

Attracting Finance and Investment for the Energy Transition in **Seychelles**

Stakeholders Meeting

1 August 2024, Eden Bleu Hotel, Victoria, Mahe, Seychelles

Final Report



The UN Trade and Development (UNCTAD) and the Seychelles Investment Board (SIB) organized a stakeholder meeting on attracting finance and investment for the energy transition in Seychelles. The consultation's main objective was to gather stakeholder's views on key issues affecting Seychelles' energy transition financing and investments. It

was part of a larger three-year project led by UNCTAD to help African countries secure investments in renewable energy and green technologies.

The meeting was attended by 55 participants, including 23 women, representing policy makers, regulatory agencies, private sector, development finance and technical assistance providers. Ms. Anne Rosette, Chief Executive Officer of SIB and Ms. Nan Li, Director, Division on Investment and Enterprise (DIAE), UNCTAD, provided opening remarks. H.E. Mr. Flavien Joubert, Minister of Agriculture, Climate Change, and Environment of Seychelles, delivered the keynote address, highlighting the unsustainability of Seychelles' dependence on imported petroleum products for energy generation and the need to accelerate the transition toward renewable energy.

The meeting was facilitated by expert presentations given by Ms. Natalia Guerra, Senior Capacity-building Coordinator at UNCTAD, and Mr. Rahul Agarwal, Institutional Investment Expert. A panel discussion, involving Mr. Tony Imaduwa, PS Climate Change, Ministry of Agriculture, Climate Change, and Environment, Ms. Rana Fernades, Head of Credit Control, Development Bank of Seychelles, Dr. Christian Fleischer, Chief Engineer, Public Utilities Corporation, and Mr. Gerlye Salomon, Senior Legal Officer, Seychelles Energy Commission, elaborated on the current enabling environment and financial mechanisms for investments in the renewable energy and other energy transition sectors in Seychelles. Finally, participants were divided into 5 focus groups to discuss and identify barriers and recommendations for Seychelles' energy transition.



Key outcomes of the meeting

A country ready for energy transition:

- Seychelles is among the four countries in the African continent with 100% reliable access to electricity, over 90% of which is generated from fossil fuels. The dependence on fossil fuels does not support Seychelles' aspiration for a sustainable

environment, with clean air and water, and to protect the country from remote and unreliable supplies of petroleum products. Currently, the wind farms in Ile de Romainville and Port Victoria are supplying more than 8% of Mahe island's grid capacity. Seychelles is also experiencing a growing adoption of rooftop solar panels by homes and businesses.

- Several constraints have hindered Seychelles from making significant progress in the energy transition:
 - With a population of 120,000, Seychelles has a rather small market. As an islands, it cannot expand its energy market through regional grid infrastructure. Nevertheless, Seychelles has the highest human development index in Africa and thereby could afford transitioning into renewable resources.
 - The market size affects Seychelles' ability to attract investment. At the same time, precisely due to its high human development index, Seychelles is not attracting the attention of development finance providers.
 - Domestic development and commercial banks lack the capacity to assess renewable energy projects to make investment decisions.
 - Seychelles has yet to build the skills base necessary to operate and manage renewable energy systems.
 - The grid infrastructure would require renovation and expansion, including storage capacity to smoothly integrate electricity from renewable sources.

Legal reforms and long-term resource planning for the energy transition in Seychelles is a key path

Currently, the Seychelles Energy-Efficiency and Renewable Energy Programme (SEEREP) offers loans for acquiring and setting up renewable energy systems and energy saving terms. The Small and Medium Enterprises (SMEs) Loan scheme, on the other hand, offers concessionary loans with long term repayment period for new SMEs for adaptation of renewable energy.

Given the fact that Seychelles has limited land space for large scale energy infrastructure, setting up medium to large scale onshore solar panels is not feasible. Therefore, Seychelles commissioned a French company, Qair, to develop an innovative floating solar power plant to generate 5.8 MW. The project is structured as an Independent Power Producer (IPP) and electricity will be sold under a 25-year power purchase agreement (PPA). The construction work is expected to start before the end of 2024, after overcoming several challenges, including negotiations of the PPA, and tariff terms, as well as securing land plot for temporary use during the construction of the floating solar plant.

Investors are also interested in a waste-to-energy project. The feasibility of the project is contested by different stakeholders, such as the volume and sustainable supply of the waste required, technological limitations and financial viability.

The general policy framework, regulations, tariff policy, investment guarantee and contractual terms for involvement of IPPs are under review to also cover for regulatory gaps affecting innovative projects such as the floating solar plant, and their procurement process.

In addition, Seychelles is undertaking an assessment of its resources and developing a long-term plan to restructure its energy sector. Its goal is to accelerate the transition to renewable energy, while ensuring a reliable supply of electricity.

Consolidating the political will, legal reforms, and resources planning

Overall stakeholders support the consolidation of current efforts and commitments made by the government, ongoing legislative reforms and detail resources planning provide the opportunity for Seychelles to move forward with its ambition for energy transition.

Conclusion and evaluation of the meeting

To conclude, Ms. Anne Rosette, Chief Executive Officer of SIB, thanked the panelists and participants for their excellent contribution. She stated that UNCTAD and SIB will be working on developing a national strategy to attract finance and investment to support the Seychelles' ambition for the energy transition.

Participants were requested to evaluate the meeting through an online form. A total of 15 fully completed evaluation forms were received. Most participants rated the stakeholder meeting highly in most of the evaluation criteria. 87% of participants considered the meeting 'highly useful' for their work and the organization of the meeting by UNCTAD and SIB 'excellent.' All participants stated the meeting achieved its objectives 'fully,' or reasonably and provided additional comments, including:

- There is a need to align different initiatives.
- The government needs to accelerate the policy and legislative reforms.
- The presentation of local historical data could provide better local context for the discussion.

Attracting Finance and Investment for the Energy Transition in Seychelles

Annex I: Programme Stakeholders Meeting

1 August 2024, Eden Bleu Hotel, Victoria, Mahe, Seychelles

Seychelles, through the Seychelles Investment Board (SIB) is a beneficiary of a technical assistance project promoting and facilitating finance and investment in energy transition. This 3-year project, led by the UN Trade and Development (UNCTAD), is implemented in cooperation with other UN departments.

One of the project's key outputs is to develop a strategy to attract finance and investment in energy transition-related projects, such as renewable energy and green technologies. As part of the strategy development process, UNCTAD and SIB are jointly organizing this meeting to consult stakeholders from the private and public sectors, as well as development partners. The feedback, insights, and input gathered during this meeting will contribute to the successful development and implementation of the strategy.

8:30-9:00 | **Registration**

9:00-9:30 | **Opening Remarks**

Ms. Anne Rosette, Chief Executive Officer of Seychelles Investment Board

Ms. Nan Li, Director, Division on Investment and Enterprise (DIAE), United Nations Trade and Development, UNCTAD (online)

Keynote address

H.E. Mr. Flavien Joubert, Minister of Agriculture, Climate Change, and Environment

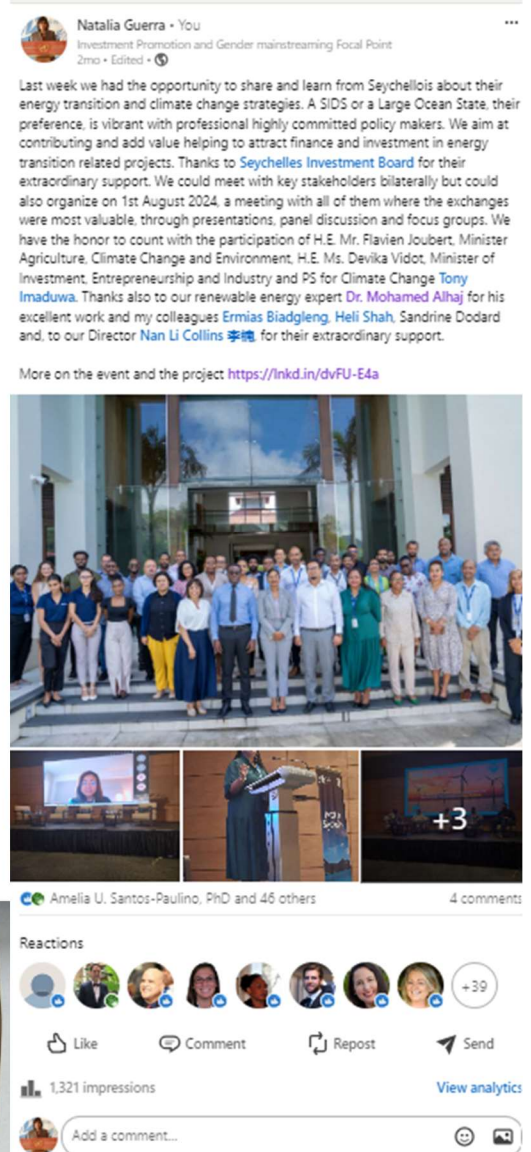
9:30-10:15	Attracting Investment and Finance for Energy Transition in Africa Energy transition investment trends/project background Ms. Natalia Guerra, Senior Capacity-building Officer, UNCTAD Mobilizing Institutional Investors for Infrastructure Mr. Rahul Agarwal, Institutional Investment Expert, UNCTAD (online)
10:15-10:30	Coffee Break
10:30-11:15	Panel Discussion: Creating an enabling environment for green investments in Seychelles Moderator: Mr. Mohamed Alhaj, Renewable Energy expert, UNCTAD Mr. Tony Imaduwa, PS Climate Change, Ministry of Agriculture, Climate Change, and Environment Ms. Rana Fernades, Head of Credit Control, Development Bank of Seychelles Dr. Christian Fleischer, Chief Engineer, Public Utilities Corporation Mr. Gerlye Salomon, Senior Legal Officer, Seychelles Energy Commission
11:15-12:30	Focus Group: Catalyzing Green Investments: Overcoming Barriers and Identifying Opportunities in Seychelles Energy Transition All Participants <i>Participants will be divided into groups to discuss the challenges in energy transition/green investments and proposed recommendations. Topics: regulatory challenges, grid infrastructure, financing, capacity-building, stakeholders' coordination, community engagement, costs, etc.</i>
12:30- 1:00	Workshop summary and conclusions
1:00-2:00	Networking Lunch offered by UNCTAD

Annex II: List of Participants

	Name	Title	Affiliation
1	H.E. Ms. Devika Vidot	Minister	Ministry of Investment, Entrepreneurship and Industry
2	H.E. Mr. Flavien Joubert	Minister	Ministry of Agriculture, Climate Change and Environment (MACCE)
3	Ms. Anne Rosette	Chief Executive Officer	Seychelles Investment Board (SIB)
4	Mr. Tony Imaduwa	Permanent Secretary Climate Change	MACCE
5	Mr. Joel Valmont	Chief Executive Officer	Public Utilities Corporation (PUC)
6	Ms. Marie-May Jeremie	Chief Executive Officer	Seychelles Conservation and Climate Adaptation Trust (SeyCATT)
7	Mr. Andy Ally	Chief Executive Officer	Seychelles Bureau of Standards Board (SBS)
8	Ms. Catherina Bonnelame	Executive Director	MACCE
9	Mr. Roland Laljee	Director of Investment	Seychelles Investment Board (SIB)
10	Ms. Claudie Nourrice	Analyst	
11	Ms. Alexendra Gerry	Marketing Executive	
12	Ms. Anne-Marie Banane	Marketing Executive	
13	Ms. Annie Low		
14	Ms. Neigema Andre	Investment Analyst	
15	Ms. Sara Estico	Principal Policy Analyst	Department of Agriculture, MACCEA
16	Mr. Jean-Paul d'Offay	Principal Trade Officer	Trade Department, Ministry of Finance National Planning and Trade
17	Mr. Ravin Sunassee	Chief Operating Officer	Public Utilities Corporation (PUC)
18	Mr. Christian Fleischer	Chief Engineer	
19	Mr. Said Afif	General Manager, Electrical engineer	
20	Mr. Gino Léon	Electrical maintenance engineer	
21	Ms. Linne Dubignon	Senior Public Relation Officer	
22	Mr. Gerlye Salomon	Senior Legal Officer	Seychelles Energy Commission (SEC)
23	Mr. Alain de Comarmond	Fundraising & Partnership Manager	Seychelles Conservation and Climate Adaptation Trust (SeyCATT)

24	Mr. Arun Suhyamanian	Senior Manager	Bank of Baroda
25	Ms. Rana Fernandes	Head of Credit Control	Development Bank of Seychelles (DBS)
26	Ms. Krystel d'Offay	Biosecurity Officer	Department of Environmental Sciences, University of Seychelles (UNISEY)
27	Ms. Estelle Lau Tee	Senior Waste Management Officer	Landscape and Waste Management Agency Seychelles (LWMA)
28	Mr. Egbert Laurence	Head of Department	Absa Bank Ltd - Seychelles
29	Ms. Kim Samy	Secretariat, Department of Blue Economy	Ministry of Fisheries and Blue Economy
30	Mr. Laurent Sam	Treasurer	Sustainability for Seychelles (S4S)
31	Mr. Julius Joubert	Senior Economist	National Planning Department
32	Mr. Amman Cassime	Principle Planning Officer	Planning Authority
33	Ms. Sujitha Sekharan	Programme and Operations Specialist	UNDP Seychelles
34	Ms. Claudette Albert	Chairperson	COMFWB Seychelles
35	Ms. Noussira Daman	Lecturer	UNICEF
36	Ms. Philomena Hollanda	Risk Management	Tourism Department
37	Ms. Kimberly Uranie	Manager	Industrial Estates Authority (IEA)
38	Ms. Neryl Fanchette	Senior Business Development Officer	Enterprise Seychelles Agency (ESA)
39	Mr. Philippe Pierre	Deputy Chief Executive Secretary	Nouvobanq
40	Mr. Kevin Mwalwe		Seychelles Institute of Technology (SIT)
41	Ms. Natalia Guerra	Economic Affairs Officer	Investment Promotion Section, DIAE, UNCTAD
42	Mr. Ermias Biadgleng	Legal Officer	
43	Mr. Mohamed Alhaj	Renewable energy expert, Consultant	
44	Ms. Nan Li	Director	DIAE, UNCTAD
45	Mr. Rahul Agarwal	Institutional Investment Expert	Investment Promotion Section, DIAE, UNCTAD
	Other participants		
	Representatives of Island Carbon, Consultancy firm (2)		
	Representatives of Seychelles Broadcasting Corporation (SBC) (4)		
	Representative of Seychelles Institute of Technology (SIT) (1)		

Annex III: Media and photo gallery





Keynote address by
Minister Joubert

Panel discussion



Focus group work

