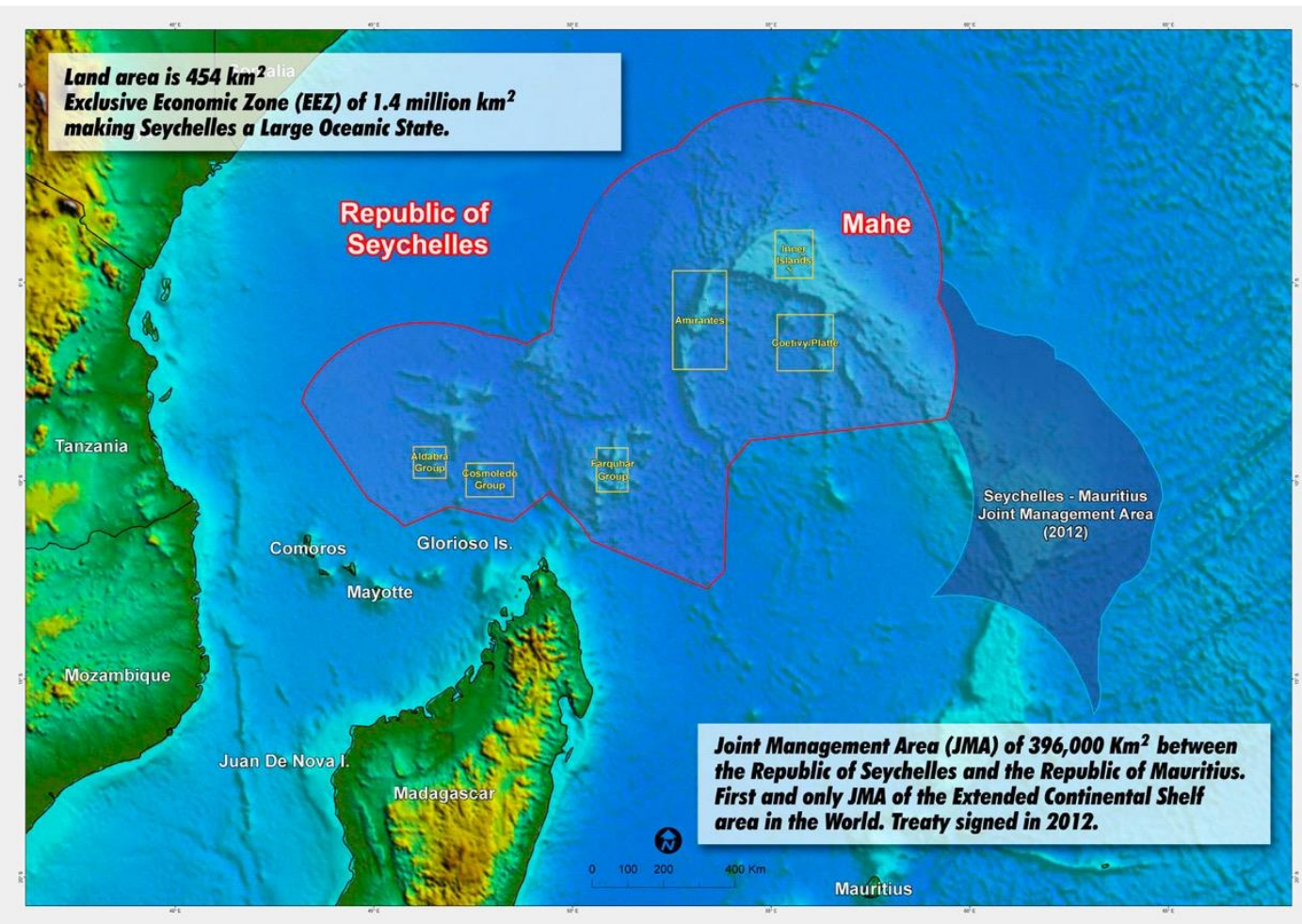
[tmarguerite@env.gov.sc](mailto:tmarguerite@env.gov.sc); [theomarguerite@yahoo.co.uk](mailto:theomarguerite@yahoo.co.uk)



**Blue  
Economy**







# SEYCHELLES

- Large Oceanic State
- Small Island Developing State (SIDS)
- 95,000 population
- Ocean as a development space; driver of current and future prosperity
- **Challenges & opportunities** (e.g. *small undiversified economy, small population, limited capacity and skills, external dependence, high income status, illegal fishing*), and access to new fishing technologies and knowhow.
- **vulnerabilities** (e.g. *climate and economic shocks*), many of which we share with other small islands.

**Exclusive Economic Zone 1.37 million sq km**  
**Second largest EEZ in Africa**

# Blue Economy – A Strategic and Policy Roadmap

**Seychelles Cabinet approved Blue Economy Roadmap on 31<sup>st</sup> January 2018**

## **1. Integrated framework for ocean-based sustainable development**

- Economic, social and environmental

## **2. Predictable policy environment for investment**

- Seychelles “Blue Economy Brand” as comparative advantage
- Build on Seychelles law & policies & flagship initiatives
- Prioritized agenda for action & investment to 2030 (SDG)

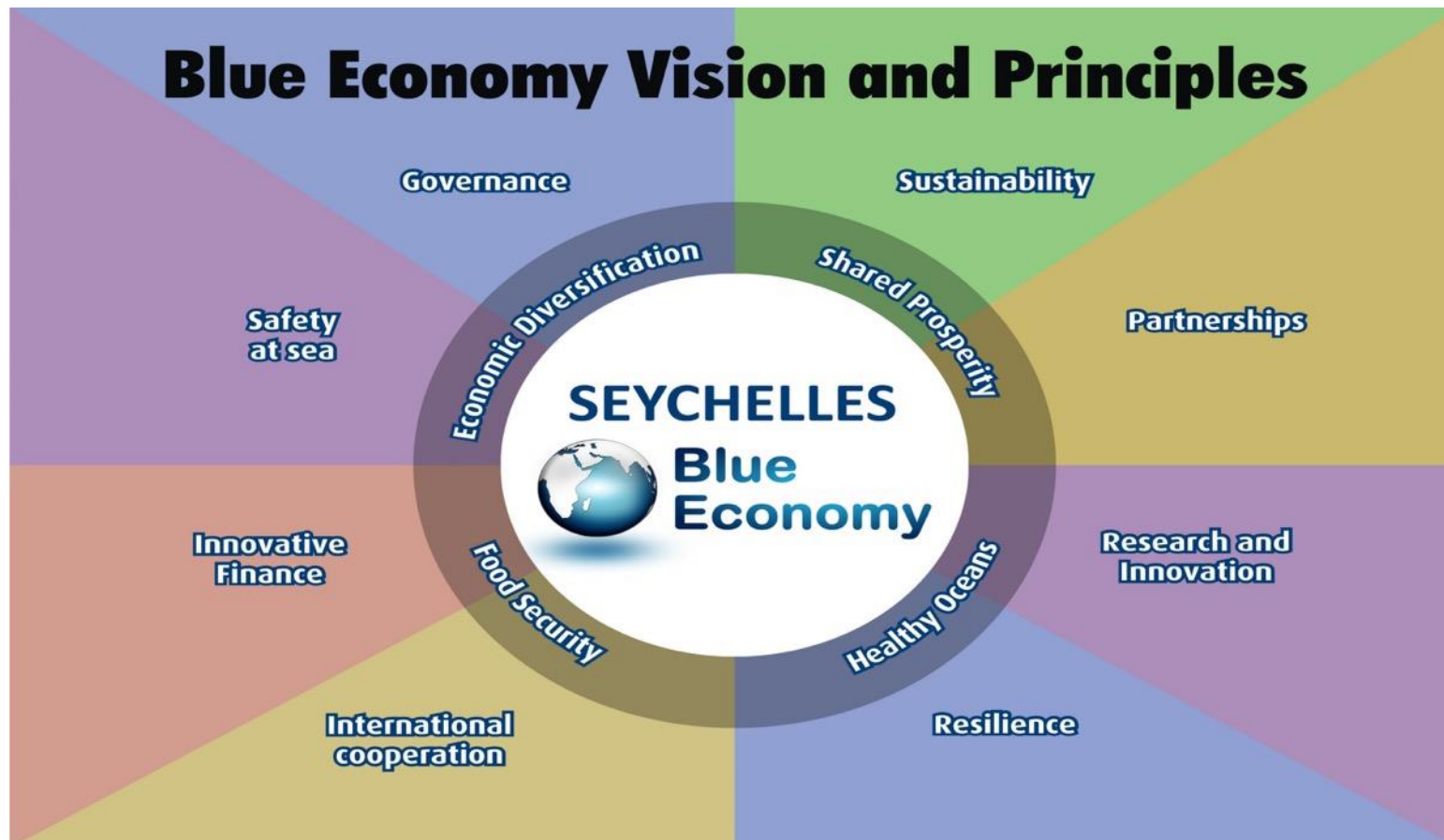
## **3. Governance arrangements to make it happen**

- Ocean governance. Whole of government
- Transparency and accountability



# Blue Economy – Vision. Goals. Principles.

“To develop an **ocean based/blue economy** as a means of realizing the national’s **economic, social and cultural potential** through **innovation**, knowledge based approach, being mindful of the need to conserve the **integrity of Seychelles Marine Environment and heritage** for present and **future generations**”





# Blue Economy – Strategic Priorities for Investment.

## Priority 1: Creating Sustainable Wealth

- **Diversify existing sectors:** fisheries, tourism, ports. Value add; Quality not quantity, sustainability
- **Explore emerging sectors:** mariculture, energy, biotechnology, digital connectivity, trade.

## Priority 2: Sharing Prosperity

- Food security and well being: local production systems and markets
- Education, training, jobs and employment for the future
- Business environment: local investment, innovation, SMEs, entrepreneurship

## Priority 3: Securing Healthy and Productive Oceans

- Ecosystem service accounting;
- Protecting marine & coastal assets and threats reduction: MAPs, marine pollution
- Climate resilience mitigation (Blue C, energy) and adaptation



# Blue Economy – Strategic Priorities for Investment.

## Priority 4: Strengthening the enabling environment - cross cutting issues

- **Marine Spatial Planning**
  - Setting the rules for ocean use. Stakeholder negotiation
- **Research & Development, innovation**
  - Knowledge for management and new opportunities
- **Financing the Blue Economy** - public and private investment
  - High Income country
  - Blended finance: World Bank SWIOFISH3, Seychelles Blue Bond
- **Maritime security and Blue Economy**
- **Partnerships, regional cooperation & international engagement**
- **Governance**
  - Strategic oversight of implementation
  - transparency & accountability
  - Monitoring and review



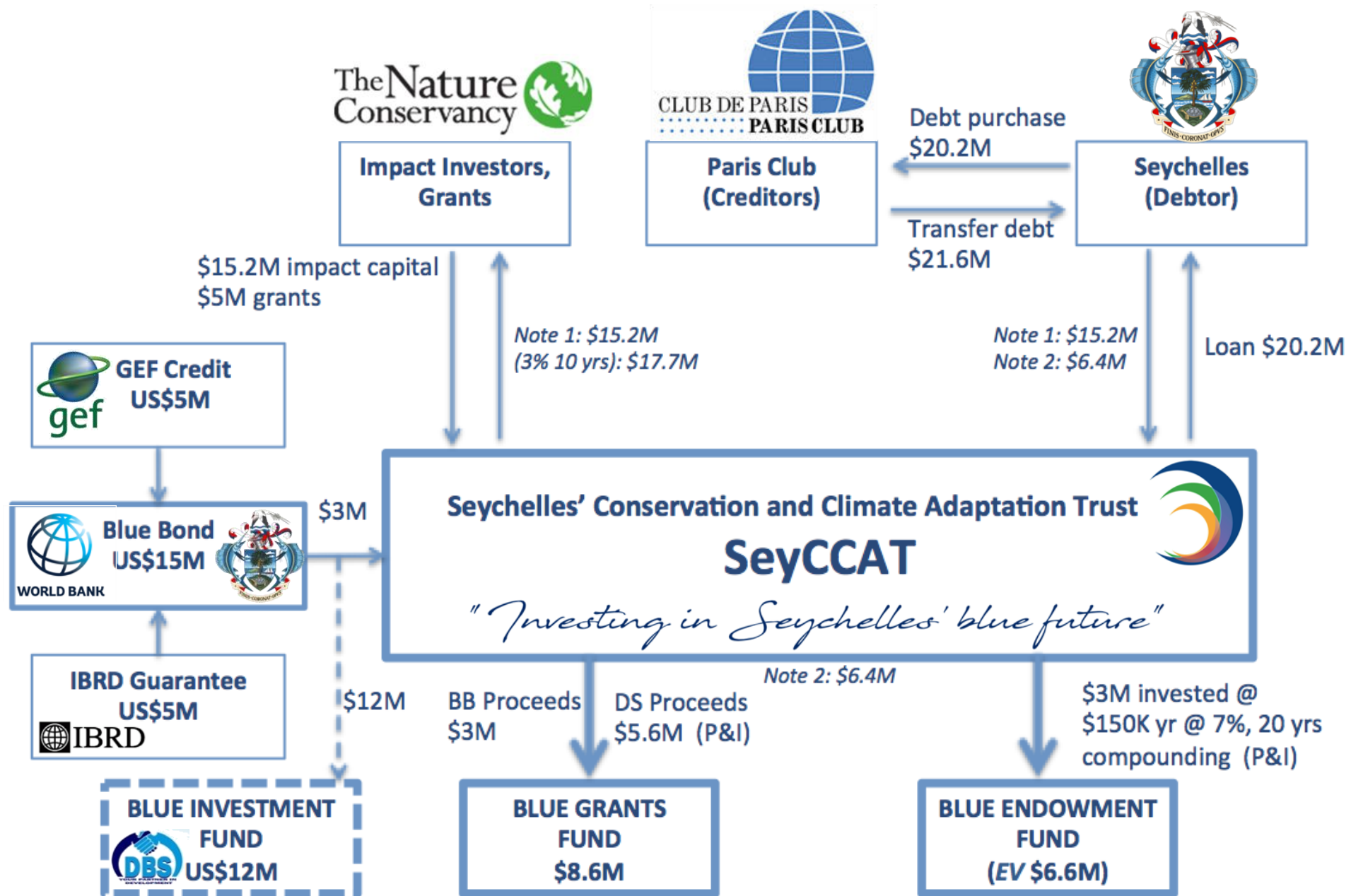
We have piloted with some success two “blue finance” projects,

- **First, the Debt Swap for Conservation and Climate Adaptation** with the Club of Paris (*about US\$22 million*), with the support of the Nature Conservancy which provides an on going funding stream for ocean conservation, sustainable use and climate resilience and is administered by a statutory independent Trust, the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT).
- Thanks to the Debt swap, Seychelles is developing a **marine spatial plan of our entire EEZ** with stakeholders, based on the best available science. The MSP provides the basis for transparent cross-sectoral development decisions in ways that minimize potential use conflicts and protect important areas of marine biodiversity. Already, **15% of EEZ** has been designated as marine protected areas and a remainder 15 % will be by 2020.
- **Second, the Seychelles Sovereign Blue Bond** (*US\$15 million*), with the support of the World Bank, the Global Environment Facility (GEF) and Prince Charles Charities International Sustainability Unit, which, combined with the World Bank/GEF project SWIOFISH3 (*US\$10.5 million*) is funding the transition to sustainable artisanal fisheries, and include grants for fisheries reform and loans to encourage a shift to fisheries value chains to reduce overcapacity and overfishing.

*Investing in Seychelles' blue future"*



# SeyCCAT's model works... debt swap + blue bond +..?





# Lesson Learned / *fostering blue economy development*

These are by international standards, small transactions but for a country like ours, they are important first steps in our transition to a sustainable blue economy. What we have learnt from our experience in blue finance:

- Firstly **blue finance requires a change in mind set**. We can no longer expect declining public funds to meet the needs of our future development. Private finance is bridging that gap and it brings in new approaches and expectations. “Blue finance” is about achieving measurable sustainability outcomes and importantly generating a return on investment. Blue finance is here to stay.
- Secondly, **we could not have advanced our projects without our international partners**. Blue finance transactions are complex and require specialist expertise to design successful transactions and to provide the much needed credit enhancement and credibility to attract private finance.
- Thirdly, we have developed the **necessary policy and regulatory environment**. But our capacity to monitor outcomes remains a challenge and global standards, guidance and capacity are still needed.

Exploration of how **blue finance can assist with emerging sectors**, such as renewable energy, waste management, biotechnology, all technology based, but also education and training without which sustainability of development over the long term cannot be successful.



# Our Partners... *so far*... "thank you"



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High Commission  
Victoria



The Commonwealth



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