



Hand-in-Hand
Initiative

African SIDS

Investment programme

Phase 2

2026



Cabo Verde



Comoros



Guinea Bissau



Mauritius



Sao Tome
and Principe



Seychelles

For sustainable agrifood systems in Small Island Developing States



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Innovate today.
Nourish tomorrow.

Context and overview

~**5.1 million consumers** across the 6 African SIDS, with ~45% in Mauritius and ~40% in Guinea-Bissau
 ~**USD 25.5 billion total GDP**: ~50% Mauritius ; ~20% Seychelles ; ~12% Cabo Verde ; ~10% Guinea-Bissau ; ~5% Comoros ; ~3% São Tomé and Príncipe
Highly uneven GDP per capita: from ~USD 800 in Guinea-Bissau and Comoros up to ~USD 18,000 in Seychelles and ~USD 11,000 in Mauritius
 ~**USD 5.5–6 billion estimated agricultural and food import bill**: ~45% Mauritius ; ~20% Seychelles ; ~15% Cabo Verde ; ~10% Guinea-Bissau ; ~5% Comoros ; ~5% São Tomé and Príncipe, representing a **very high share of total imports** (often >25–40%)

Poverty at USD 3/day (PPP 2021): ~65–70% Guinea-Bissau ; ~60–65% São Tomé and Príncipe ; ~20–25% Comoros ; ~15–20% Cabo Verde ; <1% Mauritius and Seychelles

Stunting in children under 5: ~25–30% Guinea-Bissau ; ~30% Comoros ; ~20–25% São Tomé and Príncipe ; ~10–15% Cabo Verde ; <10% Mauritius and Seychelles

Nutrition patterns:

- *Guinea-Bissau, Comoros, São Tomé and Príncipe*: Low dietary diversity, low animal-source food consumption, **micronutrient deficiencies**
- *Cabo Verde*: Transitioning diets, still **high import dependence**
- *Mauritius, Seychelles*: High dietary diversity, **high import dependence**, rising **obesity** and **Non Communicable Diseases (NCDs)**



Investment mobilization progress from Phase 1 (1)

1. Agropark pipeline development: Identification and initial structuring of **six (6) priority agro-industrial sites** for agropark development in Madagascar: **Region Sofia:** 5,000 ha and 7,000 ha, **Region Menabe:** ~30,000 ha and 1,800 ha sites identified, **Region Ihorombe:** ~6,500 ha, **Region Bongolava:** ~8,000 ha → These sites are being positioned as **bankable agro-industrial investment zones**, aligned with food systems transformation and private sector engagement strategies promoted by FAO Investment Centre (CFI) and IOC frameworks including PRESAN (regional framework for food security and nutrition).

2. Private sector and partner engagement: structured engagements have been initiated with private sector actors and technical partners:

- **WALWANNE GROUP:** agro-logistics development opportunities (storage, transport, aggregation systems)
- **COMMUNE ZIO:** South–South cooperation exchanges between **Comoros and Madagascar** focusing on local production systems and value chains
- **DAVIDORLAH:** submission of an investment proposal targeting **poultry and banana** value chains, aligned with import substitution and nutrition-sensitive agriculture objectives
- **AQUABIOTECH:** Coordination with IOC fisheries coordination unit and FAO aquaculture teams, exploration of pilot **aquaculture projects in Seychelles and Comoros**, focus on blue economy investment scaling and technology transfer

3. Catalytic projects

- FAO-China South-South Cooperation: digital agriculture and technology transfer, fisheries modernization
- FAO Technical Cooperation Programme: Comoros [banana, poultry and fisheries strategic investment mapping], Mauritius [solutions package-based PPP], Seychelles [agricultural census]
- FAO Regional African SIDS Programme: priorities and stakeholder mappings, technical solutions and investment opportunities generation

Investment mobilization progress from Phase 1 (2)

4. Investment mobilization dynamics (emerging progress since Oct 2025)

- Strengthening of **pipeline structuring from concept to pre-feasibility stage**, particularly for agroparks, fisheries bycatch for animal feed,
- Increased engagement of **blended actors (public sector + private operators + FAO technical facilitation)**
- Growing emphasis on **bankability preparation (feasibility studies, value chain prioritization, investment packaging)**
- Early movement toward **regional replication logic within IOC SIDS investment portfolio**
- Ongoing dialogue with funding bilateral and multilateral partners: pipeline proposals development based on Interregional Technical Network (ITN) solutions backed by the African SIDS Ministerial and Parliamentarian Network (ASATNet)

African SIDS

solutions and investment forum

The report is available



3 to 5 March 2026



Pestana Hotel, Sao Tome

Food and Agriculture
Organization of the
United Nations

5. **African SIDS Solutions and Investment forum** held in Sao Tome and Principe in March 2026 kicked off the Phase II of African SIDS HiH Regional initiative including the African SIDS from Atlantic Ocean. The investment opportunities that have been agreed:

- Integrated priority value chains development
- Sustainable blue transformation
- Science, Technology and Innovation pilots
- Trade and Market integration

Enabling environment

Country	Governance & Policy Environment	Market & Regional Integration	Infrastructure & Connectivity	Finance & Investment Climate	Innovation & Human Capital
Cabo Verde	Stable , reform-oriented governance supporting private sector	Strong openness to trade and regional partnerships	Good maritime and air connectivity for SIDS	Growing investment attractiveness and financial services	Improving digital systems and agri-services
Guinea-Bissau	Ongoing institutional strengthening and reform efforts	Strategic position for regional trade corridors	Gradual improvement in transport and rural access	Emerging financial services and donor-backed investment platforms	Growing potential in skills development and rural extension
São Tomé and Príncipe	Stable governance with strong commitment to diversification	Increasing engagement in regional cooperation frameworks	Basic but improving logistics infrastructure	Gradual strengthening of investment facilitation systems	Small but active innovation and research community
Comoros	Reform momentum in public administration and economic governance	Strong potential for regional value chain integration	Improving inter-island connectivity investments	Expanding financial inclusion initiatives	Emerging youth-driven innovation potential
Mauritius	Highly stable and predictable regulatory environment	Strong global and regional trade integration hub	Excellent logistics, ports, ICT infrastructure	Mature financial sector and strong investor confidence	Advanced STI ecosystem and skilled workforce
Seychelles	Strong governance and effective regulatory frameworks	Well-integrated into global tourism and fisheries markets	High-quality maritime and air connectivity	Strong financial stability and investment services	High-level ocean science and environmental expertise

Facilitating structures

FAO African SIDS Programme (since 2018) _ *an evolving mechanism*

- Agrifood systems initiatives mapping → Gaps and Scale up opportunities (through KoboToolBox) _ **171 initiatives mapped**
- Agrifood systems stakeholders mapping → Potential partners and ITN members (with ITC/ILO using KumuMap) _ **322 entities profiled**
- National consultations, and high-level regional event → reshaped Programme with endorsed **6 priorities** (Mauritius, 2023)
- Formalization of **Interregional Technical Network (ITN)**: multidisciplinary and multisectoral cross countries group _ 151 individuals (2026)
- Capacity development of ITN members on agrifood systems transformation (6 months with UNU-VIE/Geneva) with certification and Solutions submission (151 members, **42 validated solutions**)
- Support to IOC for first ever Ministerial conference on FSN and Head of States Summit on food sovereignty, and signature of Ministerial declaration adopting **IOC Regional Framework programme for food security and nutrition (PRESAN)** (Madagascar, 2025)
- Design of “**Innovative pathway for agrifood systems transformation: SIDS perspective**” menu (pipeline) and RM efforts → National **Technical Cooperation Programmes** (2 countries so far)
- **South-South Triangular Cooperation** Global project for SIDS and FAO-China (Digital agriculture and Modernised aquaculture and Fisheries)
- African SIDS Solutions and Investment Forum (Sao Tome and Principe, 2026) → establishment of **Ministerial and Parliamentarian Network for agrifood transformation in African SIDS (ASATNet)** chaired by Seychelles / **Phase 2 of Regional HiH initiatives for African SIDS**
- Supporting **regional champions** for African SIDS (soon-to-be signed renewed MoU with IOC)
- Next events:
 - ✓ Hand-in-Hand Global Investment Forum (Rome/Italy, 13 to 16 October 2026)
 - ✓ African SIDS Forum (Seychelles, September 2027)

4 pillars and their components

Investment opportunities

Investment-grade solutions(not fragmented projects)

Seeking **USD 396 million** investment for agrifood systems transformation

- Productivity and quality improvement
- Processing, market access, logistics



Integrated priority value chains development



Sustainable blue transformation

- Sustainability, stock and security
- Regulation, governance and regional cooperation
- Bycatch management and circular blue economy

- Crosscutting investment accelerators
- Digital agriculture and climate intelligence
- Innovation ecosystems and pilot scaling



Science, Technology and Innovation pilots and scale up



Market integration and trade

- Business environment, finance & trade
- Digital trade, SPS and traceability systems
- Regional trade integration and market systems

1. Integrated priority value chains development (1)

Regional value proposition

Strong **import substitution potential** (food security)

High **nutrition impact** (diverse diets)

Strong **blue economy integration** (fisheries + aquaculture)

High **climate resilience relevance** (SIDS-specific adaptation)

Across the **6 African SIDS**, the transformation of agrifood systems converges around **three scalable value chains: roots & tubers, fresh fruits & vegetables, and poultry & fisheries**, offering the strongest pathway for:

- food import reduction
- nutrition improvement
- climate resilience
- inclusive rural and coastal growth
- regional investment scaling under Phase II HiH

Beneficiaries

- **12,000–15,000 smallholder farmers**
- Fishers and coastal communities
- Agro-processing SMEs
- Women and youth agripreneurs

1. Integrated priority value chains development (2)

1.1. IMPROVING PRODUCTIVITY & QUALITY

Challenges	Public and Private investments	Risks and mitigation
• Low productivity and largely traditional production systems (agriculture & fisheries) • Limited access to quality inputs (seeds, breeds, feed, fishing gear) - Weak irrigation and water management (especially in drought-prone islands) • Post-harvest losses and weak storage/cold chain • Fragmented smallholder production and weak aggregation systems • Climate variability affecting yields and fisheries stocks	Total indicative envelope: ~USD 100 million ➤ Production system upgrading Mechanization, inputs, feed systems: ~USD 60M ➤ Climate-resilient infrastructure Irrigation, water harvesting, watershed restoration: ~USD 40M Indicative allocation by value chain - Roots & tubers systems: ~USD 28M - Fresh fruits & vegetables: ~USD 37M - Poultry & fisheries systems: ~USD 35M	Climate shocks (droughts, cyclones, sea-level rise) → climate-smart agriculture + resilient irrigation + ecosystem restoration Animal and fish diseases / biosecurity risks → strengthened SPS systems + veterinary/fisheries surveillance Feed and input dependency → regional feed production + import diversification Low productivity trap → extension systems + digital advisory + input access schemes

1. Integrated priority value chains development (3)

1.2. PROCESSING, MARKET ACCESS & LOGISTICS

Challenges	Public and Private investments	Risks and mitigation
• High transport costs and weak inter-island connectivity Insufficient cold chain and storage infrastructure • Limited cold chain and agro-processing capacity • Poor market access for small producers and fishers • High post-harvest losses	Total indicative envelope: ~USD 65 million ➤ Rural roads, landing sites, feeder infrastructure: ~USD 35M ➤ Cold chain, storage, agro-processing units: ~USD 30M	Market fragmentation → regional aggregation platforms Infrastructure degradation → climate-resilient infrastructure standards Supply inconsistency → contract farming + cooperatives Post-harvest losses → cold chain expansion + logistics hubs

2. Sustainable blue transformation (1)

Across the **6 African SIDS**, sustainable blue transformation is driven by three converging investment pillars:

1. Sustainable fisheries and aquaculture systems
2. Strengthened regional governance and monitoring of shared marine resources
3. Circular economy approaches for by-catch and marine resource valorisation

➡ This provides a **bankable pathway for climate-resilient blue economy investment under Phase II HiH**, combining **food security, ecosystem protection, and regional trade integration**.

Expected results

- Increased sustainable fish production and aquaculture output
- Reduced pressure on overfished stocks
- Improved fisheries safety and livelihoods for coastal communities
- Enhanced regional blue economy value chains
- Stronger circular economy integration in fisheries systems

Beneficiaries:

- 12,000–15,000 artisanal fishers,
- Coastal communities and women in processing,
- SMEs in fisheries, aquaculture, and marine logistics

2. Sustainable blue transformation (2)

2.1. SUSTAINABILITY, STOCKS & SECURITY

Challenges	Public and Private investments	Risks and mitigation
• Overexploitation of fisheries resources (notably in some coastal and tuna-dependent systems) • Coastal ecosystem degradation (mangroves, reefs, breeding habitats) • Weak safety conditions for small-scale fishers • Limited climate resilience of artisanal fisheries systems • Increasing pressure on nearshore stocks due to population and tourism demand	Total indicative investment: ~USD 18M ➤ Sustainable aquaculture development (small-scale + pilot systems): ~USD 6M ➤ Fisheries safety equipment and modernization of artisanal fleets: ~USD 5M ➤ Ecosystem restoration (mangroves, coastal habitats): ~USD 4M ➤ Strengthening implementation of IOC Regional Blue Economy Action Plan: ~USD 3M	Climate change impacts (warming waters, shifting stocks) → climate-adapted fisheries management + diversification into aquaculture Overfishing and ecosystem degradation → enforcement of fisheries management plans + protected areas Safety risks for fishers → equipment upgrades, training, early warning systems

2. Sustainable blue transformation (3)

2.2. REGULATION, GOVERNANCE & REGIONAL COOPERATION

Challenges	Public and Private investments	Risks and mitigation
• Illegal, unreported and unregulated (IUU) fishing risks across EEZs • Weak enforcement capacity in some SIDS Shared tuna stock management complexity • Fragmented regional fisheries governance implementation	Total indicative investment: ~USD 25M ➤ Operationalization of regional monitoring platforms & digital systems: ~USD 6M ➤ Fisheries monitoring, control and surveillance systems: ~USD 10M ➤ Strengthening cooperation (tuna & regional frameworks) : ~USD 4M ➤ Capacity building for regional fisheries authorities: ~USD 5M	IUU fishing and weak enforcement → regional surveillance cooperation and digital monitoring tools Resource-use tensions between states and fleets → strengthened regional dialogue and coordination platforms Institutional capacity gaps → continuous training and harmonized fisheries regulations

2. Sustainable blue transformation (4)

2.3. BY-CATCH MANAGEMENT & CIRCULAR BLUE ECONOMY

Challenges	Public and Private investments	Risks and mitigation
• High by-catch (sharks, rays, juvenile tuna in industrial fisheries) • Limited infrastructure for by-catch landing and processing • Weak value addition and waste utilization systems • Environmental concerns linked to discards	Total indicative investment: ~USD 20M ➤ By-catch collection and processing units (animal feed & food use): ~USD 8M ➤ Cold chain and landing infrastructure (Mauritius–Seychelles corridor model): ~USD 6M ➤ Regional trade in processed fish by-products: ~USD 3M ➤ Circular economy pilots in fisheries waste management: ~USD 3M	Market viability constraints → regional market integration and private sector off-take agreements Environmental and waste risks → circular economy systems and proper waste management frameworks Food safety risks → HACCP/ISO standards, traceability systems, workforce training

3. Science, Technology and Innovation pilots and scale up (1)

Strategic Role of STI

- ➡ STI is the **system-wide accelerator** enabling SIDS transformation across agrifood, blue economy, and trade systems
- ✓ Reduces structural constraints (size, isolation, climate risk)
- ✓ Enables data-driven investment decisions
- ✓ Bridges pilots to scalable systems

Expected results

- Transition from pilot solutions to **investment-grade STI systems**
- Improved productivity and resilience in agrifood and fisheries systems
- Reduced transaction costs in trade and regulatory systems
- Strengthened climate adaptation and anticipatory planning
- Enhanced investor confidence through data-driven transparency

Across the **6 African SIDS**, Science, Technology and Innovation is not a sector but the **invisible infrastructure of transformation**, enabling:

- movement from pilots to scalable investments
- integration of fragmented systems into data-driven value chains
- reduction of structural SIDS constraints (size, isolation, climate risk)
- acceleration of bankable projects under Phase II HiH

➡ **STI is the bridge between vulnerability and investability.**

Beneficiaries: Smallholder farmers and pastoralists , Fishers and coastal communities, Agrifood SMEs and digital startups, Public institutions (agriculture, fisheries, trade, planning)

3. Science, Technology and Innovation pilots and scale up (2)

3.1. STI TRANSFORMATIONAL PATHWAY _ CROSSCUTTING INVESTMENT ACCELERATOR

Challenges	Public and Private investments	Risks and mitigation
• Structural constraints of SIDS: small markets, geographic isolation, climate vulnerability • Fragmented agrifood and blue economy systems with weak data availability • High cost of traditional extension, monitoring, and regulatory systems • Limited scalability of conventional infrastructure-based approaches • Low integration between science, policy, and investment systems	Total indicative investment: ~USD 45M ➤ Digital agricultural market platforms (farmer market information systems, mobile tools): ~USD 15M ➤ Climate and geospatial intelligence systems (land–sea planning, targeting): ~USD 12M ➤ Data systems for production, fisheries, and market intelligence: ~USD 10M ➤ STI integration into agrifood and blue economy investment pipelines: ~USD 8M	Digital divide and limited infrastructure → low-cost mobile-first systems and phased digital adoption Weak institutional absorption capacity → capacity building via ITN and South–South cooperation Data fragmentation and lack of interoperability → regional digital public goods and harmonized standards

3. Science, Technology and Innovation pilots and scale up (3)

3.2. DIGITAL AGRICULTURE & CLIMATE INTELLIGENCE

Challenges	Public and Private investments	Risks and mitigation
• Weak agricultural extension systems across all SIDS • Limited access to real-time climate and weather information • Poor targeting of inputs, irrigation, and advisory services • High vulnerability to climate shocks without anticipatory tools	Total indicative investment: ~USD 20M ➤ National digital service portfolio (DSP) technical advisory / extension services: ~USD 6M ➤ Climate services and early warning systems: ~USD 5M ➤ Geospatial targeting of production and investment zones ~USD 5M ➤ Integrated soil–water–crop intelligence systems: ~USD 4M	Low adoption by farmers → user-centered mobile tools and extension hybrid models Data gaps in rural / island contexts → satellite + remote sensing integration Sustainability of systems → embedding in public institutions + PPP models

3. Science, Technology and Innovation pilots and scale up (4)

3.3. INNOVATION ECOSYSTEMS & PILOT SCALING

Challenges	Public and Private investments	Risks and mitigation
• Weak link between research, innovation, and investment • Limited scaling of pilot projects beyond local testing • Fragmented innovation actors (public–private–academic) • Limited incubation systems for agrifood and blue startups	Total indicative investment: ~USD 15M ➤ Scaling of validated STI pilots (agrifood & blue economy): ~USD 6M ➤ Innovation hubs and incubation platforms: ~USD 4M ➤ Applied R&D for climate-resilient systems: ~USD 3M ➤ Support to youth-led agritech and blue-tech startups: ~USD 2M	Pilot-to-scale failure risk → structured investment validation pathways (HiH model) Weak private sector engagement → blended finance + PPP innovation platforms Limited technical capacity → ITN-led mentorship and South–South cooperation

4. Market integration and Trade (1)

Trade and market integration in African SIDS is built on two inseparable foundations:

1. **Enabling systems transformation** (finance, land, institutions, innovation, extension)
2. **Digital trade transformation** (SPS, traceability, customs, compliance systems)

→ Together, they unlock the shift from fragmented island economies to a **single, investable and connected regional market system**, making all agrifood and blue economy investments bankable under Phase II HiH.

Expected results

- Reduced trade transaction costs across all 6 SIDS
- Increased intra-regional and export trade flows
- Faster SPS clearance and reduced compliance delays
- Improved access to finance for SMEs and producers
- Stronger investor confidence through transparent trade systems
- Transition to a **functionally integrated SIDS trade and market space**

Beneficiaries:

- Agrifood SMEs and cooperatives,
- Fisheries & aquaculture Value chains,
- Farmers, fishers, and rural entrepreneurs,
- Trade and customs authorities,
- Logistics and agro-processing investors

4. Market integration and Trade (2)

4.1. BUSINESS ENVIRONMENT, FINANCE & TRADE

Challenges	Public and Private investments	Risks and mitigation
• Limited access to finance (SMEs, farmers, fishers) • Weak land tenure systems in several SIDS • Limited innovation, R&D and extension capacity • Administrative and trade barriers • Weak regional market integration mechanisms • Fragmented small island markets limiting economies of scale • Weak intra-SIDS and Africa trade integration • “Easy to import, hard to export” structural constraint • High logistics costs and limited shipping connectivity • Non-harmonized SPS systems and certification procedures • Limited regional aggregation and wholesale markets	Total indicative envelope: ~USD 35M Financial inclusion systems & credit access: ~USD 12M Digital agriculture & traceability systems: ~USD 8M SPS, R&D, extension & institutional strengthening: ~USD 15M	Financing constraints → blended finance + DFIs + guarantee mechanisms Land insecurity → land governance reforms + digitization Regulatory fragmentation → harmonised regional frameworks Weak STI systems → regional innovation platforms

4. Market integration and Trade (3)

4.2. DIGITAL TRADE, SPS & TRACEABILITY SYSTEMS

Challenges	Public and Private investments	Risks and mitigation
• Paper-based SPS certification systems • Fragmented customs and inspection procedures • Weak traceability in fisheries and agrifood exports • High transaction costs limiting regional trade	Total indicative investment: ~USD 18M ❖ Digital SPS certification systems ❖ Electronic traceability for fisheries and agrifood products ❖ Interoperable customs and border systems ❖ Market compliance platforms for export readiness	Regulatory resistance to digital transition → phased adoption and legal harmonization Cybersecurity and data governance risks → regional data governance frameworks Weak enforcement capacity → training and institutional strengthening

4. Market integration and Trade (4)

4.3. REGIONAL TRADE INTEGRATION & MARKET SYSTEMS

Challenges	Public and Private investments	Risks and mitigation
• Weak intra-regional trade despite complementary production systems • High port and logistics costs for small consignments • Lack of regional wholesale and aggregation infrastructure • Fragmented trade policy implementation across SIDS • Poor coordination between production, trade, and transport systems	Total indicative envelope: ~USD 35M ➤ Regional logistics and trade facilitation systems: ~USD 10M ➤ Cold chain and aggregation hubs for agrifood and fisheries products: ~USD 12M ➤ Regional wholesale market infrastructure: ~USD 6M ➤ Shipping coordination and distribution platforms: ~USD 4M ➤ Trade harmonization and facilitation mechanisms: ~USD 3M	Infrastructure underutilization → demand aggregation mechanisms High logistics costs persist → PPP logistics models Market fragmentation remains → phased regional integration strategy

Summary

Indicator	1. Integrated Value Chains	2. Blue Transformation	3. STI Pilots & Scale-up	4. Trade & Market Integration	TOTAL PORTFOLIO
Total Investment (USD)	165M	63M	80M	88M	396M
Avg. IRR (indicative)	22–28%	18–22%	25–30%	20–25%	~21–26% blended
Direct beneficiaries	12,000–15,000 farmers	12,000–15,000 fishers	15,000–20,000 users (farmers, startups, institutions)	10,000–12,000 SMEs & traders	~49,000–62,000 direct
Indirect beneficiaries	150,000–200,000	120,000–160,000	200,000–250,000	180,000–220,000	~650,000–830,000 indirect
Income increase (USD per capita/year)	+220–350 USD	+180–300 USD	+150–250 USD	+120–220 USD	+250–450 USD (blended effect)
Emission impact (tCO ₂ e per capita change)	-0.4 to -0.7	-0.8 to -1.2	-0.3 to -0.6	-0.2 to -0.5	-0.4 to -0.8 avg reduction

African SIDS

Big Ocean States



Cabo Verde



Comoros



Guinea Bissau



Mauritius



Sao Tome
and Principe



Seychelles



Hand-in-Hand
Initiative

Thank you
Merci
Obrigado