



Food and Agriculture Organization
of the United Nations

Blue Economy Investment Program in São Tomé and Príncipe



Hand-in-Hand
Initiative

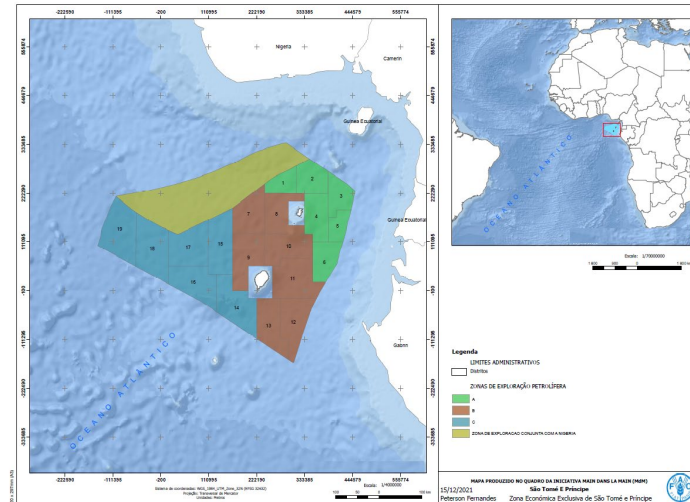
Investment Forum | Rome, Italy | 18-19 October 2022



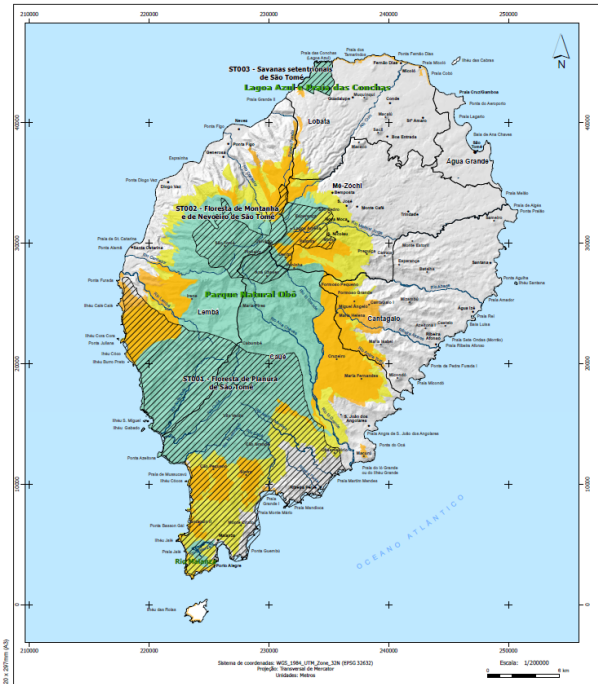
Section 1: STP Blue overview

SIDS Archipelago with two islands in Central Africa, on equator line
EEZ (160,000 km²) 160 times larger than the land area (1001 km²)
Future oil country
Population : 210.240 (INE 2020)
Under 20 years old : 52,1 %
Literacy rate : 90,1 % (INE, 2020)
High local demand fish products 30kg/year/hab.

E.E. Z and Oil Exploration Zones

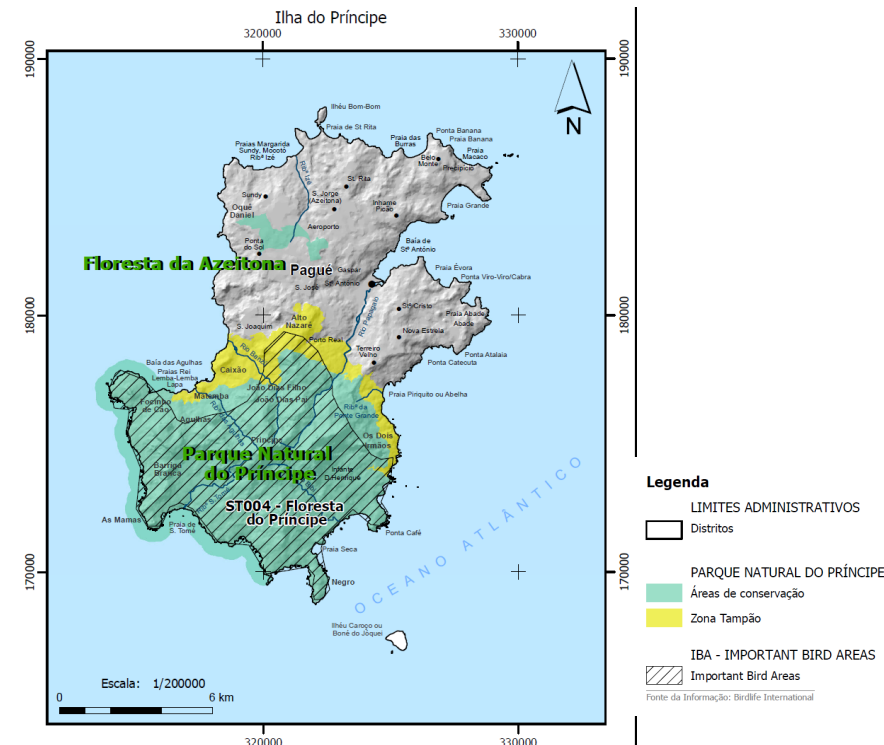


Structure of GDP : Services (62,9%), Industry and processing (15,8%), Primary Sector < 10 %
Tourism and fisheries value chain respectively 15 % and 9% of GDP
Unemployment rate : 8,9 % (INE, 2017).
Tourism and fisheries values chain respectively 3 % and 9 % of active population
Poverty Index : 66,2 % (INE, 2020)
Doing business index : 170 (2019)



Protection of Natural Capital

Protected Areas (30 % of land area) and integrated policy planning



Section 1: STP Blue Economy overview

Strategic instruments for promoting Blue Economy

Vision STP 2030



Transform the country into a **maritime hub, a financial services center and a tourist destination for the Gulf of Guinea, through infrastructure development**. Priorities are: a **more productive agricultural sector and blue economy**, as well as improved food security, access to quality education and health services, and an efficient judicial system.



By 2030, the Island of Príncipe, an international biosphere reserve, **will become a global reference of biodiversity conservation and sustainable development** that is inclusive and resilient to climate change, through the **integration of responsible tourism and the green and blue economy**, ensuring quality of life for all.



National transition strategy toward blue economy

To **combine the protection of ocean ecosystems with economic growth, development and the improvement of the conditions and livelihoods of the population** by creating new jobs, increasing the wealth and income of national entrepreneurs, young people and women involved in enhancing the services provided by marine ecosystems.



Strategic and Marketing Plan for Tourism of São Tomé e Príncipe (2018-2025)

In 2025, São Tomé and Príncipe is the **most unspoiled island tourist destination in equatorial Africa, with unique nature and biodiversity**, heavenly beaches, where Santomean hospitality, based on its historical and cultural heritage of coffee and cocoa plantations, shares its way of life and its warm welcome.



STP Transport Master Plan – Maritime transport

Improve the development and operation of port infrastructures, their efficiency, the safety of operations and the reduction of production factors and internal and external marketing costs, as well as the **accessibility of port infrastructures to people and goods**. **Creation of conditions to attract private investment** and the emergence of new activities that generate jobs and wealth.

Section 2: Enabling environment

Favorable political environment

- **3 decades of the multi-party** and democratic political system
- **Semi-presidential regime** - President of the Republic, Head of State, and Prime Minister, Head of Government
- **Alternation of power without conflicts**
- **Good relations** with all countries and partners
- **Member of the main international, regional and sub-regional organizations.**

Opening to the world

- **Strategic location in the Gulf of Guinea**
- **Growing country in terms of opening to the world**, with prospects of becoming a platform connecting the four continents
- **Connection to the world** with a good telecommunication network based on fiber optics
- **E-visa , e-invoice ;**
- **Entry Authorization for Citizens without a visa**, from the EU, USA, PALOP, sub region

Favorable business environment

- **Fixed exchange parity of the national currency (Dobra) with Euro**
- Existence of the **“Unique desk” for the creation of Companies in the country;**
- Existence of the **“Unique desk” for Foreign Trade;**
- **Trade and Investment Promotion Agency (APCI);**
- **Attractive investment code** (simplified business creation procedures ; incentives to FDI access to state properties...)
- Existence of the **Tax Benefits Code** (corporate tax rate from 45% to a flat rate of 25%)

Blue Economy Governance

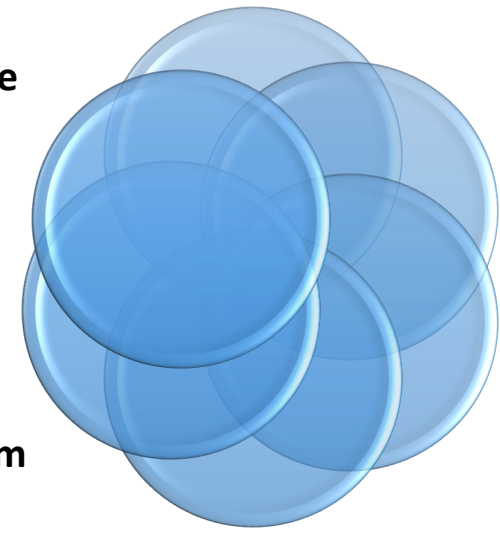
- National Strategy for Blue Economy, adopted as a Law (Lei n°38/XI/8e/2022)**
- **Blue Economy under Ministry in charge of Planning, Finances and Blue Economy**
 - **Specific committee chaired by the Min. of Finance to promote, coordinate, assess and monitor national investment for BE**
 - **Set up of Inter-Ministerial Platform to Promote Blue Employment (4 Ministries)**
 - **Ongoing process with INE-STP, INE-PT, OECD and INE-CV to promote Blue Economy Satellite Accounting**

Section 3: Blue Economy Investment opportunities



Renewable energy

Transport and maritime security



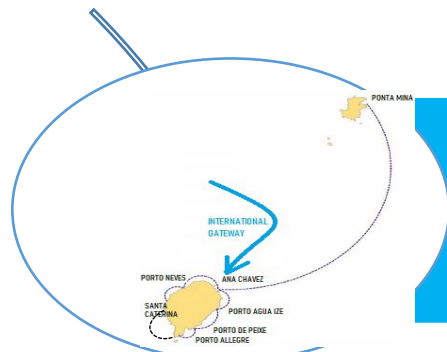
Environment

Tourism and ecotourism

Value chain, market, food security

Fisheries and Aquaculture

Section 3: Blue Economy Investment opportunities



« Blue Cabotage » transport of people and goods from port to port while remaining close to the coast.



Tourism and coastal environment requalification



Plan for modernization of the coastal artisanal fleet

Section 3: Blue Economy Investment opportunities

Blue Cabotage

- **Top priority** in the maritime sectors is **to create a cabotage system** around STP utilizing existing quays where possible
- **Cabotage plan** : 16 million euros investment, construction of 6 multi-purpose cabotage ports: 5 in São Tomé and 1 in Príncipe – Ponta Mina (40% of the total investment)
- **Strong ripple effect on blue and green economy** (fishing, tourism, and agriculture value chains) in securing transport of goods and people and reducing carbon footprint



Port Neves Pier

- multipurpose features
- can be upgraded to cabotage functions (both transport of fuel and transport of consumer goods)
- to support the **development of the fishing industry, boat repair facilities, cruising industry**
- taking advantage of the existing support infrastructure



Port of Ponta Mina:

- key element for the development of the autonomous region of Príncipe (and given the fact that it is very poorly served with the pier at Santo António)
- **configures as the top priority of the Cabotage Master Plan**



Água Izé wharf:

- more dedicated to **supporting agriculture**, closes the support network for cabotage but **also for tourism**



Ribeira de Peixe Pier:

- can be **enhanced to support the export of palm oil in bulk**,
- potential **to attract private investment from the palm oil industry**.

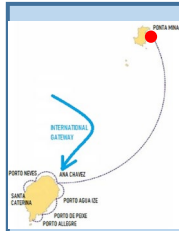
Santa Catarina and Porto Alegre

Piers can be enhanced to **support the fisheries and agriculture**, also strategic for the creation of a maritime alternative (of cabotage) to the highway, reducing the risk of isolation in case of any event that affects the existing road network



Section 3: Blue Economy Investment opportunities

Blue Cabotage



PROJECT SITE : PONTA MINA - CABOTAGE
Greenfield site at Ponta Mina

ISLAND Príncipe

ESTIMATED INVESTMENT AMOUNT (Public funding) € 7,050,000

PROPOSED WORKS : Construction of a solid quay wall 128m long and 12m wide protected by a rubble mound breakwater on the outer side with a crown level of 6m above low tide. The quay will have a draft below low tide of 4m via the dredging of 560m³ of rock.

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category A Full marine ESIA	300,000
DESIGN FEES	Final Design, bidding documents and supervision fees	350,000
CIVIL WORKS	New block work quay, breakwater, reclamation and dredging.	5,500,000
EQUIPMENT	Bollards, fenders, ice plant, crane, etc Contingencies at 5%	565,000
		335,000
TOTAL		7,050,000

TABLE OF OUTLINE COSTS

Feasibility study (2013)



Review and updated in 2022 by

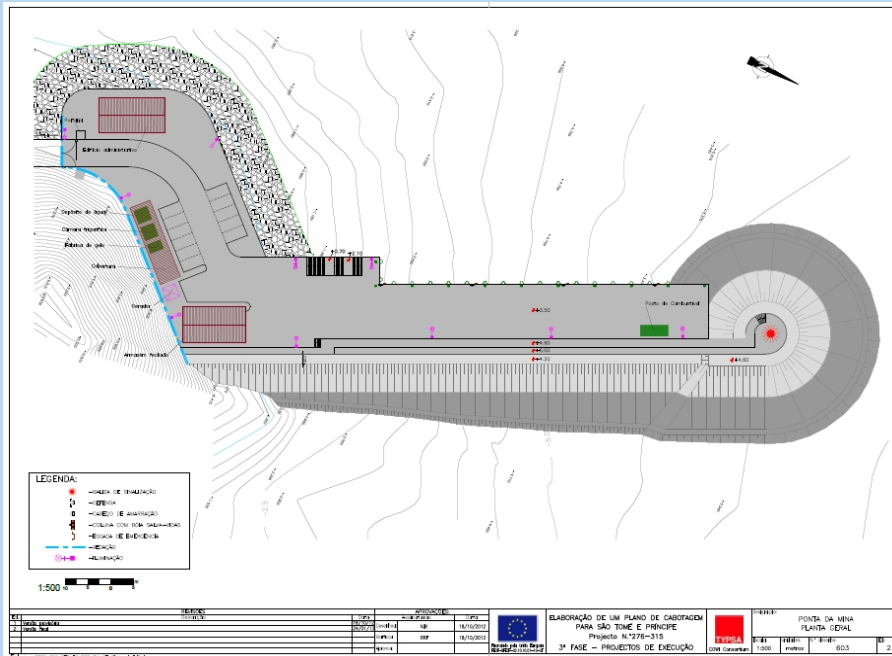
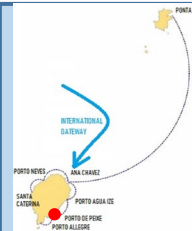


Figure A—Construction of a new landing jetty at Ponta Mina



PROJECT SITE : PORTO DE RIBEIRA PEIXE - CABOTAGE
Porto de Ribeira Peixe

ISLAND São Tomé

ESTIMATED INVESTMENT AMOUNT (Public funding) € 2,257,000

PROPOSED WORKS : Demolition of existing pylons, construction of new jetty and reclaimed shore area. New fittings, admin building, ice plant and cold room.

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category A. Full marine ESIA	500,000
DESIGN FEES	Final Design, bidding documents and supervision fees	150,000
CIVIL WORKS	New quay, reclaimed area, admin building.	1,100,000
EQUIPMENT	Bollards, fenders, lighting on quay and crane. Contingencies at 5%	400,000
		107,000
TOTAL		2,257,000

TABLE OF OUTLINE COSTS

Feasibility study (2013)



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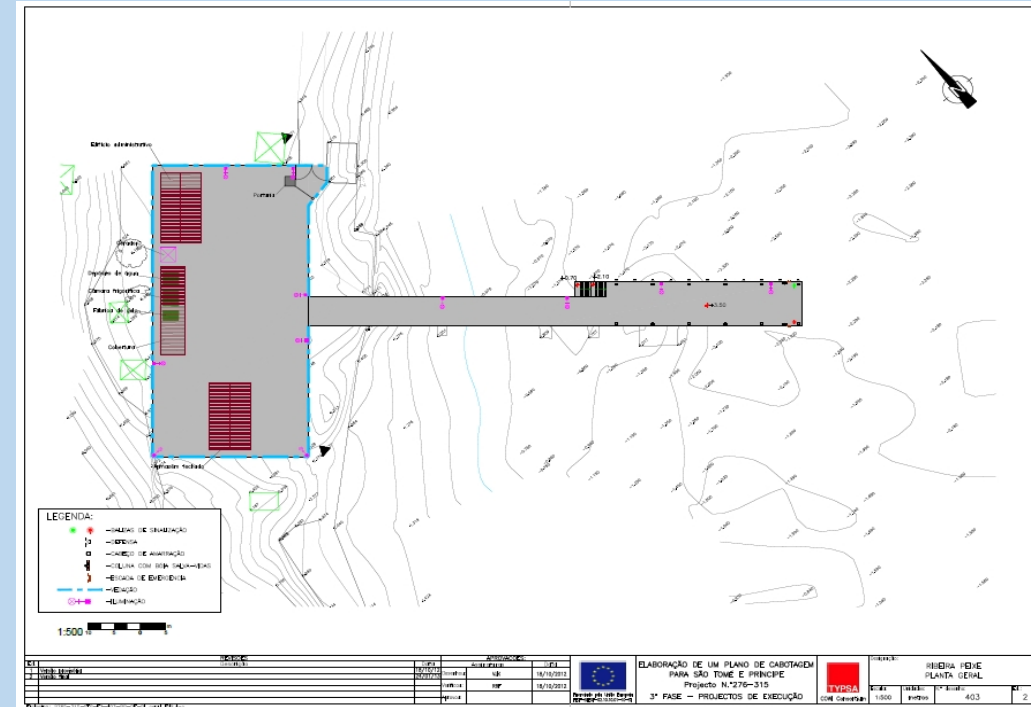
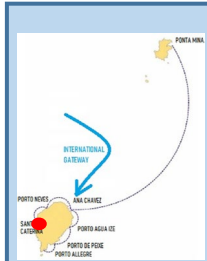


Figure A—Demolition of remnants of existing quay and construction of new quay

Section 3: Blue Economy Investment opportunities

Blue Cabotage



PROJECT SANTA CATARINA - CABOTAGE
SITE : Santa Catarina
ISLAND São Tomé

ESTIMATED INVESTMENT AMOUNT (Public funding) € 2,430,000

PROPOSED WORKS : Construction of the quay, including reclaimed area plus new fittings, admin building, ice plant and cold room..

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category A ESIA	300,000
DESIGN FEES	Final Design, bidding documents and supervision fees	350,000
CIVIL WORKS	Construction of the quay, backfilling and paving, admin building.	1,190,000
EQUIPMENT	Bollards, fenders, lighting on quay and crane. Contingencies @5%	475,000 115,000
TOTAL		2,430,000

TABLE OF OUTLINE COSTS

Feasibility study (2013)



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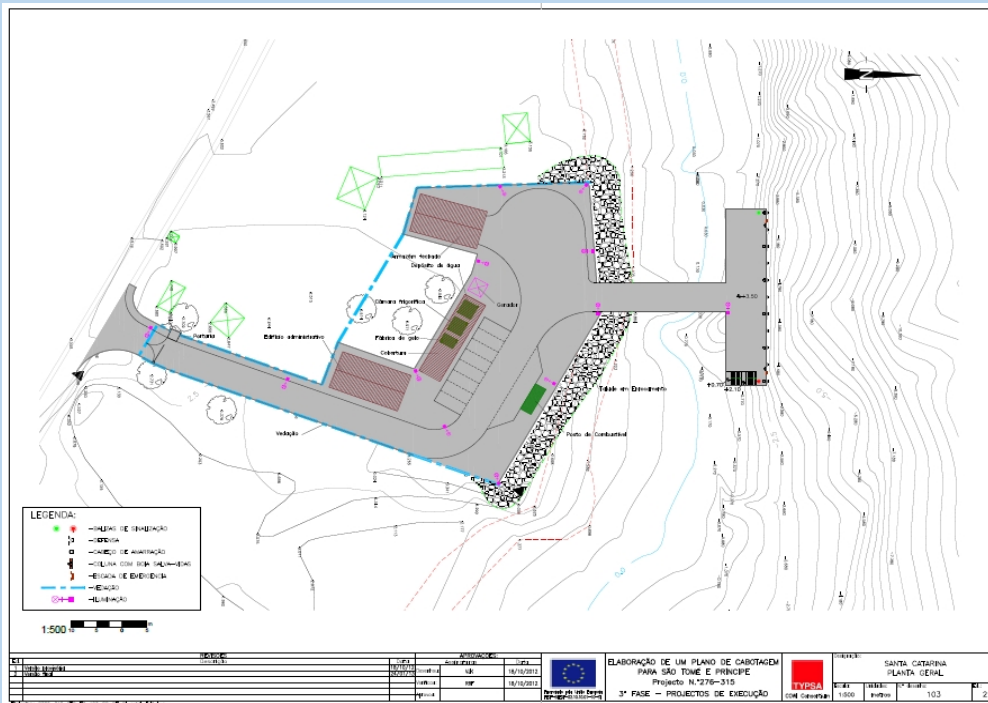


Figure A New quay proposal



PROJECT PORTO ALEGRE - CABOTAGE
SITE : Porto Alegre
ISLAND São Tomé

ESTIMATED INVESTMENT AMOUNT (Public funding) € 2,460,000

PROPOSED WORKS : General rehabilitation and extension of the existing jetty and surrounding property, service and administration buildings, new fittings and equipment.

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category A Full marine ESIA	500,000
DESIGN FEES	Final Design, bidding documents and supervision fees	150,000
CIVIL WORKS	Extension of the quay, paving, admin building.	1,300,000
EQUIPMENT	Bollards, fenders, lighting on quay and crane. Contingencies at 5%	400,000 110,000
TOTAL		2,460,000

TABLE OF OUTLINE COSTS

Feasibility study (2013)



Review and updated in 2022 by

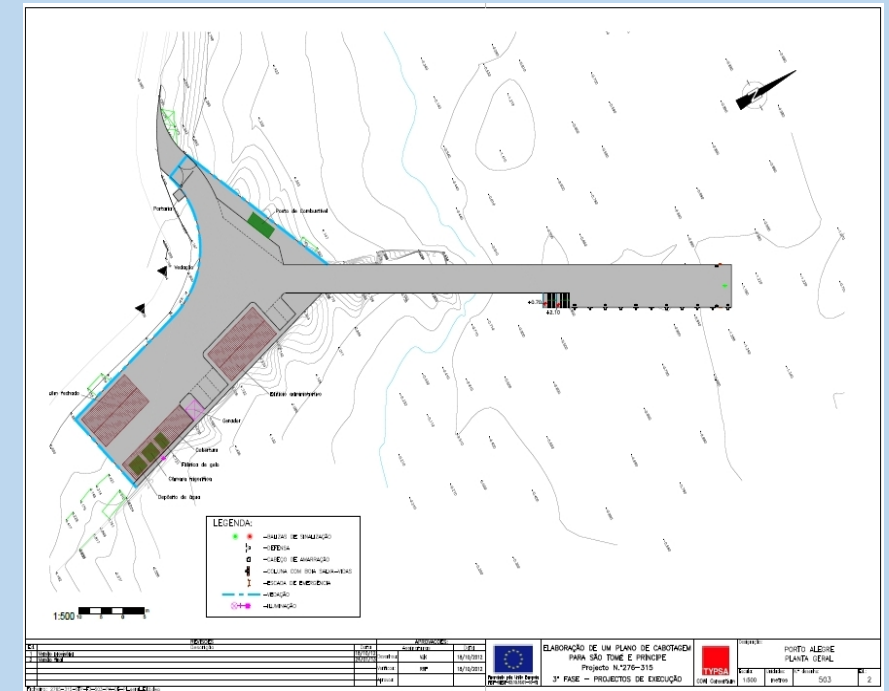
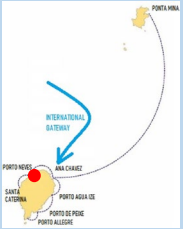


Figure A–Rehabilitation and extension of quay

Section 3: Blue Economy Investment opportunities

Blue Cabotage



PROJECT SITE : PORTO NEVES - CABOTAGE
ISLAND : São Tomé

ESTIMATED INVESTMENT AMOUNT (Public funding) : € 1,520,000

PROPOSED WORKS : General rehabilitation of the jetty and surrounding property, new fittings.

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category C Project Description Statement-Screening	50,000
DESIGN FEES	Final Design, bidding documents and supervision fees	100,000
CIVIL WORKS	Grade 35 concrete for the refurbishment of the quay paving, admin building.	950,000
EQUIPMENT	Buildings, Bollards, fenders, lighting on quay and crane.	350,000
	Contingencies @ 5%	70,000
TOTAL		1,520,000

TABLE OF OUTLINE COSTS

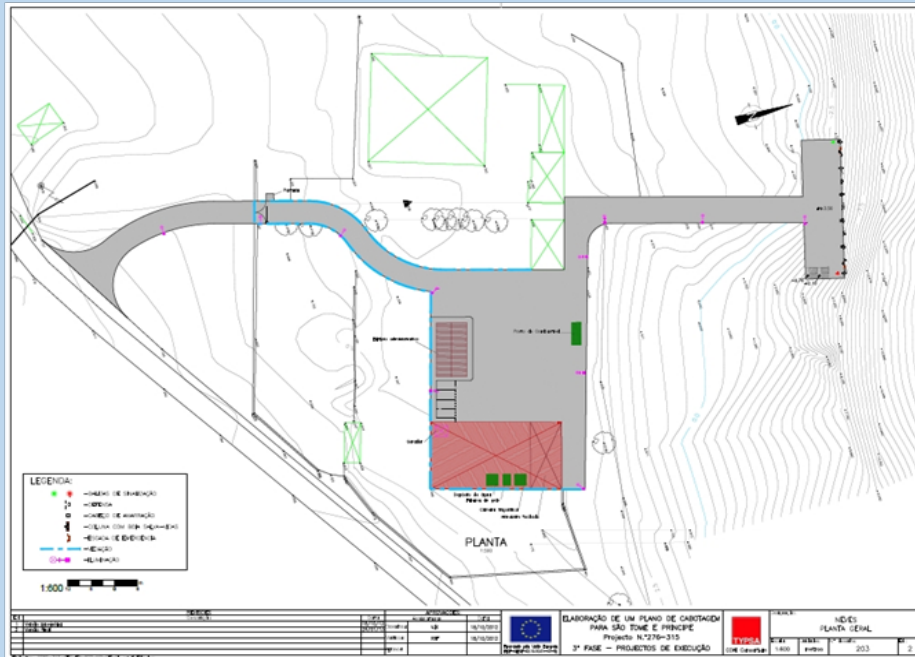


Figure A-Rehabilitation of quay

Feasibility study (2013)



Review and updated in 2022 by

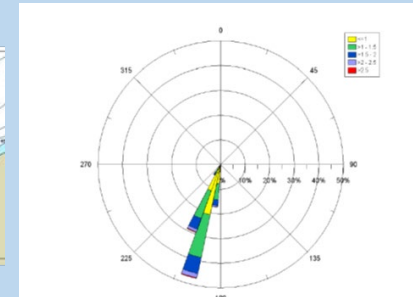


PROJECT SITE : PORTO NEVES – CRUISE LINER BERTH
ISLAND : São Tomé

ESTIMATED INVESTMENT AMOUNT (Public funding) : € 200,000

PROPOSED WORK

- A current market study of the cruise liner industry vis-à-vis future calls at São Tomé in order to determine the minimum number of days at port of a cruise liner and plan the number of potential activities possible (major selling point for stopping for many days) during the visit;
- Outline design for the enlargement of the existing quay at Porto Neves, including the mooring dolphins, and preliminary cost. The cost should include the architectural rehabilitation of the old Customs House as well as the re-organisation of the landing, including areas for parking of vehicles and mini-buses;
- A financial feasibility study.



12. Rosa da ondulação correspondente à série de reanálise (Fonte: GOW)

Figure 12 – Bathymetric conditions at Ana Chavez and Porto Neves (CMap)
Draft at the quay needs to be at least: 10 meters

Figure 11 – Swell conditions at Neves (TYPISA)



Figure 13 – Conditions at Porto Neves are very similar to those at Port Willemstaad on the Island of Curaçao – Google Earth

Section 3: Blue Economy Investment opportunities

Blue Cabotage

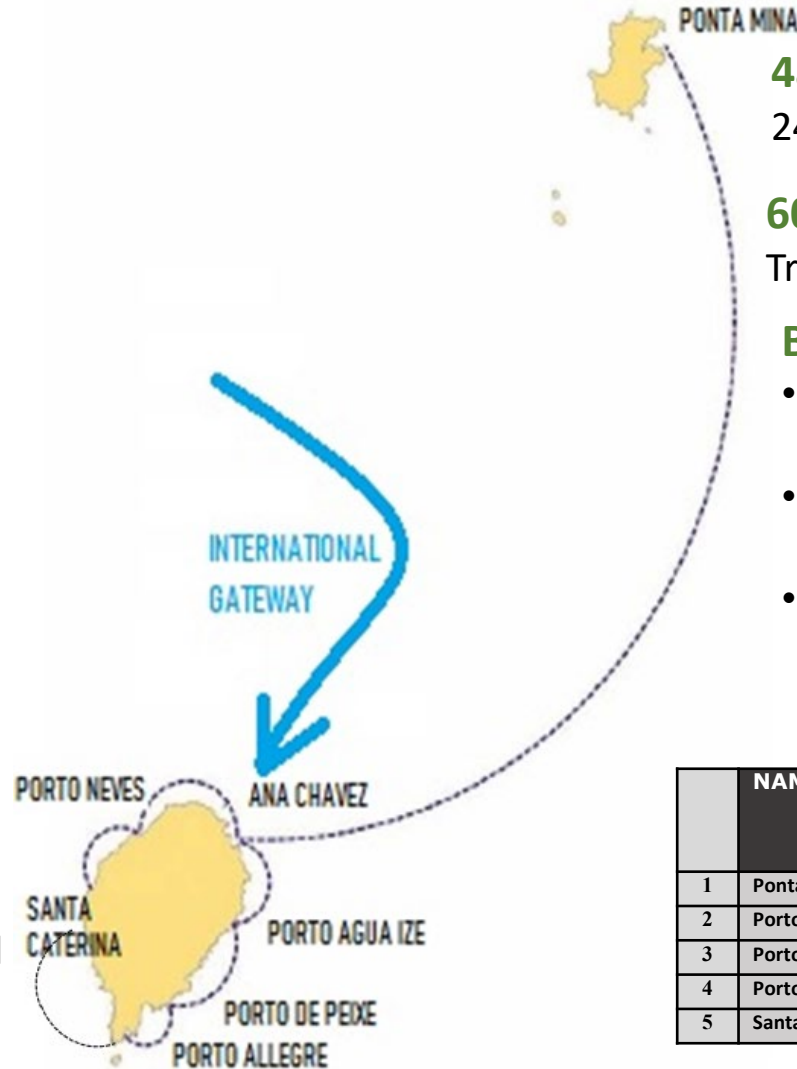
Total investment
€ 16,000,000

Economic gains

- NPV = €4,6 M
- IRR = 16,8%
- Added value due to increasing volume of maritime transport (goods and people)
- Reduction of risks and expenses on road maintenance
- Improvement of fisheries and agriculture Value Chains (losses reduction) due to ice plant on quays and transportation facilities to the Market of the Capital

Environmental benefits

Based on investment in innovative vessels reduction of carbon footprint *versus* territorial transportation and reduction of territorial transport pollution and risks in relation with Climate Change



48 Direct employment

24 Permanents and 24 Temporary contracts

60 Indirect employment

Transportation of people and goods to the port

Beneficiaries

- 300 household of fishermen living in coastal areas
- more than 5.000 family's living in coastal areas
- +/- 10.000 tourist/year (30 % of tourist entries)

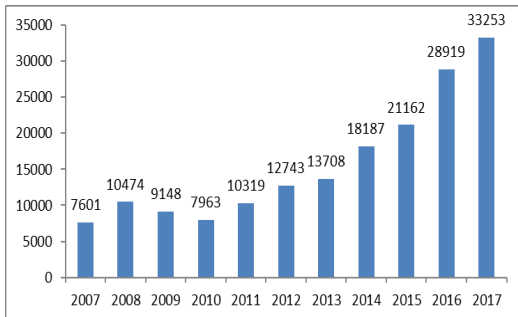
	NAME OF INFRASTRUCTURE	FINAL DESIGN READY	LIKELY ESIA CATEGORY	ESIA READY
1	Ponta Mina new landing quay *	Yes	Category A	Not Ready
2	Porto Neves refurbished landing quay*	Yes	Category B	Not Ready
3	Porto Peixe refurbished landing quay*	Yes	Category B	Not Ready
4	Porto Allegre refurbished landing quay*	Yes	Category A	Not Ready
5	Santa Catarina new landing quay*	Yes	Category A	Not Ready

Section 3: Blue Economy Investment opportunities

Tourism / Coastal requalification (beaches...)

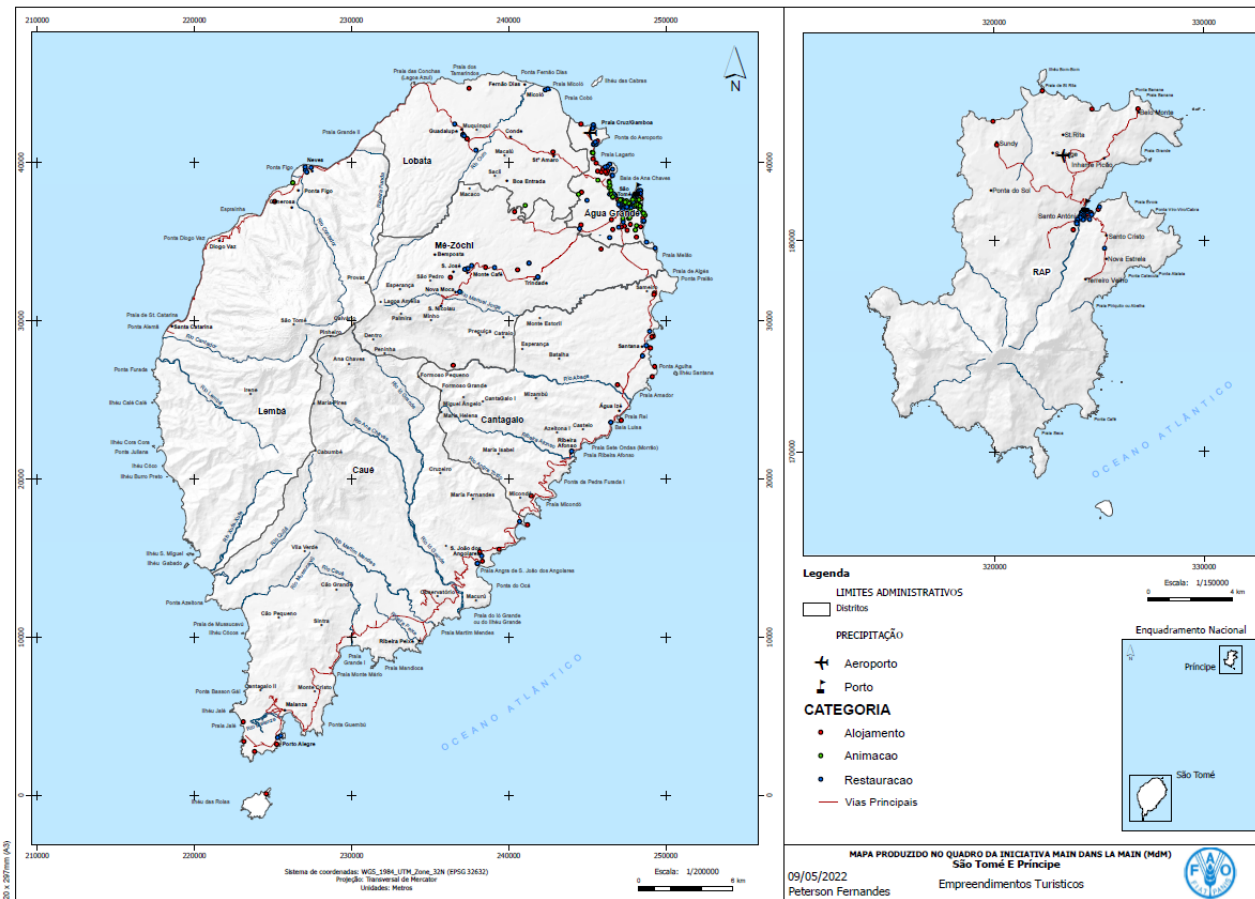
2025 targets for tourism sector :

- 73.4% increase in its contribution to GDP.
- 5.8% increase in the number of jobs in the tourism sector
- increase in the room occupancy rate of 19.7%
- 65.5% increase in international arrivals
- 81.2% increase in investment in the country



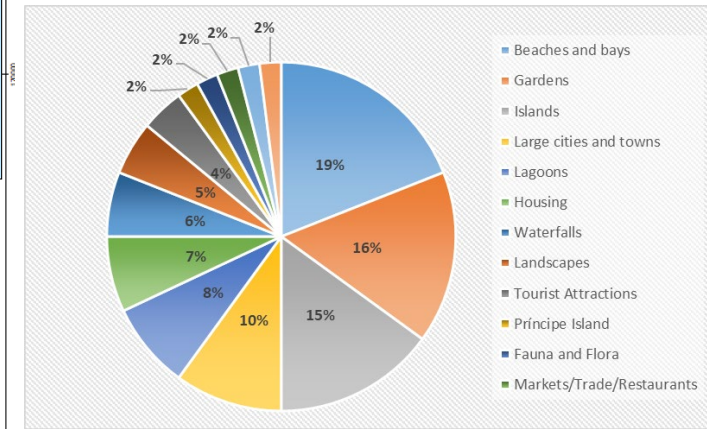
Tourist entries over the last 10 years

In 2017, the **tourism sector's contribution to GDP 14%**, with revenues around USD 53.8 million (11MUSD in 2011), employing 1,834 workers (869 men / 965 women)



Beaches in São Tomé et Príncipe immortalized in the commercial for Bacardi Rum shot on Banana beach (Príncipe) back in the early eighties.

Ever since, São Tomé has been synonymous with wild sandy beaches



Tourist favorite places (Source: DGTH)



Banana beach



Lago azul



Boca do Inferno

With the rising popularity of São Tomé as a tourist destination it has become necessary to manage the beaches in a sustainable manner in order to avoid environmental degradation and loss of custom

Section 3: Blue Economy Investment opportunities

Tourism / Coastal Requalification (beaches)

PROJECT REQUALIFICATION OF BEACHES **ISLAND**
 São Tomé
SITE : Lagoa Azul, Namorados, Tamarinos, Governador
 Micondó, Piscina, Cabana, Café, Granja, Bone de Joquel
ESTIMATED INVESTMENT AMOUNT (Public funding) **€ 6,040,000**
PROPOSED WORKS : Each beach will have a restaurant, hygiene facilities, shower, up to 5 kiosks, 1500m² of parking, waste bins, improved road access (unpaved), solar lighting, water supply and 3-phase power for the restaurant kitchen.

TABLE OF OUTLINE COSTS

ITEM	ACTIVITY	ESTIMATED COST €
ESIA	Category C. Project Description Statement and screening	10,000
DESIGN FEES	Bidding documents and supervision fees	30,000
CIVIL WORKS AT EACH BEACH	Mobilisation	25,000
	Rural road access (1km ca)	350,000
	Restaurant	50,000
	Hygiene facilities	55,000
	Parking 1,500 m ²	7,500
	5 curio Kiosks	7,500
	Beach service room	2,000
	Waste bins for separated waste	12,500
	Shower	500
	Vertical signage (tourist road signage)	4,500
	Water supply	30,000
	PV panels	10,000
	3-Phase supply	50,000
	TOTAL	604,000

NPV : € 450,000 IRR : 14 %

Economic impact : Fisheries and tourism value chains

Environmental impact : Biodiversity preservation, beach integrity preservation, public sanitation, solid waste management

Direct employment : 180

Direct beneficiaries : 7 Coastal communities (22,000 people/11,500 young) around 10.000 tourists

Indirect beneficiaries : 1,000 Fishermen / 750 women fishmongers



The architectural project with BOQ for each of the beaches is complete



Praia Piscina (left) and Praia Lagoa Azul (right)

Section 3: Blue Economy Investment opportunities

Plan for the Modernization of the coastal artisanal fishing fleet

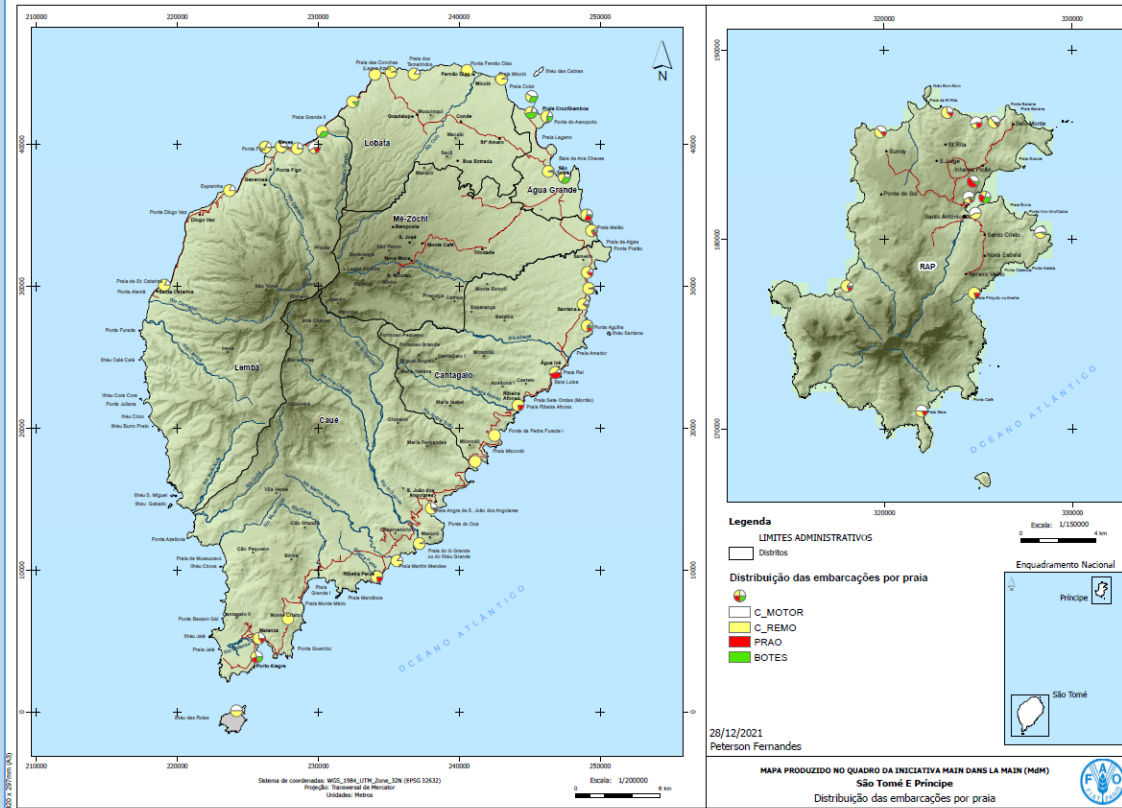
Fisheries sector at glance

National production : 11.000 tm/year excl. SSF
Trade : Fresh and salted/dried, few smoked;

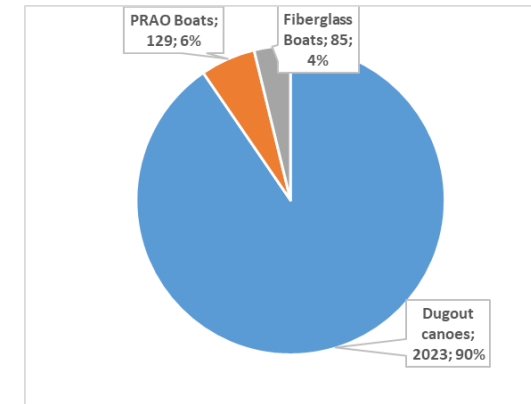
Tuna Fishing EU agreement : 8.000 tm/year (840,000 €/year as Public revenue paid by EU for the access payment).

Fisheries VALUE CHAIN :

- 9 % GPD (FAO, 2018)
- 4.155 Fishermen (DP, 2019)
- 2. 355 women fishmongers (DP, 2014)
- **around 30,000 people live directly and indirectly from fishing activities (15% of the population)**
- **No export, consumption 29,3 kg/an/hab,**
- **53.3% of protein of animal origin (17% of total protein) (FAO, 2019),**
- **Fish consumption coverage rate of 99% (FAO, 2019)**
- 45 landing sites / coastal villages (28 in ST and 17 in RAP) with very little basic social infrastructures
- New Fish markets in some towns and Central fish market at ST. built (AfdB project), but problem of cold chain



SSF Fleet structure
2.237 SSF boats (91% ST, 9% RAP)
 (DP 2019)



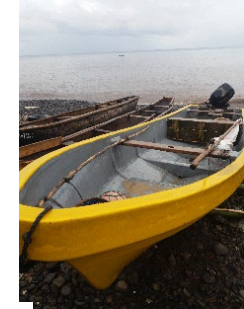
90% of the fleet, more fragile and unsafe. Strong demand from fishermen to acquire safer PRAO boat (WB, 2019).



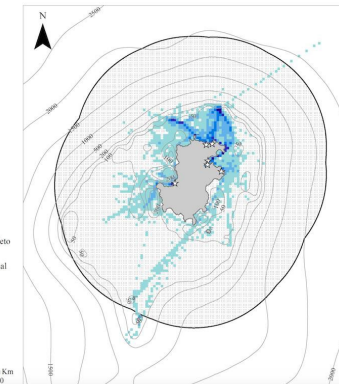
Cannot (oar and sail)



Prao boat (sail or OBM <= 25 HP)



Fiberglass boats (Botes)



GPS location of SSF boats in Príncipe

Section 3: Blue Economy Investment opportunities

Plan for modernization of the coastal artisanal fishing fleet

RATIONALE

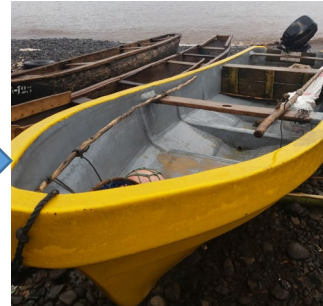
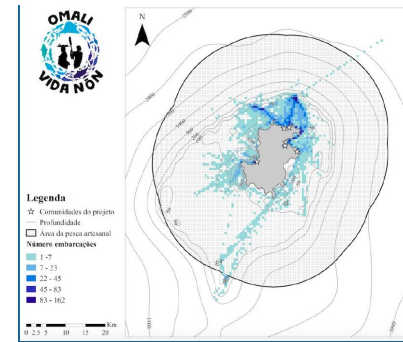
OBJECTIVES

PROPOSED WORK

IMPACTS (Public and private)



GSP to monitor and map artisanal fishing activities



Very coastal demersal and pelagic resources fully exploited or overexploited

No access regulation for poverty and social reasons (informal and non regulated sector).

Most of the boats do not offer sufficient safety conditions for navigation.

Improve safety at sea
 Improve the fishery value chain (safety, food quality, selectivity)

Ensure controlled development of artisanal fishing and sustainable management of fisheries (control of fishing capacity)

Fishing capacity management plan

Fleet modernization plan (including bio-economic assessment and positive incentive)

Financing system secure and bank involvement in fishery sector

Sustainable fishing management.
 Increase fishermen revenues

Modernization and professionalization of the fishing activity
 Contribute to reinforce community livelihoods and technical equipment

Post harvest losses reduction
 Improve food quality and sanitary food value chain conditions

Safety of goods and people at sea
 Reduce informal activities and improve fishermen and women inclusion in STP professional society

Financing plan

- ✓ 300 new coastal boats / 5 years (60 boat/year)
- ✓ 120-150 dugout canoes out of fleet per year
- ✓ € 618 000 Public incentives measures (fleet exit)
- ✓ € 1 035 000 Advances for individual loans (access to new boats)
- ✓ Partnership of International Investment Public Bank and commercial private bank on basis of national guarantee
- ✓ € 352,000 as a private investment in a boatyard (micro finance)

Amount investment for 1 new fishing Unit : €10,000 / €2,000,000 for the plan
NPV : 6,000 € One new fishing unit / € 4,000,00 for the Plan (including a boatyard investment)
IRR : 30 %
Beneficiaries : Between 600 - 900 fishermen involved in the modernization plan
Improvement of fishing efficiency : +15 %
Environmental benefit : Sustainable fisheries management by controlling fishing capacities , improving economic efficiency without increasing fishing effort



SAO TOME E PRINCIPE INVESTMENT PLAN



Food and Agriculture Organization
of the United Nations

SUMMARY

€ 24 M
Total Investment

20%
Overall
Average IRR

75,000
Beneficiaries

KEY INVESTMENTS

1

Intervention

Blue cabotage

Cost (€)

€16M

IRR (%)

16,8 %

VPN

€4,6M

Sustainability Benefits

Beneficiaries : 50,000

Improvement of tourist, agriculture
and fisheries value chains efficiency

Reduction of territorial transport
pollution and risks in relation with
Climate Change

2

Intervention

Tourism / Coastal requalification (beaches...)

Cost (€)

€ 6M

IRR (%)

14%

VPN

€ 0,45 M

Sustainability Benefits

Beneficiaries : 25,000

Improvement of tourist, and fisheries value
chains efficiency

Environmental : Biodiversity preservation,
beach integrity preservation, climate
change adaptation

3

Intervention

National Plan for Modernization of the artisanal
coastal fishing fleet

Cost (€)

€ 2M

IRR (%)

30 %

VPN

€ 4,000,000

Sustainability Benefits

Beneficiaries: 600 to 900 fishermen

Improvement of fishing efficiency : +15 %

Environmental benefit : sustainable
fisheries management