



Food and Agriculture Organization
of the United Nations

Hand-in-Hand
Initiative

Djibouti



HAND-IN-HAND INITIATIVE | 2026 INVESTMENT FORUM

FAO'S HAND-IN-HAND INITIATIVE

The investment opportunities presented in this document derive from government-led investment plans developed under FAO's Hand-in-Hand (HIH) Initiative. The Initiative supports countries in identifying high-impact agrifood system investments through a combination of data-driven territorial analysis, value chain assessments, and close collaboration with national counterparts. Using the Hand-in-Hand Geospatial Platform, the Initiative integrates geospatial, biophysical, and socio-economic data to identify priority "green zones" where agricultural potential and poverty incidence overlap, creating strong opportunities for transformative investment. Based on these analyses, national governments lead the development of investment plans that identify priority value chains, key bottlenecks, and potential investments required to accelerate agrifood system transformation. These investment opportunities aim to raise incomes, improve nutrition, and empower poor and vulnerable populations, while strengthening resilience to climate change and supporting the sustainable management of natural resources. The Initiative focuses on territories where targeted investments can generate the greatest impact in reducing poverty and hunger, contributing to progress towards Sustainable Development Goals SDG1 (No Poverty), SDG2 (Zero Hunger), and SDG10 (Reduced Inequalities), while balancing economic growth, social inclusion, and environmental sustainability.

IMPORTANT CLARIFICATIONS

The opportunities presented in this document are derived from government investment plans and reflect national development priorities identified through the Hand-in-Hand Initiative. FAO provides analytical and technical support in the identification and assessment of these opportunities and facilitates engagement with potential partners. The concepts presented are indicative and require further structuring and discussion with the relevant governments and potential investors. This document therefore presents a pipeline of government-prioritized agrifood investment opportunities that have been pre-screened using FAO's Hand-in-Hand analytical tools. FAO can support interested partners by facilitating technical exchanges and follow-up discussions with relevant government counterparts.

IMPACT TAGS

Investment cases are classified across four impact areas to highlight their primary development contributions and ensure comparability across countries and value chains.

-  **Livelihoods** Income, productivity, jobs, and market access
-  **Gender & Youth** Inclusion and opportunities for women and young people
-  **Planet & Environment** Climate resilience and sustainable resource management
-  **Digital** Use of technology to improve efficiency and access

A strategically positioned, import-dependent agrifood system with strong investor protections and an ambitious 2035 self-sufficiency agenda

KEY INVESTMENT SIGNALS

POPULATION

1.1M

(MILLION)

COASTLINE

325 km

(KILOMETERS)

AGRICULTURAL LAND

5.2M ha

(MILLION HECTARES)

INVESTMENT CASE



SURGING IMPORT DEPENDENCY

- 90% of food is imported, creating a large opportunity for local production
- 84% of farms are small family plots with low yields and little mechanization
- 28.3% chronic malnutrition rate in children under 5



OPEN INVESTMENT ENVIRONMENT

- Currency pegged to the USD, business setup in under 72 hours, investment materials duty-free
- USD 72.1 million in early-stage pipeline
- AfDB and a Norwegian aquaculture firm are among investors already actively engaged



STRATEGIC EXPORT GATEWAY

- Djibouti sits on a strait through which 10% of global maritime trade passes
- A direct railway connects the port to Ethiopia's 115 million-person landlocked market
- Dates and halal meat each represent regional export potential of USD 120M/year

DJIBOUTI: INVESTMENT PORTFOLIO



Five high-potential agricultural value chains in a stable, open, and strategically located investment environment

INVESTMENT PLAN DJIBOUTI	INVESTMENT CASE 1. DATE PALM TREES	INVESTMENT CASE 2. MARKET GARDENING	INVESTMENT CASE 3. AQUACULTURE	INVESTMENT CASE 4. MEAT & DERIVATIVES	INVESTMENT CASE 5. CATTLE FEED
IMPACT TAGS 	IMPACT TAGS 	IMPACT TAGS 	IMPACT TAGS 	IMPACT TAGS 	IMPACT TAGS
INVESTMENT USD 110.8 million	INVESTMENT USD 60.6 million	INVESTMENT USD 1.9 million	INVESTMENT USD 0.6 million	INVESTMENT USD 30.7 million	INVESTMENT USD 17.0 million
NPV USD 287.8 million	NPV USD 269.3 million	NPV USD 0.3 million	NPV USD 0.8 million	NPV USD 12.5 million	NPV USD 4.9 million
AVG IRR 25.7%	IRR 31.7%	IRR 23.2%	IRR 28.0%	IRR 18.0%	IRR 18.1%
DIRECT BENEFICIARIES 2.7 thousand	DIRECT BENEFICIARIES 1.8 thousand	DIRECT BENEFICIARIES 0.1 thousand	DIRECT BENEFICIARIES 0.1 thousand	DIRECT BENEFICIARIES 0.2 thousand	DIRECT BENEFICIARIES 0.6 thousand
INDIRECT BENEFICIARIES 6.3 thousand	INDIRECT BENEFICIARIES 3.6 thousand	INDIRECT BENEFICIARIES 0.2 thousand	INDIRECT BENEFICIARIES 0.2 thousand	INDIRECT BENEFICIARIES 0.5 thousand	INDIRECT BENEFICIARIES 1.8 thousand
AVG PER CAPITA INCOME INCREASE +USD 1,899	PER CAPITA INCOME INCREASE +USD 2,493	PER CAPITA INCOME INCREASE +USD 229	PER CAPITA INCOME INCREASE +USD 332	PER CAPITA INCOME INCREASE +USD 1,730	PER CAPITA INCOME INCREASE +USD 331
GHG IMPACT -5.7 thousand tCO2-e	GHG IMPACT -11.0 thousand tCO2-e	GHG IMPACT +0.7 thousand tCO2-e	GHG IMPACT +10.7 thousand tCO2-e	GHG IMPACT +21.8 thousand tCO2-e	GHG IMPACT -28.0 thousand tCO2-e

1. DATE PALM TREES



From 4.5% self-sufficiency to a regional export hub for the Horn of Africa and MENA

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 60.6M
(MILLION)

NPV

USD 269.3M
(MILLION)

IRR

31.7%
(%)

RATIONALE

- Local production covers only 4.5% of national consumption; 6,736 t/year is imported (USD 5.5M)
- Self-sufficiency requires only 2,294 t/year, a readily addressable gap
- Regional export potential across East Africa and MENA: 120,000 t/year (USD 120M)

KEY BOTTLENECKS

1. Low level of production



PPP

1,000 ha park: fencing, 105,270 plants, land prep (USD 12.3 million)

2. Poor knowledge of cultivation practices



Public

- Phoeniciculture lab & vitro-plant equipment (USD 0.5 million)
- Pilot farms & training center (USD 0.4 million)
- Technical experts (USD 0.3 million)
- Farmer capacity building (USD 0.4 million)

3. Non-existent storage & conservation infrastructure



Private

PPP

- Cooperative conditioning station, cold storage & warehouse (USD 2.3 million)
- Two 4,000m³ water reservoirs, cooling towers, 63 filtration & fertigation stations (USD 1.6 million)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
1.8K
(THOUSAND)



INDIRECT
BENEFICIARIES
3.6K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+2,493
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
-11.0K
(THOUSAND tCO₂-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

1. DATE PALM TREES (cont'd)



From 4.5% self-sufficiency to a regional export hub for the Horn of Africa and MENA

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 60.6M
(MILLION)

NPV

USD 269.3M
(MILLION)

IRR

31.7%
(%)

RATIONALE

- Local production covers only 4.5% of national consumption; 6,736 t/year is imported (USD 5.5M)
- Self-sufficiency requires only 2,294 t/year, a readily addressable gap
- Regional export potential across East Africa and MENA: 120,000 t/year (USD 120M)

KEY BOTTLENECKS

4. Difficult market access

Public

Private

- Road rehabilitation (USD 1.5 million)
- Commercial partnerships & distribution network (USD 0.8 million)

5. High production costs

PPP

Private

- Drip irrigation system (USD 7.0 million)
- Solar PV pumping, 39 boreholes & PEHD network (USD 33.4 million)
- Modern farm equipment (USD 0.1 million)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
1.8K
(THOUSAND)



INDIRECT
BENEFICIARIES
3.6K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+2,493
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
-11.0K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

2. MARKET GARDENING: ACCLIMATIZED GREENHOUSE



Substituting imports with locally grown, climate-adapted fresh produce

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 1.9M
(MILLION)

NPV

USD 0.3M
(MILLION)

IRR

23.2%
(%)

RATIONALE

- Over 90% of vegetables are imported from Ethiopia (103,140 t/year, USD 47.2M/year)
- Local production is fresher and better adapted to urban consumers, hotels and institutions, making import substitution the primary opportunity
- A 15 ha portfolio could produce 5,500 t/year, generating USD 6.2M/year in revenue

KEY BOTTLENECKS

1. Unfavorable climate; difficult water access; poor soil

Private

PPP

- Greenhouse structure, ventilation & climate control (USD 700 thousand)
- Productive borehole (USD 150 thousand)
- Osmosis water treatment unit 50m³ (USD 80 thousand)

2. Limited yields

Private

PPP

- Drip irrigation and fertigation system (USD 150.6 thousand)
- Solar power station (USD 250 thousand)

3. Weak input & fertilizer distribution

Private

- Seeds, growing media & consumables (USD 50 thousand)
- Fertilizers & phytosanitary products (USD 50 thousand)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+229
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+0.7K
(THOUSAND tCO₂-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

2. MARKET GARDENING: ACCLIMATIZED GREENHOUSE (cont'd)



Substituting imports with locally grown, climate-adapted fresh produce

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 1.9M
(MILLION)

NPV

USD 0.3M
(MILLION)

IRR

23.2%
(%)

RATIONALE

- Over 90% of vegetables are imported from Ethiopia (103,140 t/year, USD 47.2M/year)
- Local production is fresher and better adapted to urban consumers, hotels and institutions, making import substitution the primary opportunity
- A 15 ha portfolio could produce 5,500 t/year, generating USD 6.2M/year in revenue

KEY BOTTLENECKS

4. Weak storage & conservation infrastructure

PPP

Public

- Geomembrane storage basin (USD 50 thousand)
- Agricultural waste management system (USD 20 thousand)

5. Poor knowledge of good agricultural practices

Public

Farmer training (USD 20 thousand)

6. Difficult market access

Public

- Market circuit structuring (USD 50 thousand)
- Import regulation framework (USD 10 thousand)

7. Weak producer organization

Private

Labor, maintenance & running costs (USD 168 thousand)

PROPOSED INVESTMENTS(*)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+229
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+0.7K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

2. MARKET GARDENING: SHADED TUNNEL



Substituting imports with locally grown, climate-adapted fresh produce

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 1.9M
(MILLION)

NPV

USD 0.3M
(MILLION)

IRR

23.2%
(%)

RATIONALE

- Over 90% of vegetables are imported from Ethiopia (103,140 t/year, USD 47.2M/year)
- Local production is fresher and better adapted to urban consumers, hotels and institutions, making import substitution the primary opportunity
- A 15 ha portfolio could produce 5,500 t/year, generating USD 6.2M/year in revenue

KEY BOTTLENECKS

1. Unfavorable climate; poor soil

Private

- Shaded tunnel structure with ventilation & cover (USD 50 thousand)
- Land preparation: drainage, seed storage & cold room (USD 20 thousand)

2. Limited yields

Private

PPP

- Drip irrigation and fertigation system (USD 14.7 thousand)
- 6 kW solar station (USD 17.1 thousand)

3. Weak input & fertilizer distribution

Private

Seeds & organic inputs (USD 5.6 thousand)

PROPOSED INVESTMENTS(*)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+229
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+0.7K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

2. MARKET GARDENING: SHADED TUNNEL (cont'd)



Substituting imports with locally grown, climate-adapted fresh produce

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 1.9M
(MILLION)

NPV

USD 0.3M
(MILLION)

IRR

23.2%
(%)

RATIONALE

- Over 90% of vegetables are imported from Ethiopia (103,140 t/year, USD 47.2M/year)
- Local production is fresher and better adapted to urban consumers, hotels and institutions, making import substitution the primary opportunity
- A 15 ha portfolio could produce 5,500 t/year, generating USD 6.2M/year in revenue

KEY BOTTLENECKS

4. Poor knowledge of good agricultural practices

Public

Farmer training (USD 5 thousand)

5. Difficult market access

PPP

Public

- Market circuit support (USD 3 thousand)
- Solar-powered well (USD 10 thousand)
- 30m³ reinforced concrete water tank (USD 10 thousand)

6. Weak producer organization

Private

- Farm equipment (USD 20.2 thousand)
- Farm staff: 1 agronomist, 2 technicians, 4 workers (USD 20 thousand)
- Annual running costs (USD 10 thousand)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+229
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+0.7K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

3. AQUACULTURE



Building a modern private aquaculture sector for local and sub-regional export markets

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 0.6M
(MILLION)

NPV

USD 0.8M
(MILLION)

IRR

28.0%
(%)

RATIONALE

- Local fish production has grown 68% in 10 years yet still falls 2,613 t/year short of local demand (USD 5.2-6.5M gap)
- At 1,000 t/year capacity, Gulf and Ethiopian export markets represent an additional USD 2.75M/year

KEY BOTTLENECKS

1. No aquaculture production infrastructure

Private

- Local capitaine fry hatchery (USD 125 thousand)
- Production basins/floating cages ~200 t/year (USD 250 thousand)

2. Difficult access to inputs (fry, feed, equipment)

Private

- Local aquafeed production unit ~200 t/year (USD 90 thousand)
- Fry, feed & equipment distribution network (USD 35 thousand)

3. Low technical skill level among local operators

PPP

Farm management, water quality, biosecurity & commercialization training (USD 44.3 thousand)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+332
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+10.7K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

3. AQUACULTURE (cont'd)



Building a modern private aquaculture sector for local and sub-regional export markets

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 0.6M
(MILLION)

NPV

USD 0.8M
(MILLION)

IRR

28.0%
(%)

RATIONALE

- Local fish production has grown 68% in 10 years yet still falls 2,613 t/year short of local demand (USD 5.2-6.5M gap)
- At 1,000 t/year capacity, Gulf and Ethiopian export markets represent an additional USD 2.75M/year

KEY BOTTLENECKS

4. Limited access to credit

Public

Small producer & cooperative financing mechanism (USD 15 thousand)

5. Limited basic infrastructure (road, water, electricity)

Public

Road, electricity & basic services at Loyada site (USD 45 thousand)

6. No legal framework for the sector

Public

Aquaculture regulatory framework (USD 20 thousand)

PROPOSED INVESTMENTS(*)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.1K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.2K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+332
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+10.7K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

4. MEAT & DERIVATIVES



Capturing value currently lost to live-animal export through an integrated, halal-certified processing hub

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 30.7M
(MILLION)

NPV

USD 12.5M
(MILLION)

IRR

18.0%
(%)

RATIONALE

- The only slaughterhouse is at full capacity; 1.2M livestock exported live in 2024, losing all processing value
- A new halal-certified facility targets USD 200M+ in local and MENA export markets
- Long-term regional potential: 120,000 t/year (USD 600M)

KEY BOTTLENECKS

1. No modern slaughterhouse or processing units

Private

Integrated slaughterhouse on 15 ha: reception, slaughter, cutting, cold storage, sanitation, processing & packaging zones (USD 12 million)

2. Existing slaughterhouse at full capacity

Private

Expanded capacity to 40,000 t/year; 5 refrigerated trucks, 2 waste trucks, 4 light vehicles (USD 10.7 million)

3. Lost value from live animal exports

Private

Carcass, offal, hides, blood meal, bone meal & tannery valorization units (USD 5 million)

4. Weak sanitary standards (HACCP-ISO)

Public

- HACCP/ISO compliance lab, quality control zone & carcass traceability system (USD 1.5 million)
- Slaughter staff, veterinary inspector & biosecurity training (USD 0.5M)
- Wastewater treatment, biodigester & incinerators (USD 1 million)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.2K
(THOUSAND)



INDIRECT
BENEFICIARIES
0.5K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+1,1730
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
+21.8K
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

5. CATTLE FEED



Closing a 570,000+ tons national deficit to support livestock, dairy, and the Damerjog export hub

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 17.0M
(MILLION)

NPV

USD 4.9M
(MILLION)

IRR

18.1%
(%)

RATIONALE

- National animal feed demand is 587,000-658,000 t/year; local production covers less than 3%
- The deficit is met by unstructured imports and overstretched natural pastures
- A 1,000 ha project would produce 60,000 t/year, supporting the livestock, dairy and Damerjog export hub value chains

KEY BOTTLENECKS

1. Extreme climate conditions

Private

Drought & salt-tolerant seed varieties for 1,000 ha (USD 1 million)

2. Limited water resources & high irrigation costs

PPP

Public

- Drip irrigation across 1,000 ha at 8 sites (USD 4 million)
- 10 × 500m³ reservoirs + 50 solar PV pumps + land preparation (USD 4.3 million)

3. Poor, eroded & salinized soils

Private

Organic amendments, fertilizers & soil management for 1,000 ha (USD 1.2 million)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.6K
(THOUSAND)



INDIRECT
BENEFICIARIES
1.8K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+331
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
-28.0K
(THOUSAND tCO₂-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

5. CATTLE FEED (cont'd)



Closing a 570,000+ tons national deficit to support livestock, dairy, and the Damerjog export hub

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 17.0M
(MILLION)

NPV

USD 4.9M
(MILLION)

IRR

18.1%
(%)

RATIONALE

- National animal feed demand is 587,000-658,000 t/year; local production covers less than 3%
- The deficit is met by unstructured imports and overstretched natural pastures
- A 1,000 ha project would produce 60,000 t/year, supporting the livestock, dairy and Damerjog export hub value chains

KEY BOTTLENECKS

4. High investment & operating costs

Private

- Harvesting, drying, pressing & hay storage equipment (USD 1.9 million)
- Hand tools & cultural management equipment (USD 0.6 million)

5. Shortage of skilled labor & adapted inputs

Public

Training for 1,500 farmers on irrigation, crop management, harvesting & storage (USD 0.9 million)

6. Lack of infrastructure & limited financing access

Private

Public

- Rehabilitation of 50 km of tracks + market support in 5 production zones (USD 2.1 million)
- Protective fencing across all parcels (USD 1 million)

SUSTAINABILITY BENEFITS



DIRECT
BENEFICIARIES
0.6K
(THOUSAND)



INDIRECT
BENEFICIARIES
1.8K
(THOUSAND)



PER CAPITA
INCOME INCREASE
+331
(USD/PERSON)



GHG IMPACT
FAO EXACT CARBON TOOL
-28.0K
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Investment Note:*



*Click here to request a
bilateral meeting:*

