



Enabling poor rural people to overcome poverty in **Seychelles**

Rural poverty in Seychelles

The Republic of Seychelles is a small island state in the western Indian Ocean. It has a population of about 86,000 and per capita income of more than US\$11,000. It is an upper middle-income country with an economy that generated GDP of US\$1 billion in 2011, primarily through fisheries and tourism.

Just 10 of the country's 115 tropical islands are inhabited. Most of the population is concentrated on Mahé, the largest island, located 1,800 km east of the East African coast. The limited population and resources of Seychelles restrict its access to raw materials and its ability to benefit from economies of scale. Agricultural land is scarce and local food production is limited, consisting mainly of artisanal fishing and small-scale growing of fruits and vegetables, as well as the raising of animals for meat and poultry for eggs. Seychelles is a net importer of food and many other basic commodities.

Fishing has played an expanded role in the Seychellois economy since the development of industrial tuna fishing. With the emergence of Port Victoria as the principal tuna transshipment port in the region during the mid-1980s and the development of tuna canning in the late 1990s, the fisheries sector has surpassed tourism as a source of foreign exchange earnings in some years. However, the economy remains particularly vulnerable to global financial shocks and increases in food and fuel prices. Being far from major markets in Asia and the Pacific, Seychelles pays high freight and insurance fees on imported goods. These costs have been exacerbated in recent years by the heightened risk of piracy in the Indian Ocean. The threat of piracy has also caused volatility and losses in the fisheries and tourism sectors.

In addition, unpredictable weather patterns associated with climate change have adversely affected the productivity of small-scale farmers in Seychelles. In 2010, for instance, the country suffered its worst drought in decades, followed by severe flooding. Yet, even as it feels the impact of climate variability, Seychelles is one of the world's most environmentally conscious nations, having legally protected more than half of its total land area from development.

Building a poverty-free world

The International Fund for Agricultural Development (IFAD) works with poor rural people to enable them to grow and sell more food, increase their incomes and determine the direction of their own lives. Since 1978, IFAD has invested about US\$14.8 billion in grants and low-interest loans to developing countries through projects empowering over 400 million people to break out of poverty, thereby helping to create vibrant rural communities. IFAD is an international financial institution and a specialized UN agency based in Rome – the United Nations' food and agriculture hub. It is a unique partnership of 172 members from the Organization of the Petroleum Exporting Countries (OPEC), other developing countries and the Organisation for Economic Co-operation and Development (OECD).

Contact

Caroline Bidault
Country Programme Manager
c/o FAO, Route Circulaire, Ankorahotra,
B.P. 3971
Antananarivo, Madagascar
Tel.: +261 33 15 559 57
E-mail: c.bidault@ifad.org

For further information on rural poverty in Seychelles, visit the Rural Poverty Portal:
<http://www.ruralpovertyportal.org>



International Fund for Agricultural Development
Via Paolo di Dono, 44 - 00142 Rome, Italy
Tel: +39 06 54591 - Fax: +39 06 5043463
E-mail: ifad@ifad.org
www.ifad.org
www.ruralpovertyportal.org
 ifad-un.blogspot.com
 www.facebook.com/ifad
 www.twitter.com/ifadnews
 www.youtube.com/user/ifadTV

February 2013

Eradicating rural poverty in Seychelles

Employment in agriculture has dropped in Seychelles over the past 20 years as rural people have moved into other sectors and as farmland has been converted to other uses. But now – in response to improved terms of trade for agricultural products, declining food self-sufficiency and increasing underemployment and unemployment in some areas of the island economy – the Government of Seychelles is promoting farming and livestock raising as important parts of its economic development strategy.

In September 2011, the government signed the Comprehensive Africa Agriculture Development Programme (CAADP) Compact. This agreement commits Seychelles to investing 10 per cent of public funds in agriculture and to raising farm productivity through sustainable, climate-resilient methods. As reflected in the Seychelles Medium Term National Development Strategy 2013-2017 and the national food-security and agricultural development strategies, the CAADP has four main pillars:

- Expansion of the area under sustainable land and water management
- Improvement of rural infrastructure and market access
- Enhancement of the food supply and reduction of hunger
- Development of agricultural research, along with dissemination and adoption of new farming technologies.

This framework is just part of the effort to adapt to the impact of climate change and to promote sustainable growth in the productivity of Seychellois farms and fisheries. Another goal is to ease the historical tension between the agriculture and tourism sectors on the islands through sustainable agro-tourism. By providing high-quality, organic products to hotels, supermarkets and other markets, agro-tourism offers an opportunity for the two sectors not only to coexist but to complement each other.

IFAD's strategy in Seychelles

IFAD first worked in Seychelles in 1991, when it began financing the Employment Generation Project, which was completed six years later.

More recently, stakeholders from Seychelles have participated in activities funded by an ongoing IFAD grant, which supports the Regional Initiative for Smallholder Agriculture Adaptation to Climate Change in the Indian Ocean Islands. This initiative is creating a regional knowledge-management platform on adaptation strategies for small-scale farmers. The platform actively disseminates information on conservation agriculture practices such as farming with low or zero tillage, as well as composting, integrating livestock and farming activities, and other environmentally sustainable measures.

In addition, the Government of Seychelles and IFAD have been collaborating on the design of a proposed initiative known as the Competitive Local Innovations for Small-Scale Agriculture (CLISSA) Project. Now in the IFAD project pipeline, CLISSA would build on the work of the regional initiative to help revive the agriculture sector, strengthen small-scale artisanal fisheries and promote rural microenterprises in Seychelles. The project would focus on improved production, quality and marketing of fresh vegetables and fruits, organic products, small livestock, poultry and fish, for both local consumption and potential niche market development.

The primary goal of CLISSA would be to support sustainable, pro-poor economic growth and employment – and resilience to external shocks – through environmentally friendly agriculture and fishery practices. It would also aim to increase and diversify market access for smallholder farmers and fishers. The target group would comprise three segments:

- Smallholder farmers who are producing for the domestic market
- Artisanal fishers, handlers and processors
- Additional households engaged in small-scale agriculture and backyard gardening, with an emphasis on households living below the poverty line.

Completed operation

Employment Generation Project

Total cost: US\$2.3 million

IFAD financing: US\$850,000

Duration: 1991-1996

Directly benefiting: 1,500 households