

REPUBLIC OF SEYCHELLES
MINISTRY OF COMMUNITY DEVELOPMENT



HABITAT II

NATIONAL REPORT AND PLAN OF ACTION
FOR
SUSTAINABLE HUMAN SETTLEMENTS
DEVELOPMENT
1996 - 2000

PREPARED FOR THE GOVERNMENT OF SEYCHELLES
BY
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" Human beings are at the centre of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature. "

Principle 1, Rio Declaration on Environment and Development

ACRONYMS

CBS	Central Bank of Seychelles
DBS	Development Bank of Seychelles
EMPS	Environmental Management Plan of the Seychelles
GDP	Gross Domestic Product
HRDP	Human Resource Development Plan
ICPD	International Conference on Population and Development
IDC	Island Development Company
IUCN	International Union for Conservation of Nature
MAM	Ministry of Administration & Manpower, Seychelles
MAMR	Ministry of Agriculture & Marine Resources, Seychelles
MCD	Ministry of Community Development, Seychelles
MESA	Ministry of Employment & Social Affairs, Seychelles
MFAPE	Ministry of Foreign Affairs, Planning & Environment, Seychelles
MISD	Management & Information Systems Division, Ministry of Administration and Manpower, Seychelles
MFC	Mortgage Finance Company
MPER	Ministry of Planning & External Relations, Seychelles
NDP	National Development Plan
PAT	Plan d'Aménagement du Territoire
PSIP	Public Sector Investment Programme
PUC	Public Utilities Corporation
SCU	Seychelles Credit Union
SHDC	Seychelles Housing Development Corporation
SIDEC	Seychelles Industrial Development Corporation
SMB	Seychelles Marketing Board
SSB	Seychelles Savings Bank
SSB	Small Business Bureau
UNCHS	United Nations Conference on Human Settlements (Habitat II)
UNEP	United Nations Environment Programme
WWF	World Wildlife Fund

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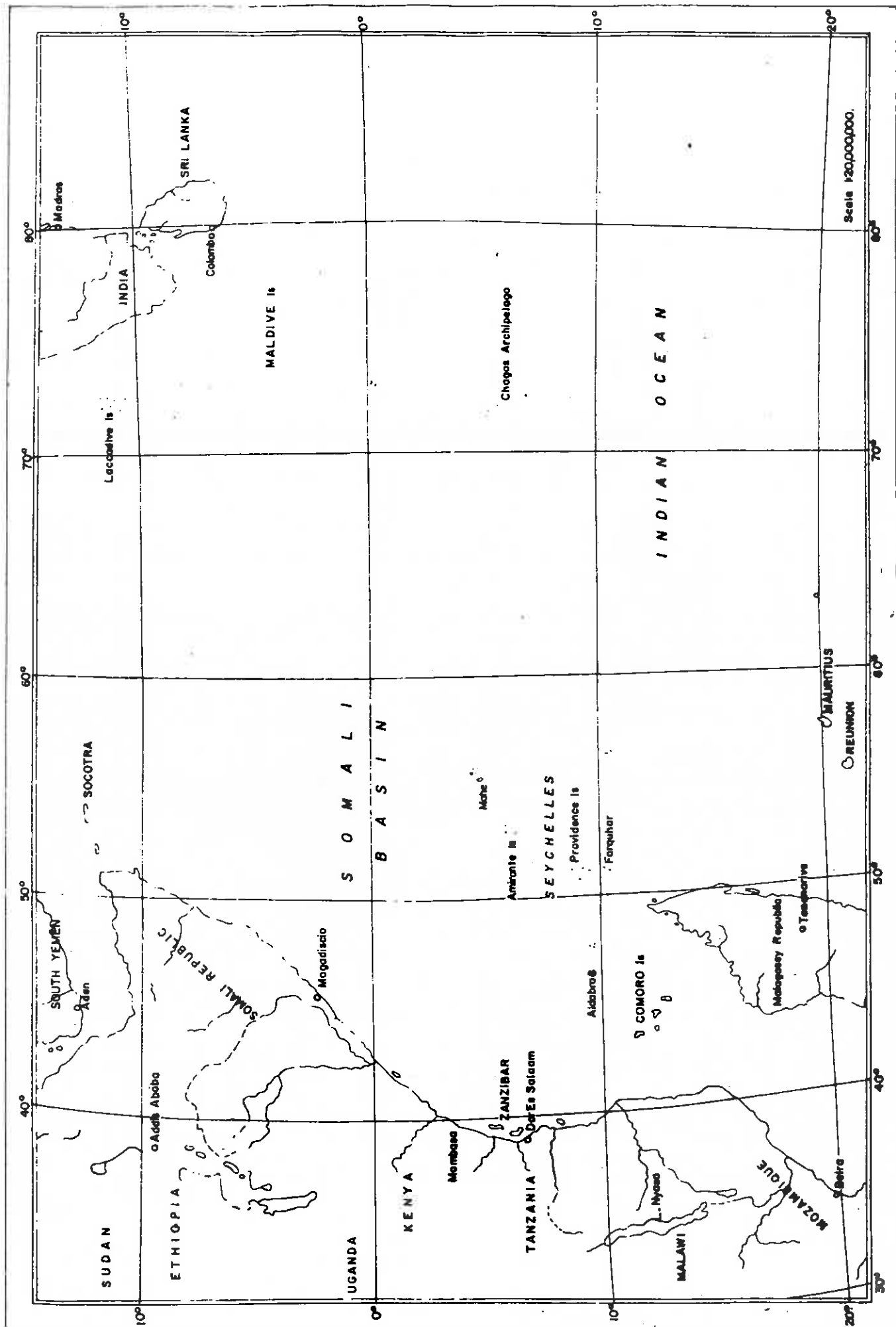


Fig 1: Seychelles

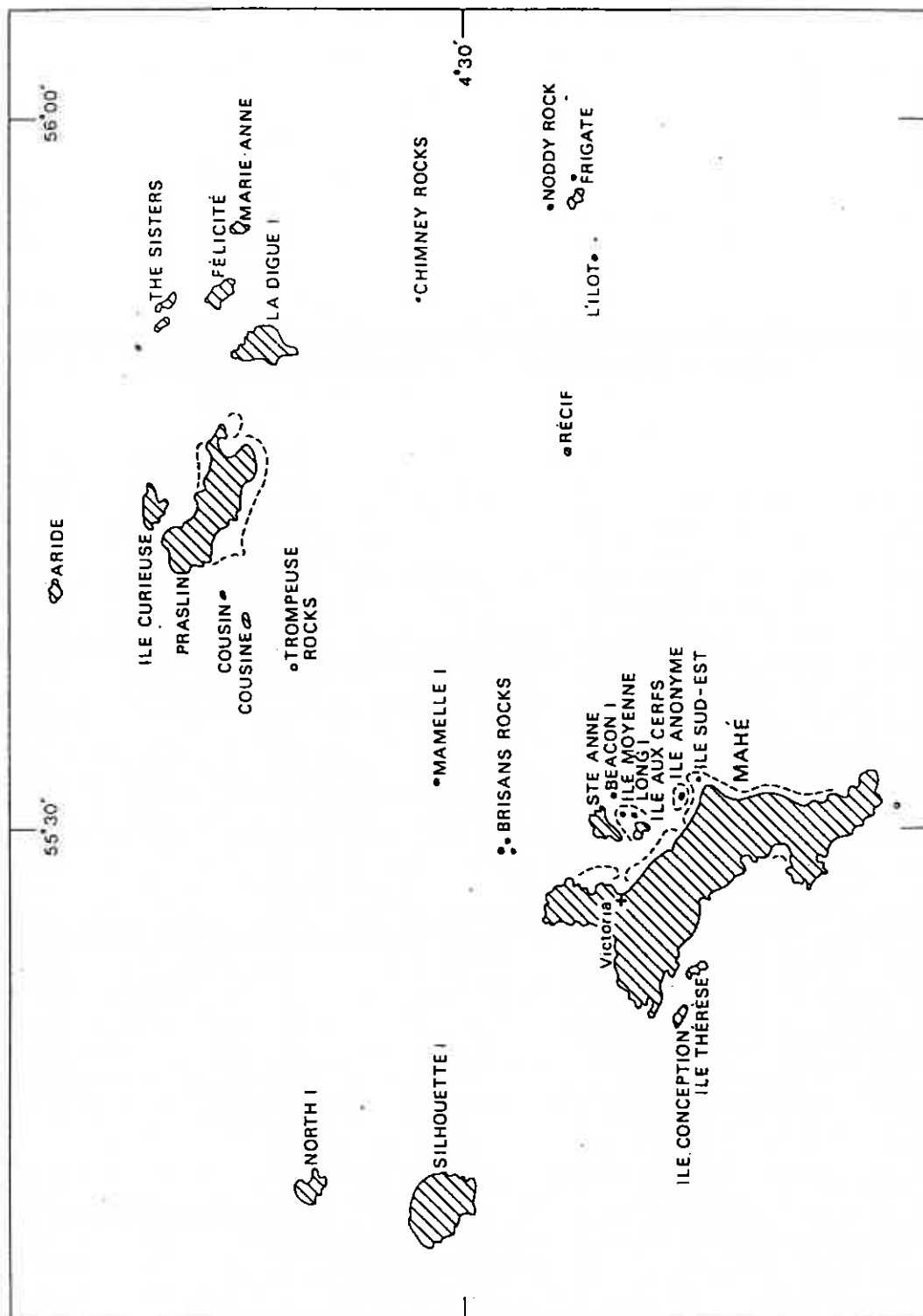


Figure 2 The granitic group of the Seychelles Islands.

PART A: INTRODUCTION

1.0 BACKGROUND

1.1 Geography

Seychelles, one of the smallest countries on Earth, is situated in the Western Indian Ocean between latitude 4° and 11° South and longitude 46° and 56° East. The major islands are located 1609 kilometres (1,000 miles) east of Kenya. The capital is Victoria, situated on the main island of Mahe.

The archipelago consists of 115 small islands with a land area of 453 square kilometres of which three quarters is constituted by the three islands of Mahe (168 square kilometres or 37%), Aldabra (150 square kilometres or 33%) and Praslin (41 square kilometres or 9%). The islands are spread out in 2 clusters over 1.374 million square kilometres.

The inner, compact group of 41 mountainous granite islands (Mahe group) total 240 square kilometres in area. They rise from the Seychelles Bank, a shoal area of some 31,000 square kilometres with water depths of less than 60 metres, surrounded by ocean 4 to 5 kilometres deep (Stoddart, 1984). The islands are characterised by a central range of hills having steep, rugged and smooth-bare rock slopes (glacis) surrounded by a narrow, flat, sandy and often marshy coastal strip of land. The highest point is Morne Seychellois on Mahe which rises to 914 metres above sea-level. The granitic islands are situated some 930 kilometres to the north east of Madagascar and over 1700 kilometres from India.

The outer scattered group of 74 islands consists of two types of flat, largely waterless and mostly uninhabited coralline atolls. The first are low sand cays on sea-level coral reefs such as Bird and Denis on the Seychelles Bank, the isolated islands of the Platte and Coetivy, the Amirantes group, and the more distant islands of Providence and Farquhar. The second group consists of islands of reef limestone now slightly elevated above the sea - these include all the islands of the Aldabra group and St Pierre. Aldabra itself lies 800 kilometres from Mahe, and is closer to Madagascar and the east African coast.

Seychelles soils are mostly thin laterite layers (red soils) formed from weathered granite. The coastal plains (locally known as "*plateau*") are characterized by sandy (calcareous) soils. The soils have a low retention capacity for water, poor fertility and are prone to erosion given the steepness of slopes and narrow coastal plains.

1.2 Climate

The country experiences an equatorial climate with an average annual rainfall of 2215 millimetres. Humidity is uniformly high at 80% and the temperature varies from 24° Celsius to a maximum of 33° Celsius. Important variations in climate exists between the islands. These are explained mainly by the altitudinal contrasts provided by the high granitic islands and low coral atolls in addition to the wide expanse of ocean covered by the islands (Walsh, 1984). The granitic islands lie too close to the equator to be subject to tropical cyclones, but frequent cyclones in the vicinity of the outer islands have been recorded.

1.3 Biodiversity

Early human settlements in Seychelles (notably in the 18th and 19th Centuries) caused irreparable damage to the country's flora and fauna. Large areas of native forests were destroyed by agricultural activities and timber intensive exploitation (Procter, 1984). Several animal species such as the Seychelles Giant tortoise, the sea cow (dugong) and the endemic Green Parakeet (*Psittacula euphatria wardi*) are known to have become extinct (Shah, 1994).

Despite these losses, the Seychelles flora and fauna still displays an exceptional richness and diversity as a result of the country's active conservation and nature protection measures which started in earnest in the 1960s. Some of the flora and fauna are unique. The present vegetation is lush, tropical and predominantly "rainforest" in character (Procter, 1984). Wildlife includes giant tortoises, a rich marine life, rare bird species and few insects.

Seychelles is distinguished for possessing two World Heritage Sites (Aldabra Atoll and the Vallée de Mai) and for protecting over 40% of its already limited land area as nature reserves and national parks.

1.4 Population

The Seychellois are of very mixed European, African and Asian descent. Seychelles is predominantly a Christian country (99%) with approximately 90% being Roman Catholic.

The Seychelles was first inhabited in 1770. The population has since increased to 73,850 (MISD, 1995) and is now growing at approximately 1% per annum, compared to 1.2% in the early 1900s, 2.5% in 1962 and 2.22% in 1994 [TABLE 1].

The low population growth of the 1980s (1.4% in 1982, 0.37% in 1988 and 0.6% in 1989) are attributed primarily to emigration which reached a peak of 1690 in 1989 (MISD, 1995). 1993/4 experienced a net positive migration (i.e. slightly more persons entering than leaving the country) as a result of the legalisation of multi-party politics and the arrival of a large number of expatriate labour [TABLE 2].

The Seychellois population is mostly young, with 40.2% being aged 19 and under. Persons in the 20 - 59 age groups make up 49.4% of the total population, while the 60 and above age group accounts for 10.2% of the population.

Population projections for the year 2002 and 2012 show that the population will grow to 81,496 and 91,419 respectively. The resultant pyramid (high dependency ratio i.e. many children to support) will put pressure on the educational and social infrastructure and on the labor market [TABLE 3].

Although somewhat high by world standards, the rate of annual population increase is considered modest compared to other developing countries. A serious increase in migrants could cause problems of unemployment, overcrowding, increase in Government expenditure on social assistance and could result in significant impact on the natural environment and scarce land resources, social and educational infrastructure.

Compared to other developing countries, a significant proportion of the islands are urbanized. Economic activities and other forms of development are concentrated mostly on the narrow coastal plains of the three main islands, particularly Mahe which has about 90% of the total population. Of this, some 40% is located on the east coast between Victoria and the international airport, a belt of 7 km by 1 km. The population density in this area now stands at 350 people per square kilometre. The population density of Victoria increased from 450 people per square kilometre in the late 1980s to 519 people per square kilometre in 1994. The current national population density is 163 people per square kilometre.

This corridor of urbanization, which grew by 117 percent between 1960 and 1977, is attributed to the country's small size, its geophysical characteristics, and sensitive environment. The scarcity of land has prompted the reclamation from the sea of some 200 hectares of land in the vicinity of Victoria and the east coast of Mahe. Together with the lack of adequate infrastructure in the south of Mahe, this has reinforced the imbalance of population on Mahe, with the northern region receiving 61% of population and growth (PAT, 1992).

Land in Seychelles is subject to severe competition amongst potentially conflicting uses:

- Over 40% of the country's land area is protected as nature reserves;
- Land suitable for agricultural development occupies 2215 hectares, residential land a total of 1220 hectares, and industrial land as little as 10 hectares;

TABLE 1

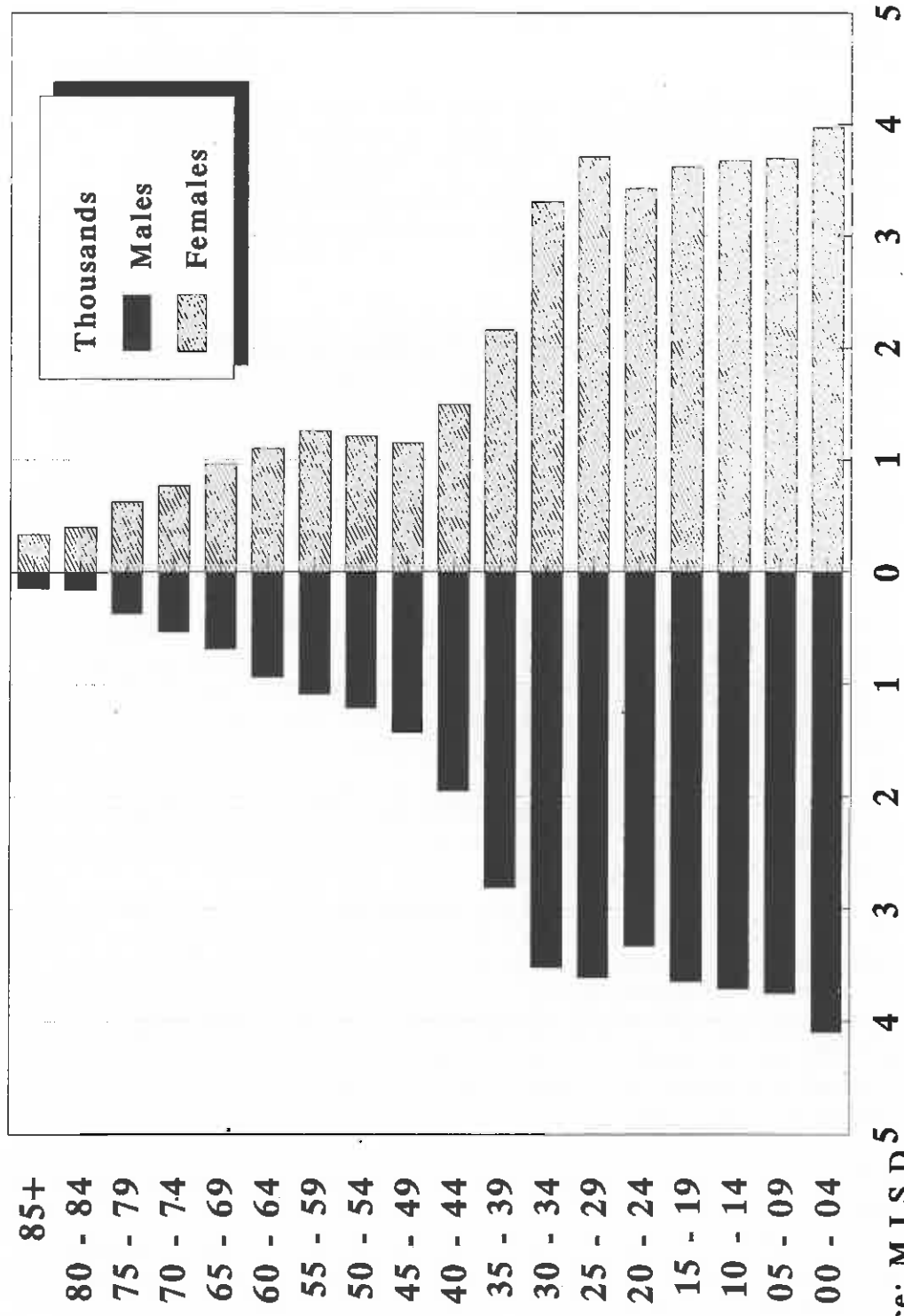
ACTUAL AND PROJECTED
POPULATION GROWTH

YEAR	POPULATION
1771	28
1803	2,121
1871	11,179
1901	19,237
1921	24,523
1951	41,425
1971	54,695
1981	64,035
1985	65,244
1990	69,507
1991	70,438
1993	72,253
1994	73,850
1997 (projected)	76,927
2002 (projected)	81,496
2007 (projected)	86,751
2012 (projected)	91,419

Source: PSIP, 1995

Estimated Mid 1994 Seychelles Population

Age groups



Source: M.I.S.D 5

- It is anticipated that by the year 2000, a further 315 hectares will be required for residential development (calculated on a density of 65 people per hectare and a growth rate of 0.7%)(PAT, 1992);
- Based on expected development in the industrial sector, in excess of 70 hectares will be required for industrial development; and,
- Hotel establishments totalling 4,000 beds are situated largely on scenic beaches and foreshore areas. Until very recently, plans for the development of the tourist sector foresaw an annual increase of 7% in the number of beds. Based on an annual average visitor annual rate of 100,000 the number of beds would have increased to a maximum of 7,000. The new target number for visitors is now 165,000 in 1996 and the plans are to build 15 new hotels.

1.3 The Social Sector

The social sector has always been accorded a high priority by Government. Heavy capital investments in various programmes and support facilities have produced positive key social indicators :

- the adult literacy rate stands at 85%;
- life expectancy at birth is above 70 years;
- infant mortality per 1000 births stands at 8.8;
- almost all the population has access to free basic health care services;
- the number of persons per hospital beds stands at 177;
- the doctor to population ratio is 1: 800;
- nearly all children under the age of one are immunized against the most common childhood diseases;
- virtually all children aged 5 years and above are at school; the proportion of children between the ages of 6 and 14 receiving primary and secondary education is 71.3%;
- the student to teacher ratio is low at 15:1.

In the housing sector, significant improvements in the quality and quantity of housing and availability of infrastructure have been made. In 1971, less than 30% of housing units were constructed of concrete block and only 22% and 19% had tap water or flush toilet respectively. By 1987, more than 50% of the housing stock were of block or stone, 75% of the population had piped water, 78% had electricity and 62% had flush toilets. By 1994, the percentage of inadequate housing had dropped from 12% (1987) to 7.8%. The housing stock constructed in block had increased to 67%, 70% had piped water, 84% had electricity and 78% had flush toilets (MISD, 1995).

TABLE 2

INTERNATIONAL MIGRATION AND TOURISM, 1978 - 1994

	MIGRANTS		RESIDENTS	TOTAL NON- VISITORS	VISITORS	TOTAL VISITORS & NON-VISITORS
	LONG TERM	SHORT TERM	(SHORT ABSENCES)			
ARRIVALS						
1978	1040	422	3500	4962	64995	69957
1979	1463	276	4313	6052	78852	84904
1980	1273	846	4313	6432	71762	78194
1981	1293	551	4329	6173	60425	66598
1982	1074	398	3759	5231	47280	52511
1983	1027	258	3775	5060	55867	60927
1984	1340	131	4134	5605	63417	69022
1985	1279	87	6682	8048	72542	80590
1986	1217	146	7588	8951	66782	75733
1987	1253	45	9792	11090	71626	82716
1988	1400	46	11379	12825	77401	90226
1989	1501	24	15152	16677	86093	102770
1990	1768	39	15483	17290	103770	121060
1991	1741	90	15370	17201	90050	107251
1992	2043	62	18672	20777	98547	119324
1993	2277	106	22592	24975	116180	141155
1994	2699	122	23470	26291	109901	136192
DEPARTURES					(1)	(1)
1978	1416	283	3761	5460	64700	70160
1979	1857	430	4558	6845	79000	85845
1980	1674	420	4952	7046	71500	78546
1981	1610	567	4874	7051	60800	67851
1982	1530	466	4339	6335	47350	53685
1983	1568	366	4069	6003	55450	61453
1984	1547	381	4410	6338	63250	69588
1985	1523	401	6705	8629	72300	80929
1986	1673	266	7586	9525	66183	75708
1987	1592	357	101177	12126	70734	82860
1988	1657	364	11703	13724	75986	89710
1989	1690	463	15001	17154	85585	102739
1990	1740	411	15569	17720	102551	120271
1991	1835	250	15807	17992	89377	107369
1992	1906	540	18529	20975	98721	119696
1993	2381	400	21914	24695	114590	139285
1994	2496	797	22594	25887	109006	134893

Source: Management & Information Systems division from immigration cards

Notes: (1) Partially estimated figures, rounded to nearest "50". 1978-85

TABLE 3

POPULATION PROJECTIONS : DEMOGRAPHIC INDICATORS, 1987 - 2021

MID-YEAR	NUMBER OF PERSONS					
	1987	1992	1997	2002	2007	2012
TOTAL POPULATION	68499	70763	76927	81496	86751	91419
AGED 0 - 14	23173	22642	23627	24515	24389	23509
% OF TOTAL	34	32	31	30	28	26
FEMALES AGED 15 - 49	16574	17898	20142	21772	23826	25380
AGES 15 - 64 TOTAL	40489	43093	48044	51665	56732	61884
MALES	20402	21609	24327	26184	28670	31020
FEMALES	20087	21484	23717	25481	28062	30864
DEPENDENCY RATIO	692	642	603	583	539	492
CHILD WOMAN RATIO	471	463	427	389	342	310
SEX RATIO	99	99.4	99.6	99.7	99.7	99.5
MEDIAN AGE (YEARS)	22.6	24.1	25.4	26.5	27.7	29
MALES	22.4	24.1	25.4	26.6	27.7	28.9
FEMALES	22.8	24.1	25.3	26.4	27.8	29.2

ASSUMPTION:

- (a) Moderate declines in fertility and the Gross Reproduction Rate are assumed and replacement level will be reached only after the projection period (i.e. GRR moving from 1.43 in 1987 to 1.09 by 2007 - 2012).
- (b) Mortality will continue to decline such that life expectancy increases by 0.15 of a year annually for males and by 0.11 of a year annually for females.
- (c) The current rate for netout-migration will continue only for the first year of the projection period and thereafter will decrease to half of their level. the rate will continue for the period 1992 - 2002 after which date they will drop to zero for the rest of the projection period.

NOTES:

- (1) Number of persons aged under 15 and 65 and over who are dependent upon population of working age 15-64 years and is expressed per 1000.
- (2) Child-woman ratio is the ratio of children under 5 years old to women of child bearing age (15-49 years) and expressed per thousand women.
- (3) Number of males per 100 females.

Source: Management & Information Systems Division (UNECA Project 1990)

1.4 The Economy

1.4.1 Main Features

Seychelles is considered an upper-middle-income developing country with a high per capita income. The economy is heavily dependent on tourism and fishing. Tourism accounts for 20% of Gross Domestic Product (GDP) and some 60% of total foreign exchange earnings. Most of the industrial activities are limited to small-scale manufacturing linked in particular to agro-processing and import substitution [TABLE 4]. The manufacturing sector (including industrial fishing) accounts for about 10% of GDP; other industries, including construction and utilities, account for 18% of GDP. Agriculture (inclusive of forestry and artisanal fishing), once the mainstay of the economy, now accounts for only 2% of GDP. Although industrial fishing accounts for less than 10% of foreign exchange earnings, it makes up for nearly 90% of exports. The country imports 90% of its primary and secondary production inputs and of its consumption goods [TABLE 5]. Public consumption absorbs over one third of GDP.

1.4.2 Growth

The economy of the Seychelles is highly vulnerable to external shocks by virtue of its smallness and dependence on tourism and imports. The overall performance of the Seychelles economy between 1976 and 1990 is considered satisfactory, despite the impacts of world recession in the early 1980s, a visible trade deficit and high inflation rates. Per capita income increased from \$1,000 to more than \$6,000 (PSIP, 1995). This is significantly higher than those found in most of the nearby continental African countries.

Real GDP growth averaged 10.5% during 1975-1979 driven by generally favourable economic conditions resulting from a rapid expansion of tourism and generous amounts of foreign transfers. The slow growth rate (less than 1%) during 1980-1985 is attributed to an increase in oil prices and air fares and a drop in tourism triggered by an attempted coup. This coincided with a strong Government intervention and investment in state-owned ventures (e.g. Seychelles Marketing Board - SMB), financed by increased borrowing much of which were on commercial terms, resulting in higher budget deficits.

Between 1986 and 1990, the growth rate had steadily increased to an annual average of more than 7%. Government was able to register a small budget surplus, narrowing the external current account deficit and maintaining control over inflation.

Most indicators point to economic activity in the 1990s as being subdued. Heavy public spending (domestic and foreign) between 1990 and 1993 and plunging tourism revenues led to increased budget deficits in 1991 - 1993, increased foreign exchange shortages and an accumulation of commercial debts in excess of SR200 million by the end of 1994. Inflows through the banking system declined in 1995 due to enhanced

parallel market activities in currency transactions, a cessation of recorded direct foreign investment into Seychelles and a substantial drop in Government borrowing (CBS, 1995). By 1995, commercial debts had increased to around SR300 million. 1994 registered only a small budget surplus (0.8% of GDP) as a result of the sale of two State-owned hotels. Preliminary estimates point to zero growth in real terms in 1994 and 1995.

The balance of payments, as measured by the exchange record on a cash basis, was SR14 million in deficit during the second quarter of 1995 (CBS, 1995). It is expected to post a deficit of SR71 million or 2.7% of GDP for 1995 (Michel, 1996).

In 1995, Government took steps to boost the economy with longer-term investments from both domestic and foreign sources and to develop an off-shore business and international trading sector as the third pillar of the economy. The legislative and institutional framework is being put into place and taxation concessions and other incentives are being offered to eligible entrepreneurs in selected sectors, especially those with the potential to increase foreign exchange earnings.

TABLE 4

GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY AT CURRENT MARKET PRICES, 1989-1993

		Millions of Rupees / (% of Total)									
		1989		1990		1991		1992		1993	
1. AGRICULTURE, FORESTRY, FISHING											
1.1 Agriculture		53.0	(3.1)	65.2	(3.3)	62.5	(3.2)	51.1	(2.3)	55.0	(2.3)
1.2 Forestry		1.6	(0.1)	1.8	(0.1)	1.4	(0.1)	1.8	(0.1)	1.7	(0.1)
1.3 Fishing		19.3	(1.1)	27.6	(1.4)	30.7	(1.6)	32.1	(1.4)	32.7	(1.4)
2. MANUFACTURING											
3. HANDICRAFTS											
4. ELECTRICITY AND WATER											
4.1 Electricity		8.8	(0.5)	12.7	(0.6)	23.6	(1.2)	-9.3	(-0.4)	7.7	(0.3)
4.2 Water		14.5	(0.8)	14.2	(0.7)	18.5	(0.9)	20.3	(1.0)	6.0	(0.2)
5. BUILDING, CONSTRUCTION											
6. TRANSPORTATION, DISTRIBUTION & COMMUNICATIONS											
6.1 Distribution		283.0	(16.4)	315.9	(16.1)	304.5	(15.4)	356.4	(16.0)	419.3	(17.3)
6.2 Water transportation		73.0	(4.2)	65.0	(3.3)	63.9	(3.2)	60.2	(2.7)	57.5	(2.4)
6.3 Air transportation		-2.2	(-0.1)	16.3	(0.8)	65.3	(3.3)	85.2	(3.8)	21.4	(0.9)
6.4 Road transportation (passengers)		29.0	(1.7)	36.7	(1.9)	26.9	(1.4)	33.9	(1.5)	41.2	(1.7)
6.5 Tour operators		14.2	(0.8)	43.5	(2.2)	46.8	(2.4)	45.2	(2.0)	27.2	(1.1)
6.6 Communications and storage		69.2	(4.0)	75.0	(3.8)	92.1	(4.7)	99.0	(4.4)	106.7	(4.4)
7. HOTELS, RESTAURANTS											
8. FINANCIAL & BUSINESS SERVICES											
8.1 Banks		84.9	(4.9)	89.1	(4.5)	91.6	(4.6)	105.9	(4.8)	116.1	(4.8)
8.2 Insurance		15.5	(0.9)	16.6	(0.8)	10.9	(0.6)	9.5	(0.4)	11.7	(0.5)
8.3 Business services		9.7	(0.6)	10.4	(0.5)	16.8	(0.8)	20.7	(0.9)	14.7	(0.6)
8.4 Real estate		5.4	(0.3)	5.5	(0.3)	5.5	(0.3)	5.6	(0.3)	5.6	(0.2)
8.5 Ownership of dwellings		67.8	(3.9)	69.6	(3.5)	70.9	(3.6)	72.0	(3.2)	65.9	(2.7)
9. GOVERNMENT SERVICES											
10. PRIVATE NON-PROFIT SERVICES											
11. OTHER SERVICES											
11.1 Domestic services		14.5	(0.8)	14.6	(0.7)	14.8	(0.7)	14.8	(0.7)	15.1	(0.6)
11.2 Recreation		5.8	(0.3)	5.9	(0.3)	8.3	(0.4)	8.2	(0.4)	7.0	(0.3)
11.3 Other		15.4	(0.9)	16.8	(0.9)	12.5	(0.6)	12.7	(0.6)	19.6	(0.8)
12. DUMMY FINANCIAL											
13. SUBTOTAL											
14. IMPORT DUTIES											
15. TOTAL											
		1,720.9	(100.0)	1,967.1	(100.0)	1,980.1	(100.0)	2,221.1	(100.0)	2,419.2	(100.0)

Source: Management and Information Systems Division

TABLE 5

VALUE OF IMPORTS BY MAJOR COMMODITY, 1990 - 1994.

SITC CODE (1)	Description	1990	1991	1992	1993	1994
TOTAL ALL IMPORTS		993,779	910,425	980,867	1,234,858	1,042,382
Section 0	Food and live animals	155,747	154,167	181,979	194,102	190,687
01	Meat and meat preparations	14,567	10,150	17,493	17,525	10,618
022.44, 45, 49	Milk - evaporated or condensed	3,894	4,452	7,922	4,394	2,431
022 (Other)	Milk - dried or fresh	10,225	9,545	15,327	17,233	17,101
023; 024; 025	Other dairy products	5,636	5,975	8,024	8,386	9,165
034.20	Frozen fish	22,428	26,504	18,009	33,955	36,437
042	Rice	11,204	14,708	11,972	9,195	5,017
046; 047	Flour	5,269	5,660	14,146	7,018	7,106
048.20	Malt	2,885	4,141	4,311	4,311	2,512
05	Fruit and vegetables	27,879	27,656	32,685	36,515	44,499
061.10, 20	Sugar	7,165	6,518	5,379	6,613	5,502
08	Animal feedstuff	5,667	4,960	6,440	6,901	7,817
091	Margarine, ghee and lard	2,850	2,360	2,732	3,055	2,125
0 (other)	Other food and live animals	36,079	31,537	37,541	39,002	40,357
Section 1	Beverages and tobacco	26,227	20,031	24,965	42,765	19,284
111	Non alcoholic beverages	676	852	1,594	3,487	1,420
112.01 - 18	Wines	7,854	7,219	7,668	9,670	6,974
112.21 - 34	Beers	1,283	990	1,232	10,103	2,386
112.41 - 95	Spirits	11,399	7,464	10,502	14,825	5,749
121	Tobacco unmanufactured	2,348	1,835	2,231	1,559	996
122	Tobacco manufactured	2,667	1,669	1,738	3,122	1,759
Section 2	Crude materials, inedible	19,287	14,219	18,597	17,004	18,237
24	Wood	16,436	10,519	15,489	14,825	13,037
2 (Other)	Other crude materials	2,851	3,701	3,108	2,179	5,200
Section 3	Mineral fuels, etc...	191,639	199,078	168,419	175,554	162,301
334.13	Aviation spirit	1,324	-	513	715	483
334.11	Motor spirit	10,687	11,192	8,283	8,786	8,302
334.22	Jet fuel (2)	27,853	31,332	40,404	45,053	45,314
334.30	Gas oil	132,524	134,803	105,888	106,756	92,229
334.49	Fuel oil	5,418	7,253	2,996	735	892
3 (Other)	Other	13,834	14,498	10,335	13,510	15,081
Section 4	Animal & vegetable oils and fats	5,905	9,788	8,783	9,605	11,497
Section 5	Chemicals	54,132	54,988	73,549	81,003	71,410
533	Paint, etc...	4,094	3,059	5,699	7,452	5,593
54	Medical & pharmaceutical products	11,868	12,241	16,069	17,247	13,193
55	Perfumes and cosmetics, soap, cleansing and polishing preparations	18,273	20,845	24,233	25,790	23,999
56	Fertilizers	558	342	817	736	1,053
5 (Other)	Other chemicals	19,339	18,500	26,731	29,777	27,572

Table 5 continued

SITC CODE(1)	Description	1990	1991	1992	1993	1994
Section 6	Manufactured goods	165,513	154,257	175,990	226,836	205,092
625	Rubber tyres and tubes	5,752	5,232	6,335	5,987	5,135
63	Wood and cork products	7,967	12,196	11,215	19,923	14,562
64	Paper and paper products	29,196	21,057	25,236	25,160	28,312
652	Cotton print materials	9,220	6,532	10,294	7,860	4,300
65 (Other)	Other textile	11,523	9,514	15,097	13,560	16,091
661.20	Cement	8,827	12,091	10,786	13,774	13,270
664; 665	Glass and glassware	5,882	5,213	8,533	9,616	11,418
67	Iron and steel	17,147	18,802	23,094	21,900	25,426
6 (Other)	Other manufactures	69,997	63,620	65,401	109,055	86,578
Section 7	Machinery and transport equipment	262,864	210,266	203,747	309,671	241,360
711-714, 718	Power generating machinery & equipment	10,618	5,634	4,724	7,836	6,660
771-773, 716	Elec. generating & distribution equipment	56,091	34,372	18,597	38,540	19,482
76	Telecommunications apparatus	35,410	38,445	25,802	50,881	27,494
775	Domestic elec. equipment & parts	11,410	5,978	12,272	11,528	17,962
72-75, 774, 778	Other machinery	85,064	88,285	89,719	92,011	96,557
781	Passenger motor cars complete	18,549	7,136	5,105	30,366	10,427
782-785.11-13, 137	Other road motor veh., chassis & parts of motor vehicles	36,207	16,470	32,947	52,238	33,939
7 (Other)	Other transport equipment	9,515	13,944	14,580	26,270	28,839
Section 8	Miscellaneous manufactured articles	111,278	93,493	124,554	177,673	121,487
81	Sanitary, plumbing, heating equipment	6,051	5,723	10,994	11,108	9,422
82	Furniture	9,413	8,744	12,278	12,118	11,598
84; 85	Clothing and footwear	21,631	17,570	26,378	22,636	23,624
87; 88	Prof. scientific and controlling instruments	20,509	14,565	20,788	77,596	22,175
8 (Other)	Other	53,675	46,891	54,117	54,214	54,668
Section 9 (3)	Commodities not elsewhere specified	1,187	141	283	644	1,027
911	Parcel post (not classified according to kind)	27	0	0	0	149
9 (Other) (3)	Other	1,160	141	283	644	878

Source: Management and Information Systems Division

Notes: (1) Data for 1992 have been revised to conform with the Trades Tax Regulations 1992 which was introduced in January 1992. The new Tariff is based on the UN Standard International Trade Classification (3rd Revision).

(2) Includes kerosene for home consumption.

(3) Includes imports cleared provisionally pending final documentation.

TABLE 6

FORMAL EMPLOYMENT BY INDUSTRY, 1979-1994
ALL SECTORS

Number of Employees	S e r v i c e s											All Industries Total(1)		
	Agriculture & Forestry	Manufacturing & Fishing	Electricity & Water	Mining & Quarrying and Construction	Wholesale & Retail Trade	Restaurants & Hotels	Transport, Storage and Communications				Social & Community Related			
							Tourism Related	Non-Tourism Related	Public Administration	Finance & Business				
1979	2046	1593		2719	738	454	2235	684	1434	1685	645	2204	393	16830
1980	1905	1815		2672	897	376	2138	696	1476	2059	792	2656	400	17882
1981	1585	1801		2560	1028	232	1993	640	1456	2208	762	2998	320	17583
1982	1905	1936		2009	1290	287	1799	620	1424	2212	1055	3557	381	18475
1983	2086	1743		1408	1182	260	1732	565	1400	2218	827	3766	333	17520
1984	2074	1767		1635	1162	286	1737	547	1596	2211	800	3705	372	17892
1985	2282	1696		1671	986	312	1756	611	1645	2502	814	3587	367	18229
1986	2341	1838		1534	1052	245	1907	673	1760	2609	818	3698	339	18814
1987	2319	2125		1344	1092	302	2163	757	1769	2389	710	4116	393	19479
1988	2183	2457		1368	1243	384	2427	864	1974	2594	709	4519	465	21187
1989	2212	2537		1651	1301	443	2675	900	2241	2636	705	4567	470	22338
1990	2199	2598		1704	1473	479	2846	1018	2258	2517	824	5013	583	23512
1991	2181	2687		1592	1539	515	2847	1056	2303	2632	876	5117	612	23957
1992	2144	1964	779	1669	1730	498	2872	1109	2298	2651	909	5179	655	24457
1993	2153	2002	770	1833	1788	479	2970	1121	2304	2570	953	5638	657	25238
1994	1959	2164	749	1798	1912	488	3145	1093	1911	2580	1112	5799	667	25376
Average Earnings (Rupees Gross)														
1979	781	1068		1130	957	784	967	1990	1687	1887	1699	1527	1005	1272
1980	887	1353		1353	1129	1013	1178	2059	1843	1947	1923	2055	1337	1530
1981	1078	1641		1487	1497	1157	1446	2265	1612	2086	2240	2118	1555	1713
1982	1231	1779		1590	1834	1282	1542	2411	2269	2173	2553	2319	1691	1931
1983	1224	1783		1590	1834	1282	1542	2411	2269	2173	2553	2319	1691	1931
1984	1274	1856		1551	1896	1363	1573	2508	2350	2216	2586	2392	1687	1977
1985	1416	1956		1712	2003	1360	1534	2515	2508	2200	2620	2556	1718	2063
1986	1512	2003		1748	1956	1443	1552	2620	2474	2192	2897	2540	1857	2100
1987	1707	2075		1829	1946	1557	1819	2757	2970	2389	3132	2529	1798	2243
1988	1639	1863		1797	1744	1497	1730	2444	2543	2205	2694	2260	1733	2046
1989	1722	1975		1792	1803	1563	1826	2736	2695	2215	2935	2338	1624	2110
1990	1859	2187		1859	1844	1728	1973	2965	2675	2449	3020	2479	1768	2265
1991	1937	2259		2001	1917	1811	2051	2920	2708	2514	3015	2539	1923	2335
1992	2221	2595	3216	2275	2119	2057	2249	3639	3197	2829	3175	2855	1994	2645
1993	2290	2454	3370	2357	2180	2163	2330	3651	3323	2957	3225	2872	2149	2720
1994	2304	2422	3035	2412	2214	2306	2345	3738	3564	3010	3229	2906	2235	2738

Source: Management & Information Systems Division

1.4.3 Employment

A total of 25,376 people are in formal employment, 40% in the service sector, 18% in the manufacturing, construction and utilities sector, 15.1% in non-tourism related transport distribution and communications sector and 14.3 % in the hotel and restaurant industry (MISD, 1995) [TABLE 6]. The public sector and state-owned enterprises employ two thirds of the work force, showing a continued and significant domination of the economy despite the recent moves towards privatization and redundancies in the public sector. Employment growth rate increased from 2.1% in 1984 to a peak of 8.8% in 1988. By 1993, it had dropped to 1.65% [TABLE 7]. No statistics are available on employment growth by sex and on the number of people in informal employment, though the figure for the latter is estimated to range from 2,000 to 10,000 (PSIP, 1995).

TABLE 7

FORMAL EMPLOYMENT DURING 1985 - 2000

YEAR	EMPLOYMENT	GROWTH RATE (%)
1985	18229	1.8
1986	18814	3.2
1987	19479	3.5
1988	21187	8.8
1989	22795	7.6
1990	23512	3.14
1991	23957	1.89
1992	24457	2.09
1993	24861	1.65
1994	25355	1.99
1995	25868	2.02
1996	26401	2.06
1997	26955	2.10
1998	27532	2.14
1999	281131	2.18
2000	28754	2.21

Sources: NDP 1989-1994; MESA, 1995

Available statistics show more unemployed females (11.2%) than unemployed males (8.4%) in 1994. This is nevertheless a significant drop in figures of unemployed females which in 1987, stood at 21% with unemployed males then making up 11.1%. The labour force which totals 34,881 (MISD, 1995) is largely concentrated on Mahe (88.7%), whilst Praslin and La Digue together have 10.1% of the labour force. The remaining 1.2% is found on the outer islands. About 1,400 young people reach working age and about 400 reach retirement age each year (PSIP, 1995). The workforce is expected to increase to about 38,095 in the year 2000 and 63,000 in the year 2012 - an increase of about 40% over current levels (MESA, 1995). It is expected that the increase will come principally from the 20 - 39 age groups (60.7%) [TABLE 8]. Unemployment is currently estimated at 10% of the labour force.

TABLE 8 : LABOUR FORCE PROJECTIONS 1993 - 2000

AGE GROUP	1993			1997			2002		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
15-19	1183	1253	2436	1214	1282	2496	1149	1213	2362
20-24	2986	2766	5752	2945	2807	5752	3092	2891	5983
25-29	3237	3043	6280	3073	2905	5978	3048	2854	5902
30-34	3072	2345	5417	3132	2706	5838	3071	2575	5646
35-39	2305	1481	3786	2861	1879	4740	3056	2543	5599
40-44	1660	970	2630	2056	1265	3321	2752	1705	4457
45-49	1165	665	1830	1593	840	2433	1991	1083	3074
50-54	979	638	1617	1253	593	1846	1491	702	2193
55-59	841	471	1312	849	479	1328	1046	428	1474
60-64	549	304	853	585	316	901	597	330	927
65+			446			455			478
TOTAL	17977	13936	32359	19561	15072	35088	21293	16324	38095

Source: MESA, 1995

2.0 THE PROCESS TOWARDS HABITAT II

The Seychelles participated actively in the regional ministerial and other preparatory meetings leading up to "The City Summit" - the second United Nations Conference on Human Settlements (Habitat II) - to be held in Istanbul, Turkey in June 1996. To reinforce its commitments to both the United Nations' goals of adequate shelter for all and sustainable human settlements in an urbanising world and its national objective of striving for sustainable development, the Seychelles Government initiated broad-based, cross-sectoral and multi-disciplinary consultations for the preparation of the National Action Plan.

A National Committee set up in March 1995 was charged with sensitizing the population on the major habitat issues and with contributing towards the formulation of the National Action Plan for Seychelles. The Committee was guided in its deliberations by:

- the policies and programmes for the International Year of Shelter for the Homeless (IYSH 1982 - 1987)
- the Global Strategy for Shelter to the Year 2000
- the programme of the United Nations Conference on Environment and Development
- Agenda 21 (particularly Chapter 7 on human settlements) and
- the goals and objectives set out in Chapter 4 of the Habitat Agenda: Interim Draft Global Plan of Action of 31st July 1995.

The resultant plan is both an analysis and a five year (1996 - 2000) first-step plan of action. It is intended as a broadly-oriented but practical guide to the:

- policies which Seychelles has adopted or should be adopting; and
- actions that must be taken by Government in partnership with the private sector, the community, and national as well as international agencies and non-governmental agencies (NGOs).

In addition to proposing new action areas, the National Action Plan builds on and complements the priority areas, programmes, projects and investment programmes already targeted for implementation particularly by the following strategic plans :

- Seychelles Environmental Management Plan 1990-2000 (EMPS)
- National Land Use Plan (Plan d'Aménagement du Territoire - PAT) 1992 - 2000
- Draft Public Sector Investment Programme 1995-1997 (PSIP)
- Human Resource Development Plan 1994-2000 (HRDP)

The programmes and actions herein defined do not always correspond to the responsibilities or functions of a single department or ministry. Different projects and some programme areas will be carried out or led by different ministries working in co-operation with several agencies, though one of them will be designated as the lead agency.

PART B: ASSESSMENT, POLICIES, ISSUES AND PRIORITIES

1.0 BEST PRACTICE: An Integrated Approach To Planning And Development

The major assets of the Seychelles are undeniably the rare beauty of the islands' environment and the long term strategic importance of its Economic Exclusive Zone (EEZ). On the other hand, the country faces major constraints to development:

- i. its small size and geographic location;
- ii. its extremely limited land area accessible to and suitable for development;
- iii. the sensitivity of its natural environment;
- iv. its narrow economic base and the vulnerability of its tourist/fisheries economy to external factors;
- v. the limited manpower base arising from a small population base;
- vi. access to aid funding is becoming increasingly difficult on account of the shift in funding to eastern bloc countries and the country's high per capita income;
- vii. the total value of its natural environment is not signalled in economic terms.

Despite these constraints, Seychelles can claim to have made significant progress towards achieving sustainable development and human settlements. With its strong approach to conservation, the Seychelles had by the late 1970s, protected over 40% of its land area as nature reserves and national parks.

Between 1976 and 1984, the main goals shifted to ensuring access by all Seychellois to health, education and other essential services and amenities. National planning in the late 1980s focused on three crucial components, social, economic and ecological, within a framework of prudent land management and development control. One of the main concerns remained the prevention of a rapid tourism development. Government set a limit of 4,000 beds, therefore curtailing to a significant extent the demands for limited land and infrastructure (especially water) and the negative impacts on the natural environment by tourism developments.

There are, or have been, six main planning and programming initiatives which have focused on the development of national assessments and strategies within a broader national and or international framework. The first three (a - c below) together constituted a single integrated national strategy for achieving sustainable development. They recognized the need to move "beyond paper" to implementation. All three Plans were a result of extensive consultations and co-operation between various experts, key national and international government and multi-lateral agencies.

a) National Development Plan 1989 - 1994 (NDP) :

The 1984 - 1989 NDP was a strategic plan based on a strategic planning process. It provided an overview of past performance and progress, strengths and weaknesses, prospects and constraints and, the country's strategies for attaining the major national and sectoral objectives. It concentrated on refining overall national, sectoral and parastatal strategies and on evolving a new strategic direction in eight main areas :

- i. macroeconomic stability;
- ii. output growth and productivity;
- iii. diversification of the economy, private sector investments and export promotion;
- iv. human resource development for a skilled and versatile work force;
- v. employment and equitable distribution of income;
- vi. environmental protection;
- vii. optimal use of land and resources; and,
- viii. institutional development.

It contained a shopping list of projects totalling a staggering SR50.9 billion needed in each sector to achieve sustainable development. This sum included SR15 million for regional projects and SR175 million for private investments in the tourism sector. The expenditure required for the public sector in the period 1990 - 1994 was estimated at SR 4,198 million. A major weakness of the NDP, however, was that it was not accompanied by an investment package, but relied on the Government's annual budget allocation.

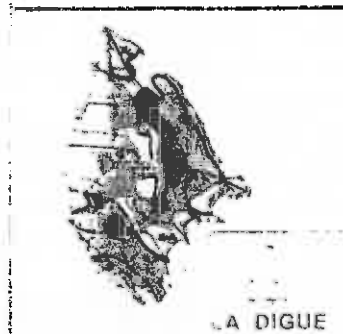
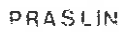
b) National Land Use Plan (Plan d'Aménagement du Territoire - PAT) 1992:

The introduction of the PAT in 1992 for the three main islands provided a broad and flexible zoning scheme indicating land use patterns based on physical, economic, environmental and social conditions up to the year 2000. The PAT, prepared with the technical and financial assistance of the Government of France, remedied a major deficiency in the Planning system.

Previously, the Town & Country Planning Authority (the authorising body for all land development proposals) approved development on a case by case basis without being coordinated within overall land use planning and with limited or no consideration of the cumulative effects of these individual actions. The Planning Authority was guided in its decision-making by informally adopted rules governing the:

- i. heights of buildings i.e. no building higher than the average height of a coconut tree;
- ii. densities of development i.e. densification of development areas to socially, economically and environmentally acceptable levels through urban renewal and redevelopment schemes;
- iii. revitalisation of Victoria to:
 - avoid the creation of a dormant town;
 - have people live closer to the main employment base;
 - reduce pressure from vehicular traffic on the country's road network; and,
- iv. maximum use of resources (land, infrastructure and services) i.e. urban consolidation where infrastructure exists.

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[illegible]

These rules were applied in particular for Victoria and its suburbs where Government had invested heavily in the Greater Victoria Sewerage Treatment Project and its planned extension to the East Coast of Mahe and the reclaimed areas.

The objective of the PAT is to ensure rational, orderly and sustainable development of land by also providing a tool with which to guide development to specific areas through investments in infrastructure (especially water supply) and social services as well as further densification of built up areas at the lowest national cost. The PAT is not a rigid instrument, therefore allowing for easy adaptation to changing needs, conditions, priorities, policies in future years.

The approach for its implementation differed significantly from other plans. The broad principles of the plan were gradually integrated in routine decision-making even when still under preparation. The PAT has been criticized for not being a regulatory instrument for land use. This is seen by many as a major weakness, considering the pressure for development of scarce land resources and the sensitivity of the environment. Nonetheless, the absence of the PAT would have led at best to missed opportunities for natural resource exploitation and at worst to irreversible natural resource destruction. As it is, pollution of water, soil and air and the depletion and degradation of natural resources, all affecting the health and well being of the people, have all been experienced in Seychelles to some degree.

c) Seychelles Environmental Management Plan 1990-2000 (EMPS) :

The EMPS, containing national projects totalling SR262 million and SR10.5 million of regional projects, was prepared in collaboration with the United Nations Environment Programme (UNEP) and the World Bank. Extensive support and advice was obtained from a wide range of bi-lateral and multi-lateral agencies. The EMPS identified six major problem areas and policy issues :

- i. protecting health and environment;
- ii. managing resources on a sustainable basis;
- iii. preserving the natural heritage and biological diversity;
- iv. strengthening laws and institutions;
- v. expanding environmental information, education and training; and,
- vi. strengthening international cooperation and laws.

The EMPS differed from the 1989-1994 NDP in three important areas:

- i. it assessed the environmental and natural resource problems in more detail than was possible in the NDP;
- ii. it had a longer term perspective; and,
- iii. it put forward additional proposals for strengthening the institutional and legal arrangements for environmental protection and natural resource management.

The Environment Protection Act enacted in 1994 as part of the EMPS is a comprehensive and strong piece of legislation promoting sustainable development practices.

It is to be noted, however, that funding for projects by donor agencies was slow, selective and did not necessarily follow the order of priority of implementation identified by Government. The cost of EMPS projects has increased from a total of SR272.5

million to SR698.8 million. Funds secured for the different projects total SR428.9 million and to date, 4 projects have been completed and 35 are on-going. The effectiveness of the projects funded to date in achieving the objectives of the EMPS would need to be evaluated. Nevertheless, the EMPS can boast to have one of the highest rates of implementation amongst all other Plans or programmes of action.

d) The Draft Public Sector Investment Programme 1995 - 1997 (PSIP) :

The first attempt at introducing and implementing a PSIP early in 1994 failed through lack of support from crucial government departments and mixed reactions from experts associated with important foreign organisations. The subsequent shift in economic policies facilitated the preparation of the Public Sector Investment Program (PSIP) of 1995 -1997 although this is still in draft form.

This PSIP constituted potentially yet another important step in strengthening the planning process, providing a flexible approach to the problems of economic adjustments and new methods of economic management in Seychelles. The PSIP brings together a long list of projects proposed for implementation by the various government departments and ministries but allows for the funding of a short list of priority projects to a maximum of SR500 million for the 3-year period. The first priority projects and grants absorb SR370 million, the balance of SR130 million being allocated to second priority projects.

Investments are targeted to first priority projects related to environmental protection (namely sewerage and solid waste treatment identified in the EMPS), education, infrastructure and human resource development (part of which is integrated in the Human Resource Development Plan (HRDP). The PSIP assumed a greater participation of the private sector in implementing projects initially proposed by government agencies, in particular infrastructure, environmental, industrial and media related projects.

The draft PSIP has nevertheless been overtaken by two recent events, namely Government's plans to intervene directly in the housing sector to produce 1,000 units per year over a five year period and the proposed East Coast Phase 3 land reclamation project. Both projects will require substantial capital investment by the public sector not catered for in the PSIP, rendering many assumptions for public and private sector investments inapplicable. A re-assessment of the programmes and assumptions is therefore called for to take into account these recent developments and policy decisions.

e) Human Resource Development Plan 1994- 2000 (HRDP) :

Programmes for capacity building totalling SR 78 million are outlined in the HRDP 1994 - 2000 which addresses such issues as :

- i. reducing wherever practicable, the dependence on expatriate labour;
- ii. reducing the role of the State as an employer and facilitating re-deployment;
- iii. enabling citizens to assume responsibility for themselves and to respond to the needs of the private sector;
- iv. enhancement of productivity;

- v. job-creation;
- vi. the needs of special groups (women, unemployed and under-employed);
- vii. market information systems; and,
- viii. vocational education and training;

Focused explicitly on the human resource component, the HRDP is seen as an essential part of the on-going process of economic and social change in the country. SR 40 million of the SR 58 million capital component of the HRDP falls within the draft PSIP priority list of projects and the balance is expected to be funded from the annual recurrent budgets.

The HRDP has however, a major shortcoming in the current economic climate. The implications on employment and human resources of recently announced plans for the tourism sector, namely substantial resort-type development on outer islands, is not taken into account.

f) Land Information System Project (LIS) :

1993 saw the commencement of the first phase of the LIS project financed by the Hans Seidel Foundation, Germany (the Government of Seychelles bearing local expenses) with the technical assistance and co-operation of MAPS Geosystem. The main aim of the project is to create the digitised cadastral land base of Mahe on which parcel level superstructure data, land ownership and utilization is data is networked on the principle of a Geographic Information System (GIS).

Todate, some 12,000 (45%) of parcels of land have been digitised. Negotiations for the funding of the second phase of the project is currently under way. This will include a re-fly of the three main islands (Mahe, Praslin, La Digue) for production of orthophotos. These are necessary to provide a strong and accurate base for GIS, obtain up-to-date information on the state of the environment and spatial extent of development given that existing maps are far outdated. The orthophotos will provide the base information with which to update maps considering that traditional mapping methods will be more costly in the end. This phase of the project will cost an estimated SR4 million.

Steps are already being taken to set up the framework for the development of a GIS, a National Topographic Data Base and, the mapping of sensitive areas in the country for more informed and effective decision-making principally in:

- i. land use planning and management;
- ii. resource inventory, analysis and monitoring; and
- iii. assessment of demographic trends, impacts and policy directions.

g) Land Bank Project :

Under its SR60 million (US\$12 million) Land Bank Project which started in 1991, the Government will release around 2,000 residential lots, fully serviced with roads, electricity and water, for private sector housing construction. Over 950 plots of land have been sold todate. The project, aims at developing State-owned properties for sale to needy families who would subsequently build their houses from a combination of their own funds or housing loans from the State-owned Seychelles Housing

Development Corporation (SHDC), the Mortgage Finance Company (MFC) or commercial banks. Some high value plots are tendered and revenues derived from these sales are used to subsidise the usually high infrastructure costs associated with the Land Bank Project.

However, problems associated with the speed of providing infrastructure and formalising title deeds prevail. These problems have arisen principally out of:

- i. undertaking works on a large number of sites concurrently;
- ii. underestimating the implications on human resources and management capacities; and,
- iii. delays in importing raw materials as a result of the shortage of foreign exchange.

The mounting pressure for land prompted Government to initiate sales on the basis that infrastructure would follow in the immediate- to short-term. This move, designed to temporarily diffuse the pressure of tenure, has shifted the pressure squarely onto the supply of infrastructure. The situation is aggravated by a growing number of owners who cannot mortgage their properties to raise funds for construction of their houses given that they are waiting for increasingly longer periods for title deeds to lands which have already been paid for.

2.0 SHELTER

2.1 Progress in Housing

Housing has been one of the social sectors traditionally afforded a high priority by Government, which pursued a policy of providing housing to every Seychellois family. By 1994, home ownership had increased to 68.5% (99% of which were Seychellois) whilst private housing rental had decreased to 6.2% (MISD, 1994 Census).

Between 1977 and 1991, home ownership was promoted in several ways including :

- i. self- and State-built houses;
- ii. loans (principally from the State);
- iii. improvement grants mostly to pensioners;
- iv. the enactment of a Tenants' Rights Act, 1981 which conferred the right of enfranchisement of rented accommodation after 5 years of occupation; and,
- v. land reform and redistribution through compulsory acquisition under the Land Acquisition Act of 1977 (As Amended).

These two pieces of legislations proved to be major disincentives for private sector involvement in housing. Working through the State-owned Seychelles Housing Development Corporation (SHDC), Government became the sole provider of housing in the country. Whilst it significantly improved the quality and quantity of country's housing stock, the housing policy imposed a great burden on Government. By the late 1980s, it became clear that :

- i. it provided access to housing at extremely favourable conditions and virtually created a total dependence on the State to provide housing regardless of the buyer's economic situation and size of dwelling unit built;

- ii. it affected the ability of Government to meet the needs of all applicants within a reasonable time, particularly in recent years when revenues from the tourism sector plunged;
- iii. Government could not sustain the channeling of scarce resources to the housing sector to maintain the required level of investment in that sector; and,
- iv. the financial conditions of SHDC were not healthy, given its borrowing rates from Government and the Social Security Fund and its own lending rates and problematic loan collection.

In 1991, Government modified its housing policy, reversing its role from one of provider to enabler and facilitator of shelter whilst still affording a high priority to housing. The Government recognised *"the right of every citizen to adequate and decent shelter conducive to health and well-being"* and undertook *"either directly or through or with the co-operation of public or private organisations to facilitate the effective realisation of this right"* (Constitution of Seychelles, 1993). Government developed new housing finance policies and complementary legal, institutional and regulatory environment in an effort to mobilise additional resources for housing construction, encourage private sector participation and improve cost recovery and started to concentrate its efforts on target population groups (e.g. low-income categories).

Recent incentives and initiatives by both Government and the private sector aimed at creating the enabling environment include:

- i. the repeal in 1991 of the Tenants' Rights Act, although the rights of existing applicants were maintained in order to safeguard their security of tenure;
- ii. the abrogation of the Land Acquisition Act by the coming into force of the New Constitution in 1993;
- iii. the creation in 1993 of the Mortgage Finance Company of Seychelles (MFC) as a joint venture between two parastatal companies, the Seychelles Savings Bank (SSB) and the Development Bank of Seychelles (DBS) for financing of housing in the higher income category (generally SR4,000 and above);
- iv. the provision of small short-term loans (1-5 years) by the commercial banks for the renovation or construction of houses and the purchase of land or houses; these loans generally require personal contributions of 20% to 33.3%, they attract interest rates of 10% to 17% and do not qualify for grace periods;
- v. a substantial reduction of stamp duty on property transfers - residents of Seychelles now pay 4% on the first SR50,000 and 10% on the balance; foreigners pay the same rates plus a surcharge (sanction duty) equal to 30% of the property value;
- vi. tax exemption on new residences that are built for rental purposes;
- vii. the launching of the Land Bank project;
- viii. the restructuring of Business Tax threshold such that US\$5,000 of taxable income is exempted from tax and taxpayers benefit from a reduction in tax rate payable on the next US\$13,000 of taxable income;
- ix. the reduction of Trades Tax (Customs Duties) on a range of imported basic construction material;
- x. a review of the lending conditions and improvements in debt recovery by the Seychelles Housing Development Corporation (SHDC).

Also of particular interest are the small short-term loans (maximum 4 years) granted by the Seychelles Credit Union (SCU), a non-profit and non-governmental co-operative, to

its members at rates lower than the commercial banks (maximum 12% on housing loans). The SCU has some 7,000 members. The SCU target group was initially a working population whose monthly income was below the national average (national average is SR3,000) and who cannot afford the higher rates (14% to 17%) of commercial banks. It has since expanded its service to all income groups. Housing and land loans totalling SR7.5million and SR10.1 million, accounted for over 60% of SCU's disbursements in 1993 and 1994 respectively. The provisional figure for 1995 is SR7.1 million (SCU, 1995). The SCU however, cannot extend the term of its loan due to its isolation and the limited financial resources of its members, thereby limiting to a significant degree the extent of its loans for the construction of new housing.

Although details are not fully available, the emerging trend is one of increased financing of housing loans and land purchases through loans obtained from people's own resources and commercial loans. This is breaking the monopoly which SHDC had by default in the housing sector.

2.2 The Challenge : Towards Sustainable Human Settlements and Adequate Shelter For All

Like all other small island states, the potential for Seychelles to pursue sustainable human settlements and development depends on maintaining the quality of certain, necessarily limited, natural resources : maintaining water supplies, landscapes and soil fertility, and protecting individual islands from coastal erosion and environmental degradation (Bass & Dalal-Clayton, 1995). At their most basic, these resources provide essential life-support systems. The political commitment to achieve sustainable development and the supporting institutional, financial and legal back-up must also be present.

Given the small size of the country, the difficult topography and limited human resources, the approach of national co-ordination of decision-making and integrated development remains the more logical of approaches for Seychelles, provided this takes place in partnership with the community and private sector.

In the Seychelles, the various complementary national strategies and action plans forming part of the NDP, EMPS, PAT, PSIP and HRDP have to a large measure, successfully integrated environmental and developmental objectives as advocated by Agenda 21 and the principles of the Habitat II Global Action Plan. The challenge is now one of building on these successes and remaining far-sighted under difficult economic conditions by:

1. Securing improvements in the quality of service in particular in the health, education and social welfare sectors;
2. Reinforcing human settlement policies, programmes and legislations that ensure a balanced and orderly development nationally. This is particularly necessary for mainland Mahe which has 90% of the population;
3. Diversifying and strengthening the country's economic base whilst ensuring integrated development in the short- to long-term and mindful of the foreign exchange reserves, balance of payments and inflation levels;

4. Creating an enabling environment for the continued development and growth of the private sector, community-based and non-governmental organisations in the development of sustainable human settlements;
5. Developing a housing policy that addresses the needs of all population- and income-groups and implementing enabling strategies that facilitate access to affordable land and adequate shelter for all by the year 2000;
6. Improving the economic and environmental quality of human settlements with particular attention to urban areas requiring rehabilitation or renewal;
7. Maintaining urban infrastructure (roads network, water and electricity supplies, sanitation, telephones), economic and social and cultural facilities (markets, health centers and education centres, etc.) which are critical to maintaining the quality of life;
8. Building capacity and developing human resources;
9. Developing information management systems for informed decision-making and accounting; and,
10. Formulating a National Population Policy to address population and development concerns in the short- to long-term;
11. Developing supportive appropriate institutions and legislative framework that address and support:
 - i. the continued development of land-use planning and management, training of human resources in settlement planning and development control;
 - ii. the promotion of research and technologies with special attention to lowering construction costs and ensuring the integrity of construction; and,
 - iii. the promotion of construction techniques that are more suited to the cultural, climatic and difficult topographic conditions; and
 - iv. the setting up of, and participation by professional and other consultative associations and bodies in the decision-making process.

PART C: NATIONAL ACTION PLAN

1.0 NATIONAL SHELTER POLICIES AND SHELTER DELIVERY SYSTEMS

1.1 Policies

- GOAL 1: To provide adequate shelter for all.
GOAL 2: To ensure access to affordable housing.

Although the housing programme has a positive record, it is clear that Seychelles has not been able to meet its housing demand. The situation stems from a combination of inadequate financing, unavailability of base line data on the housing situation, scarcity of land and until quite recently, strong disincentives for private builders to get involved in housing. Moreover, social tendencies and issues such as the rise in break-up of families, the increase in co-habitation as opposed to marriage and the shift from extended- to nucleus- families have themselves proved to be set-backs in the implementation and achievement of housing policies and programmes. The situation has been further complicated by the lack of a standard definition of what is considered as a "family" in the Seychelles context.

A recent study of the housing sector in Seychelles (Populus, 1994) claims that :

1. the Seychelles Savings Bank (SSB) - Development Bank of Seychelles (DBS) joint venture has allowed access by the Mortgage Finance Company (MFC) to a sizable percentage of the country's savings and to a relatively low-cost source of funds, implying that the funds cannot be made available to lower income groups and impedes access to long-term affordable financing for low income populations to a like extent;
2. other than the housing system subsidised through Seychelles Housing Development Corporation (SHDC) there is no suitable system for financing home purchases for low income groups. SHDC, which bears the brunt of this burden, has been severely weakened by its management and financial conditions and requires major restructuring and staff training;
3. the various systems that have been put into place to complement SHDC's operations are designed to cater for higher income groups and offer loans under terms that are not affordable to lower-income earners.

MFC's access to SSB's pool of savings is limited to a 70% share capital of SR5 million and is non-developmental. Its long-term capital was reinforced by two additional loans of SR10 million each at interest rates of 11.5% and 12%. MFC's main source of

funding remains SSB at this point in time which provides loans from its investment portfolio albeit at the more favourable rates of 11% - 12%.

Although set up as a financial institution by the Seychelles Housing Development Act, 1980, SHDC bears social responsibilities. Contrary to its statute, it operates as a property developer, contracting authority and lender for housing projects under the direct control of Government. Its main source of funding is Government at rates of 2%, and the Social Security Fund at 2.5%. SHDC serves all population groups and for a long time, provided long term loans at rates ranging from 2% to 5%. Its borrowing and lending conditions coupled with a poor record of debt recovery have made its financial condition precarious. SHDC has however taken steps to improve cost-effectiveness by raising its lending rates to 3% - 8% and strengthening its debt recovery whilst still operating within the bounds of Government's social objectives.

ACTIONS AND INITIATIVES:

The emphasis on Government being a facilitator instead of provider of shelter must be accompanied by a clear housing policy which should be developed through a broad-based consultative process involving representatives of the private sector (e.g. Federation of Employers, Federation of Civil Engineers and Building Contractors and the Association of Seychellois Engineers) the public, business, banking and other community sectors. Government must nevertheless remain active in the supply of adequate housing to the target groups whose needs cannot realistically be met by the private sector.

The following actions addressing various concerns are necessary:

1. As a first priority, define a comprehensive housing policy derived from the following programmes and actions:
 - i. develop baseline data at local government/district level on the current housing situation in Seychelles, including homelessness and squatter housing;
 - ii. define and quantify the target population, quantify house prices in relation to income levels, quantify the financial implications, plan of action and budgetary requirements to respond to a variety of needs; this necessarily calls for a review of Government's plans, announced in the 1996 budget address, for the direct involvement in the construction of 1,000 units per year over the next 5 years;
 - iii. define types of affordable housing for the different population groups in terms of size, services, construction costs, etc.; and,
 - iv. adapt housing to the purchaser's ability to make loan repayments.
2. In the construction sector:
 - i. promote new housing designs and building materials that:
 - are better suited to local topographic conditions;
 - are adapted to local lifestyles and culture; and,
 - that maximise resources and reduce construction costs without sacrificing the integrity of construction e.g. "nuclear homes" (the expandable house);
 - ii. maximize the use of and improve the existing stock of housing and rental options and rehabilitate and or redevelop slum and other run-down areas;
 - iii. ensure compliance of housing with building regulations and design standards; and,

- iv. promote self-help projects by the private sector and NGOs.
- 3. Continue to promote sustainable demographic growth, social development and social integration.
- 4. Implement a rolling programme for the relocation of population from redevelopment areas to other settlements.
- 5. Provide a regulatory framework, institutional support, mechanisms, incentives and conditions for private sector participation in housing financing and construction:
- 6. Introduce institutional reforms :
 - i. examine the possibility of SHDC operating more independently as financial institution in line with the SHDC Act, 1981 and within a broad framework provided by Government;
 - ii. re-examine the role of SHDC and develop a comprehensive restructuring and financial adjustment plan for SHDC:
 - looking at whether SHDC should focus more on providing assistance than on direct involvement in the sector;
 - assessing the possibility of separating its activities (Populus, 1994) into distinct areas of operation (real estate development and housing finance) if its current role is maintained; and,
 - assessing whether SHDC should become the management organisation for a new housing finance system for low income groups once its financial health is restored and its organisation restructured.
 - iii. re-examine and streamline the roles of the Housing Division in the Ministry of Community Development and the District Administrations in assessment of housing needs and allocation.
- 7. Facilitate the participation of the Habitat II National Committee in policy and project decision-making where these pertain to habitat issues.
- 8. Formulate national population policies based on population projections based on several scenarios, including a high level of AIDS.

1.2 Enabling Market To Work

- GOAL 1: To ensure the formation of an efficient housing market.
- GOAL 2: To ensure efficient production systems of housing.
- GOAL 3: To reduce the role of Government as provider of housing.
- GOAL 4: To provide an enabling environment for private sector participation in shelter.

In order to ensure the formation of an efficient housing market in Seychelles which will operate within the goals of adequate and affordable shelter for all, it is necessary for the Government to continue providing the framework which will encourage increased participation by the individual and private sector and ensure security of investment.

The lack of baseline data on housing in Seychelles, complications arising out of properties owned by heirs, land transfer and registration procedures, and high construction costs are proving to be impediments and disincentives to greater private sector participation in housing.

Moreover, the provisions of the People's Housing Mortgage Act 1981 (CAP 164) acts a deterrent for the more active participation of commercial banks and the private sector in housing. Banking institutions are reluctant to lend money on second- and third-line mortgages since their interests are not protected in the case of repossession of property by the Seychelles Housing Development Corporation (SHDC). A decree for possession granted by the Supreme Court under this Act confers the sole right of possession and ownership (including power of sale) of the mortgaged property and, on its transcription in the Register of Deeds or registration in the Land Register, it has the effect of erasing any mortgage inscribed or discharging any charge registered in favour of SHDC or a public body, as the case may be, against the property. It also has the effect of terminating any lease, tenancy agreement or license to occupy, whether transcribed or registered or not, which subsists at the time on the mortgaged property.

ACTIONS AND INITIATIVES:

The following actions are required :

1. Undertake research to:
 - ii. assess housing demand and supply, analyse the housing market and disseminate information thereon;
 - iii. forecast housing demand for a period of at least 20 years and disseminate information thereon; and,
 - iv. actively research and promote alternative construction activities, materials and techniques suited to the local climatic and topographic conditions in addition to lifestyles and cultural traditions.
2. Pursue efforts to reduce the cost of construction and infrastructure through fiscal measures e.g. further reductions in Trades Tax on both imported and locally produced basic building material.
3. Periodically review, adjust and promote the legal regulatory framework, fiscal measures and institutional set up relating to housing to promote the supply of housing and land, maintain a competitive market and promote social goals:
 - ii. finalise amendments to the Town & Country Planning Act and building regulations;
 - iii. review the Plan d'Aménagement du Territoire (PAT); and,
 - iv. review stamp duty and property transaction procedures;
4. Review legislations, procedures and consider the use of appropriate modern technology in the survey, transfer and management of land for the more efficient and faster supply of land for housing.
5. Review legislations and procedures governing properties belonging to heirs.
6. Review the provisions of the People's Housing Mortgage Act to protect the interests of both tenants and institutions holding second- and third-line mortgages on properties repossessed by SHDC.
7. Consolidate safeguards for protection of investment (assurances of non-appropriation of property).
8. Introduce fiscal incentives e.g. tax exemptions on the development of serviced, residential land by the private sector.
9. Encourage the Seychelles Credit Union (SCU) to further broaden its investment portfolio so as to generate more funds for housing.

10. Continue direct government intervention in the provision of housing for the low income earners and special groups e.g. the elderly and determine cut-off levels at which government must limit its direct intervention in shelter.
11. Make available to the private sector serviced land on long leases for higher density residential development.
12. Encourage and promote professional property valuation in the real estate market.
13. Review and strengthen legislations dealing with estate management and property valuation.

1.3 Ensuring Access To Land And Basic Infrastructures And Services

- GOAL 1: To ensure adequate supply of and access to affordable residential land and basic infrastructure.
- GOAL 2: To ensure security of tenure for all socio-economic groups.
- GOAL 3: To ensure the integrated and timely provision of infrastructure: water, sanitation, drainage, roads, solid waste collection and disposal.

These are prerequisites to providing adequate shelter for all. The issue of land for housing in Seychelles is critical given the limited land area available for development.

ACTIONS AND INITIATIVES:

It will be necessary to continually :

1. Pursue the current practice of:
 - i. ensuring that maximum use of land and infrastructure is made through densification to environmentally, socially and economically acceptable levels wherever appropriate;
 - ii. requiring developers to provide the basic infrastructure during the subdivision of land (roads, water and electricity);
 - iii. improving public transportation, access to basic health and educational facilities;
 - iv. bringing services and community facilities under one roof in particular in new residential estates to maximise land use, avoid multiplication of small individual buildings on separate sites, and reduce in the long term the social costs in terms of time and money as the consumer will find various services at one place; and,
 - v. controlling land speculation, especially by foreigners who must first obtain Government approval for the purchase of immovable property in Seychelles and pay a premium.
2. Ensure efficient land markets and direct government intervention in housing for the poor and other special groups.
3. Maintain a system of subsidies to people that have no access to credit e.g. small loans at low interest rates and use the Means Testing Scheme to recover debts on the full value of the house or land for those people on social assistance.
4. Pursue with a manageable number of Land Bank projects on a longer term basis or until such time that the private sector can mobilise itself sufficiently to undertake estate development on a larger scale.

5. Subject to the outcome of an environmental impact assessment study, increase the supply of land through controlled, new land reclamation works off the East Coast of Mahe to amongst others, provide land for higher density housing development.
6. Provide the legal and institutional support for security of tenure in an open land and housing market e.g. protection against unfair evictions.
7. Improve existing drainage facilities and provide new storm water drains particularly in those settlement areas subject to flooding.
8. Address the issue of security of tenure and lease agreements as part of the review of the People's Housing Mortgage Act in cases of re-posessed properties.

1.4 Mobilising Sources of Finances

- GOAL 1: To mobilise more resources for housing finance and integrate housing finance into the broader financial system.
- GOAL 2: To create new finance mechanisms that address the housing needs of all socio-economic groups and improve access to housing finance.
- GOAL 3: To encourage private sector participation in housing.

The need to finance housing through private savings and other sources rather than relying on public funds is now widely recognized. Government has adopted a new approach towards mobilising additional resources for housing construction and improvement of existing human settlements. Recent initiatives, which encourage the participation of prospective home owners have focused mostly on schemes tied with personal savings, private sector construction and institutional reforms. The new policy envisages a greater role for:

1. interest rates that more accurately reflect the cost of capital;
2. mortgages;
3. commercial banks;
4. participation by other financial institutions seeking new areas of investment (e.g. State Assurance Corporation of Seychelles - SACOS, Pension Fund - PF, Social Security Fund - SSF);
5. long-term saving schemes for youths, bearing interest at higher than usual rates;
6. private sector participation.

ACTIONS AND INITIATIVES:

It is necessary for Government to:

1. Continually adjust its monetary and fiscal policy to mobilise more funds and increase private sector participation.
2. Improve the management, efficiency and debt recovery system of SHDC, its primary lending institution.
3. Introduce and encourage new financing mechanisms (selective financing instruments) and institutions that provide housing assistance fairly and simultaneously bridge the gap between Mortgage Finance Company (MFC), Seychelles Savings Bank (SSB) and Seychelles Housing Development Corporation (SHDC) e.g.:

- i. turn MFC into a completely independent, financial institution which can operate as a housing bank (Lablache, 1995) capable of raising:
 - funds for housing construction through personal savings by offering various saving facilities at higher interest rates than the commercial banks; and,
 - finance through domestic and offshore borrowings as well as through the issuance of bonds.
- ii. introduce market segmentation based on the results of the baseline study and tailor interest rates and loan terms to make the loans affordable to buyers (about 8%- 10% for 15 to 20 years [Populus, 1994]).
4. Investigate non-traditional financing arrangements e.g. a move towards complimentary financing packages between lending institutions to reach lower income groups on long term loans.
5. Introduce a Government housing refinancing scheme from below the line account at concessionary rates and on long term credit terms to mortgage institutions, provided there is no adverse effect on the national budget.
6. Mobilise private sector savings and foreign investment in housing through the issue of private sector bonds at attractive rates and subject to tax incentives.

1.5 Vulnerable Groups

- GOAL 1: To provide for the shelter needs of the vulnerable groups.
- GOAL 2: To reduce the vulnerability of and discrimination in the provision of shelter to vulnerable groups.
- GOAL 3: To empower women, improve their political, social, economic, health status and strengthen their role in human settlements development.

The vulnerable groups in Seychelles are principally the aged, youths and children (including orphans), the elderly, disabled, and people displaced by natural and man-made disasters. Mention also has to be made of the peculiar role of men in a matriarchal society and who to a certain extent, are also potentially victims.

a) Children and Youths

Children are believed to be the most vulnerable group in the strata of the Seychelles society, being exposed as they are to new tensions and strains as a result of the rapid changes in lifestyles, habits, population structure, and pressures on traditional institutions like the family (MESA, 1995). Currently, the Seychelles is experiencing an increase in juvenile crime and family abuse.

The National Council for Children has for several years been actively sensitising the public to the problems of child abuse and promoting the rights of children. It deals principally with abused children and those at risk and provides counseling to both children and parents. Other initiatives by both Government, the church and NGOs include efforts to strengthen the family fabric to provide a suitable environment for the physical, emotional and social development of children. Legislations dealing with the protection of children are being reinforced.

Of the three orphanages in Seychelles, two are run by religious orders with Government contribution thereto being negligible (two workers per year). The absence of statistics on orphaned children makes it difficult to assess the demand for housing from this group and to formulate a realistic assistance programme of action.

Although not alarming, one of the challenges facing Government is to keep children in formal education until they have completed the 10-year compulsory cycle of education and to assure an adequate level of literacy amongst youths who complete the compulsory cycle of education.

With nearly half of the population under 20 years of age and the high incidence of teenage pregnancies, the risks of higher youth unemployment in the current difficult economic conditions and the potential linkage to an increase in crime and drug and alcohol abuse, youths are placed in the vulnerable group. Social welfare projects and programmes include the construction of a juvenile detention centre and rehabilitation centre for drug addicts, workshops on drug and alcohol abuse and youth training schemes.

The new government strategy for youths stem from the background of failed unemployment alleviation schemes such as the Work Experience Programme (WEP) and the Full Employment Scheme (FES). It is training-oriented and in the main calls for youths to become more involved in the development process at national and community level with the opportunity of income-generation. It focuses in particular on the problems of teenage mothers, single-parent families and working mothers. Private sector initiatives that complement the strategy will be supported by Government.

One of the newest initiatives is the Young Enterprise Scheme (YES). It is a re-financing scheme in which the Development Bank of Seychelles (DBS) makes available government financed funds to new investors, young unemployed and entrepreneurial individuals, with viable business projects. These loans which are normally limited to a maximum of RS50,000 attract annual an interest rate of 8%. As a special incentive, Government is looking at providing some loans interest free and or on other favourable terms and conditions to reach the grass-roots. This compliments the activities of the Small Business Bureau (SBB) of the Seychelles Industrial Development Corporation (SIDEDEC). SIDEDEC's assistance to small businesses takes the form of management training services, business plans and after care service. It is expected to start disbursing small loans at a concessionary rate of 3% with funds from the European Union.

b) The elderly

The introduction by Government in 1981 of a Social Security System for the elderly has significantly improved their quality of life. The Government looks after some 6,000 elderly people aged 63 and over, paying them SR1100 per month (SR80million per year). Part of the care programme involves nursing aid and providing access to State-funded old people's homes for elderly people who have no relatives of their own or home in which to live. Three such homes and a nursing home are operational and

several more are planned. Increased funding in future will be required to provide the necessary care for the elderly with further increases in population and life expectancy.

c) Displaced persons

At this point in time, one of the most disadvantaged groups in Seychelles appear to be those displaced by natural and man-made disasters, the more common being fire, land slides and rock falls. The frequency of the incidence of families displaced as a result of disasters seems to be on the increase although no figures are available to confirm this. Relocation of such persons is made difficult by the lack of vacant State-owned housing or shelter centres. "Emergency houses" have in the past tended to become permanent homes given the housing situation in the country. A programme of rapid reconstruction of the houses destroyed as a result of a natural or man-made disaster funded by the Minor Disaster Fund has been put into place. The effectiveness of the programme is still to be evaluated.

d) The disabled

The disabled are not treated as a separate group in the housing and land allocation programme by Government or the private sector for that matter. Nevertheless, existing housing designs, public buildings and road designs do not necessarily cater for the special needs of the disabled. The Government is increasingly attaching greater importance on providing disabled people with the necessary support system to remain in their own homes wherever possible. It provides therapeutic and vocational training facilities at the Rehabilitation Centre to assist the disabled in obtaining socio-medical services, appropriate skills and employment. The National Council for the Disabled has been active in the formulation and implementation of a variety of vocational, educational, social and recreational programmes aimed at ensuring the integration of the disabled into mainstream society.

e) Women

Formal discrimination against women of a legal nature, in public life, in access to education and employment and in property rights in Seychelles no longer exist. Women have the highest literacy rates (87%) compared to males (86%) and head 44% of households (MISD, 1995). They have a high profile in public life, be it of a political or administrative nature. Women participate actively in the economy although employment is concentrated in the service industry as a result of commercialisation of domestic services and institutionalisation and professionalisation of caring, nurturing and general socialisation roles that devolve on women. According to the 1994 population census, women made up 27% of the legislators and senior officials in the working population, 29% of corporate and general managers and 49% of professionals and associate professionals. In the formal sector, women formed 20.9% of the government sector employees, 7.7% of the parastatal sector and 13.0% of the private sector, 0.6% of employers and 1.8% of the self-employed (MISD, 1994).

Although there are no legal barriers to women owning property, the rights of common-law wives to their partners' property in the event of death or separation are not legally

recognised, unless specific legal provisions therefor have been made (e.g. joint ownership), despite women's contributions in the purchase or improvement of the property. Whilst this might not be a problem now, the increased trend towards cohabitation instead of marriage implies the need to protect the rights of women to property under these circumstances. Using the principle of unjust enrichment in cases of separation after long years of concubinage, the Court in Seychelles does nevertheless consider the contribution of women towards their common-law husbands' property where substantial contribution by the women in question can be proven.

Government remains committed to the continued integration of gender issues into the human resource development process and provisions for this are made in the HRDP 1994 - 2000 to not only encourage the participation of women in the various socio-economic sectors but to also increase prospects for their employment through increased training or retraining opportunities. This applies in particular to young women who currently form the majority of the unemployed.

f) Men

Traditionally, money has been both a symbol of and an agent for regulating social relationships in the Seychellois society (Benedict, 1984). A man's most important role is one of earning, which takes place outside the household. Women's activities and extended social networks confirm and strengthen their positions of dominance in the domestic sphere. It is not uncommon for Seychellois women's mothering role to extend into very old age, whilst men become dependents once their ability to earn stops. Their very different roles often results in conflicts between men and women.

Culturally, a double standard of sexual morality exists. Men frequently take mistresses and father children from other relationships whilst women are expected to remain sexually faithful to their partners. These traits appear to have somewhat fostered a general lack of responsibility in the home amongst men.

A growing problem for men is one associated with the loss of homes during the settlement of marital property in divorce cases. The tendency is for the Court in Seychelles to award the house to the ex-wife especially when she has custody of underaged children.

ACTIONS AND INITIATIVES:

- A. To reduce any potential vulnerability of these groups, the State must in general:
1. Continue to promote and implement effective measures for the:
 - i. prevention of disability, abuse, discrimination, neglect of vulnerable groups; and,
 - ii. rehabilitation and realization of the goals of full participation and equality for vulnerable groups and their integration in the mainstream of society.
 2. Sign, ratify and implement international agreements that promote the rights of vulnerable groups.
 3. Quantify and assess the needs of each vulnerable group and design programmes to provide for those needs.

4. Support self-help housing efforts and special living facilities for members of vulnerable groups.
5. Encourage and join with NGOs in efforts to improve the living conditions of vulnerable groups.
6. Provide targeted subsidies and safety nets for the most vulnerable who do not have access to house and land.
7. Ensure legal and regulatory frameworks within the housing sector that act as barriers to discriminating against the vulnerable groups.
8. Set up a shelter centre within an existing institution to provide immediate, and very temporary assistance to:
 - i. persons displaced as a result of natural or man-made disasters;
 - ii. battered women or men;
 - iii. abused or neglected children.
9. Use existing legal instruments more actively to provide immediate legal protection for abused men, women and children and provide counseling.
10. Ensure access for all youths, women and vulnerable groups to education, undertake initiatives to reduce unemployment in these groups, and combat human rights abuses against them.
11. Set up a discrimination board to deal with cases of discrimination in both the private and public sector against vulnerable groups as well as others.
12. Ensure the survival, protection and development of these groups in accordance with relevant international treaties and agreements.
13. Develop gender-sensitive databases, information systems and participatory action-oriented research and policy analyses and undertake gender-impact analyses on e.g.:
 - i. the living conditions of men and women in urban and rural areas;
 - ii. single parenthood;
 - iii. working mothers;
 - iv. teenage mothers;
 - v. income patterns and jobs held;
 - vi. the changing structure of households and families;
 - vii. the socio-economic characteristics of women who have unplanned pregnancies and the links to employment and education;
 - viii. employment in the informal sector; and,
 - ix. emerging trends on women's employment in the 1990s.

B. In the major group-oriented actions, it will be necessary to :

a) Children and Youth

1. Advance the role of youth and actively involve them in the protection of the environment, the promotion of economic and social development.
2. Review existing legislations, in particular the Children's Act, to bring them in line with international changes and the provisions of the Third Constitution of Seychelles.
3. Reinforce laws on child maintenance.
4. Increase public awareness of the rights of children.

5. Increase support for existing programmes for children in difficult circumstances especially the abused, neglected or orphaned.
6. Provide support facilities for the prevention of teenage pregnancies and the prevention and treatment of drug and alcohol related programmes and rehabilitation of victims/users.
7. Encourage children, adolescents and youth, particularly young women, to continue their formal or non-formal education.
8. Meet the needs and aspirations of youths in the fields of education, training and employment opportunities and programmes.

b) The Elderly

1. Continue to provide for and meet the special needs of the elderly in housing, transportation, medicare, social activities and participation in community life.
2. Continue to allow the elderly to keep on working after reaching retirement age, especially if they are contributing towards the development of society and human resource development.

c) The Disabled

1. Extend the rehabilitation services of the Rehabilitation Centre to improve the ability of the disabled to lead a fuller and satisfying life.
2. Reorganise the training programmes of the Rehabilitation Centre to at the same time suit market demands in order to increase the employability of the disabled.
3. Provide daycare centres for the severely disabled.
4. Provide subsidies and or business tax incentives to organisations employing the disabled.
5. Reinforce the role of statutory agencies e.g. the National Council For The Disabled in participating in the decision-making process and developing programmes for the disabled.
6. Encourage the introduction of facilities for the disabled in building and road design and construction.

d) Women

1. Increase the proportion of women decision-makers, planners, etc. in environment, planning and development fields and in decisions related to sustainable development.
2. Revise existing legislations to permit the introduction of daycare centres in work places and enable mothers to take time off for breast-feeding.
3. Strengthen the accessibility of confidential counseling services for women on a wide range of social, emotional, legal and financial issues which would otherwise impede their performance and participation in family life, civic responsibilities and economic development.
4. Review inheritance procedures for women (spouses and common-law partners, in the event of death of or separation from their spouse/partner) and encourage joint or full ownership of property.

e) Men

1. Increase the sense of responsibility in men and encourage their more active participation in:
 - i. the home life; and,
 - ii. family planning and prevention of unwanted pregnancies.

2.0 SUSTAINABLE HUMAN SETTLEMENTS

2.1 Sustainable Land Use

- GOAL 1: To integrate environment and development at the policy, planning and management levels, taking into account the links between sustainable development and demographic trends and factors.
- GOAL 2: To promote sustainable land use planning, land use patterns and management of land resources.
- GOAL 3: To provide an effective legal and regulatory framework to enforce sustainable land use planning and management.
- GOAL 4: To promote balanced development of urban and rural areas with the natural environment and the overall system of human settlements.
- GOAL 5: To ensure equitable and environmentally sustainable use of land.

Much of the supportive policies and policy instruments for the rational and sustainable land use and settlement planning are already in place and have contributed by a large measure to orderly development in Seychelles. Despite these successes, solid waste management, waste-water management, land use management, loss of bio-diversity, deforestation, erosion and destruction of marine environment through land reclamation are emerging to be major issues of concern or potential threats to the environment.

Recent initiatives to broaden the economic base has created many institutions whose legislations and activities have a direct impact on development, the environment and land use. Over 100 pieces of legislations dealing in one way or the other with the environment exist (Shah, 1994). The most powerful of relevance to land use and terrestrial development is the Town & Country Planning Act of 1972. This Act requires permission for all forms of terrestrial development; however, the Act does not bind the State. Glaring gaps, grey areas and conflicting regulatory requirements have showed up in the legislative system. The lack of legal co-ordination and increasingly fragmented sectoral decision-making and responsibilities create room for the potential failure of integrated and sustainable development and therefore requires attention.

The current planning system, which in the past proved effective and efficient, is showing increasing signs of strain brought about by increased economic activity which is having to be managed within the confines of a legal, technological and administrative framework which have remained virtually unchanged for close to 25 years and the impact of Government's commitments to sustainable development of the country on the principles of sustainable development.

It is imperative to strengthen the planning and management systems for better management of urban growth to:

1. prevent a deterioration in the quality of the natural environment;
2. provide adequate and appropriate transportation, infrastructure, basic services, affordable shelter and employment; and
3. ensure a rational and planned use of land given that the pressure of human settlements and economic development on the coastal and low-lying areas is increasing substantially in the following ways:
 - i) although the population is rising by 1% per year, changes in lifestyles and the growth of nuclear families are creating new demand for land for housing and support services;
 - ii) competition for scarce land from amongst potentially conflicting uses (tourism, housing, agriculture, industry, fishing, forestry) is becoming increasingly severe;
 - iii) development, in particular within the tourist sector, is spreading to the outer islands, making planning more difficult due to the geographic dispersion of these islands;
 - iv) the recent moves to promote Seychelles as an international business centre and free trade zone may potentially increase the demand for land for industrial purposes to beyond levels projected to date; and,
 - v) the scarcity of land for development purposes and the potentially high environmental and infrastructure servicing costs of hillside developments is reinforcing coastal development and extensive land reclamation.

ACTIONS AND INITIATIVES:

In order to ensure the integrated approach to planning and management of land resources and strengthen the planning and management systems, the following actions will be necessary:

1. **Adopt policies, practices and implement projects that promote sustainable use of land and sustainable settlements and ensure that short- or long-term economic development measures are tempered by the findings of social and environmental impact studies and are not at the expense of integrated development.**
2. Finalise without further delay the review of the Town & Country Planning Act, 1972 which started early in 1995. The new Act should have a wider scope of application to:
 - i. establish a new, streamlined and effective organisational set up responsible for land use planning, development control and statutory planning;
 - ii. promote the application of appropriate tools for planning and management e.g. negotiated planning, development plans, various forms of higher density development, zero lot line, urban design guidelines, urban renewal/rehabilitation;
 - iii. publicise and declare the Plan d'Aménagement du Territoire (PAT) as public policy after a process of public consultation pending the development of new Development Plans;
 - iv. facilitate the preparation of future development plans;

- v. cover environmental issues and developments presently not taken care of by legislation, clarify procedures and responsibilities;
 - vi. promote public participation;
 - vii. require both the rehabilitation of lands after quarrying or other operations and a mandatory security (environmental bond) payable in advance;
 - viii. recognise the intrinsic value of unique and representative natural areas; and,
 - ix. permit the development of a flexible and integrated system that permits and encourages protection of species and habitats on private lands through such mechanisms as voluntary designation, conservation easements and trade of lands with Government.
2. Initiate a review of the Plan d'Aménagement du Territoire (PAT) and preparation of new Land Use /Development Plans and District Plans for those areas experiencing the most pressure from development, including Victoria, Anse Aux Pins, Anse Royale and Beauvallon.
 3. Entrust a single government agency (a "one-stop shop") with planning, approval and control of development on land as well as in submerged lands and, supervision and management of coastal zones.
 4. Develop comprehensive Coastal Zone Management Plans for Mahe, Praslin and La Digue in particular. This plan should include the review of existing legislations as part of the exercise to provide opportunities for the setting of use, quality objectives, interagency planning, application of preventive strategies and public consultations.
 5. Consolidate development in areas zoned for the purpose in line with the PAT and restrict development in environmentally sensitive or protected areas including areas of high altitudes
 6. Provide political, legal and institutional support for and strengthening land management practices that promote sustainable development.
 7. Strengthen the institutional capacity to effectively deal with land use planning and management of **ALL** territories of the Seychelles by:
 - i. rigorous short- and long-term staff training and placements in planning departments overseas to obtain first hand experience on how other planning systems operate;
 - ii. recruitment of additional qualified personnel; and,
 - iii. developing effective analytical methods and planning (e.g. carrying capacity assessment, environmental and social impact assessments, risk assessments, landscape/seascape analysis) and to use these interactively.
 8. Develop and use Geographic Information Systems for informed decision-making particularly in:
 - i. land planning and management;
 - ii. development control;
 - iii. environmental planning;
 - iv. resource assessment and monitoring;
 - v. demographic studies and demarcation of electoral districts;
 - vi. infrastructure planning and cost assessments; and,
 - vii. disaster preparedness and relief.
 9. Invest in infrastructure projects (namely water) in the southern areas of Mahe to:
 - i. to meet current demands;
 - ii. to balance development by redirecting growth to the southern part of the island

10. Emphasise integrating structures and joint management of resources between the Government, private sector, communities or NGOs by:
 - i. encouraging inter-agency committees and review groups, cross-sector action groups, round tables and action groups;
 - ii. encouraging voluntary actions in the private sector;
 - iii. involving groups in cultural conservation and restoration; and,
 - iv. involving groups in environmental protection.
11. Develop shared regional facilities (e.g., for satellite information, disaster management and training) and exchangeable network of experts.
12. Make effective use of economic instruments, market and other incentives for integrated development.
13. Reinforce systems for integrating environmental and economic accounting in settlement planning.
14. Develop detailed **integrated** sector strategies and actions for sustainable land uses and practices in:
 - i. agriculture;
 - ii. industry;
 - iii. forestry;
 - iv. housing;
 - v. tourism; and,
 - vi. transportation.

2.2 Sustainable Energy-Use And Transport

- GOAL 1: To promote sustainable energy and transport systems in human settlements.
- GOAL 2: To co-ordinate human settlement policies and energy policies in production, transportation and household use of energy.
- GOAL 3: To design a comprehensive energy strategy and policy.
- GOAL 4: To reduce the cost of energy supply.
- GOAL 5: To ensure the efficient and rational exploitation of energy sources.

2.2.1 Energy-use

Energy requirements in Seychelles are almost entirely met by imported petroleum, for domestic use, fuel for vehicles and for power generation. The fuel requirements for the country have increased reaching around 163,000 metric tons in 1994. A substantial proportion of this is re-exported as bunker fuel to fishing vessels (38%) and as aviation fuel delivered at the airport (26%). The re-export of petroleum is an important component in the country's exports.

One of the major areas of concern centres around the location of Mahe's main power station and fuel (Liquid Petroleum Gas - LPG, gas oil, etc.,) storage facilities in extremely close proximity to each other within the commercial port area. This problem is aggravated by several other factors:

- i. short-term needs, the lack of sufficient funds and suitable land to relocate one or more of the facilities;
- ii. the presence of a highway, fire fighting facilities, naval depot and armoury, national food storage facilities all within a range of 50 metres to 100 metres of the fuel farm and the power station;
- iii. the presence of the main hospital, schools and substantial residential development within a range of 200 metres to 300 metres of the fuel farm and the power station; and,
- iv. the potentially high risks of accidents/fire and explosions which would effectively paralyse the country.

In so far as power generation is concerned, the existing plant capacity is insufficient to allow the Public Utilities Corporation (PUC) to provide a continuous supply of electricity, often leading to load shedding (power cuts) and plant breakdown (almost 30% of interruptions experienced in 1995 were due to plant breakdown).

A comprehensive survey of renewable energy sources and options (hydropower, wind, solar) completed during the 1985-1989 NDP indicated that none of these alternatives, except for solar water heating, were commercially viable at energy-market prices prevailing at the time. Solar heating has been promoted since then. The prospects that alternative sources of energy will be developed on a significant scale in the coming decade are still slight, although monitoring and constant assessment for any positive changes are necessary.

To ensure that energy programmes and activities are effectively co-ordinated, the Government has set up an Energy Affairs Bureau (EAB) which will undertake a comprehensive energy efficiency programme during the PSIP 1995 -1997 period. The programme should address the need to also ensure a more efficient and effective distribution network (i.e. siting of pylons and alignment of cables in relation to existing structures), ownership by the customer of electricity cables and pylons if paid for by the customer, and the identification and marking of underground cables. These are areas in which consumers feel that the Public Utilities Corporation (PUC) is not giving the service.

ACTIONS AND INITIATIVES:

The Government, working in partnership with the private sector, NGOs, the business community and consumer groups should:

a) Energy Policy

1. Undertake a comprehensive energy efficiency programme during the PSIP 1995 - 1997 period and develop the institutional framework and capacity to establish priorities and an appropriate work programmes.
2. Promote and accelerate the efficient and rational exploration of domestic energy sources, primarily oil in an environmentally sustainable manner.
3. Undertake a National Electricity Study Project to determine future planning of new generating stations and their associated distribution network.

4. Support programmes for the reduction of emissions of polluting gases originating in energy production and transportation.
5. Encourage economically viable and environmentally sustainable fuel substitution and develop new options for power generation.
6. Increase efficiency in the energy-generating industry by imposing standards of fuel-use efficiency (based on best available technology) in industry, space cooling, building construction and transport and incorporate these performance standards into the building regulations.
7. Require all Government and other public premises to carry out energy efficient audits identifying where significant savings can be made and implementing the results and encourage all commercial and industrial premises to do the same.
8. Improve the provision of electricity services, address cable and pylons ownership issues and undertake the identification and marking of underground cables.
9. Implement an effective maintenance programme for existing power plants.
10. Expand generating capacity of power on Mahe and Praslin and expand the distribution network to benefit 650 new consumers by 1997, with an emphasis on reduction of energy demand.
11. **Restrict any further concentration of oil and liquid petroleum gas (LPG) storage and power generation facilities within the New Port Area and improve safety in and around or relocate these facilities to more suitable, dedicated sites on the proposed East Coast Reclamation.**

b) Pricing

1. Reduce the cost of energy supply by :
 - i. promoting urban planning and design solutions that result in or aim at rational uses of energy;
 - ii. actively promoting conservation and changing consumption patterns;
 - iii. sourcing cheaper but safe alternative import and transportation arrangements;
 - iv. reducing the cost of petroleum imports;
 - v. actively promoting the use of cheaper and safe energy sources (solar and gas);
 - vi. actively promoting (through fiscal and financial incentives) energy efficient and environmentally friendly technologies in the rehabilitation of existing industries and services and in the building of new ones.
2. Use charging and pricing systems to achieve improved levels of efficiency whilst maintaining levels of affordability.
3. Periodically review energy pricing policies, introduce or amend user charges to promote the rational use of household energy.

c) Institutional

1. Ensure that energy service organisations (Public Utilities Corporation - PUC and Seychelles National Oil Company - SEPEC) remain financially viable and have sufficient autonomy to earn a reasonable rate of return on assets to finance future development programmes.
2. Consider separating the potentially conflicting roles of PUC as both a supplier of energy and agency advocating savings on energy consumption.

2.2.2 Transportation

Car ownership rates in the Seychelles have risen from 16% in 1987 to 21% in 1994, a trend which is expected to continue. The high car ownership rate has been influenced to a large degree by a problematic public transport system coupled with growing affluence. Congestion in Victoria, pollution and excessive use of energy in urban transportation are areas of concern. Policies in this area must promote better transport planning and management in conjunction with land use planning and management.

With visitor arrivals reaching a record high of 120,000 in 1994 and new targets set at 165,000 visitors in 1996, transport policies and programmes must also address improvements in transport facilities on which the tourism industry is heavily dependent.

ACTIONS AND INITIATIVES:

Actions are required to:

1. Develop an efficient and sustainable public transport policy and network which:
 - i. encourages a switch to public transport by providing a faster, safe, clean and efficient service based on people's needs and allowing concessionary fares especially for the elderly and lower income groups;
 - ii. speeds bus travel by providing right of ways to buses; and,
 - iii. addresses the special needs of rural and regional communities to redress locational disadvantage.
2. Promote sustainable use of private vehicles.
3. Improve the road network and speed all road travel by establishing and enforcing urban clearways on which parking, including deliveries is prohibited at peak periods.
4. Improve linkages between the villages on the East Coast of Mahe and Victoria by a mass rapid transit system.
5. Pedestrianise the centre of Victoria and provide more parking on the fringe.
6. Undertake periodic maintenance of the road network; road improvement works are particularly needed on Praslin.
7. Segregate pedestrian, vehicular and bicycle traffic.
8. Impose standards for fuel use efficiency and pollution prevention that match what best current technology can attain, and use economic instruments to promote energy efficient and non-polluting vehicles.
9. Avoid the creation of dormitory settlements that automatically increase the use of energy in transportation.
10. Wherever practicable, consider the proximity of the work place as one of the criteria for allocation of houses.
11. Improve and upgrade facilities at the international airport for both domestic and international passenger travel and cargo.
12. Integrate development with transport policies and vice versa.

2.3 Poverty Reduction, Employment, Improving Urban Economies

GOAL 1: To improve the social, economic, and environmental conditions for the most structurally impoverished individuals, families and communities.

GOAL 2: To diversify and strengthen the country's economic base within the principles of sustainable development.

Illiteracy, unemployment, underemployment, lack of adequate shelter and basic infrastructure are common characteristics of poverty. The consequences of human desperation brought on by poverty are increased pressures on natural resources resulting in a vicious spiral of degradation which can undermine a country's long-term prospects.

A recent World Bank study¹ estimated that 20% of the population of Seychelles lives in poverty. Although this figure is contested, poverty is believed to have increased as a result of the recent economic adjustments. 1994 Census figures indicate that 14.9% of the population is on social housing, an increase of 1.1% over 1987 statistics. The apparent increase in poverty in the Seychelles implies the need for Government to introduce and link poverty reduction measures with economic planning. The approach should be one of seeking to identify the problems before they arise and directing responsive action thereto.

In order to sustain the development and habitat programmes and the quality of life in Seychelles, Government will have to continue with its efforts of boosting economic activity and strengthening the economic structure of the country on a long-term basis. Several investment initiatives aimed at diversifying the economic base from tourism and fishing into other business and export-oriented activities have been launched and supporting legal and institutional framework are being put into place.

ACTIONS AND INITIATIVES:

It is essential therefore to:

1. Carry out a study to establish the extent of poverty in Seychelles whilst continuing to direct government intervention in housing and other welfare programmes for the poor. The results of the study will determine the policies required to tackle the reduction in poverty in an integrated strategy of:
 - i. creating employment and community-based shelter provision and improvement and infrastructure programmes;
 - ii. reviewing the regulatory framework to increase labour opportunities;
 - iii. improving urban productivity;
 - iv. ensuring access to land and housing and security of tenure needed for a decent standard of living;
 - v. strengthening community based action planning; and,
 - vi. providing education and training that allows each person to realise his or her potential and become equipped to contribute towards society.
2. Continually assess and adjust existing programmes aimed at providing skills training and a start in life to some 3,000 young unemployed persons i.e. Youth Training Scheme, Youth Employment Scheme, Apprenticeship Scheme, Small Business Development.

¹ Poverty in Paradise. Report No12423-SEY

3. Review the set up of the cross-sectoral National Vocational Training Board, charged with assessing vocational training requirements and formulating a training policy within the manpower needs of the country, so as to :
 - i. increase key private sector participation; and,
 - ii. strengthen vocational guidance.
4. Carry out studies of :
 - i. the informal sector relative to income and jobs; and,
 - ii. housing allocation relative to poverty and lifestyles.
6. In conjunction with the business and industrial sector, introduce programmes specifically directed at increased access to information, skills development, creation of employment opportunities, both formal and informal.
7. Educate the public on budgeting given the prominence of the informal sector in the country.
8. Change consumption patterns and re-adapt the local pattern of living to higher density and more modern forms of housing.
9. Continue to examine ways of maintaining sustainable economic and social development of the country in conjunction with the business community and private sector.

2.4 Environmentally Sustainable And Healthy Human Settlements

- GOAL 1: To adopt and implement an ecological approach to human settlements planning.
- GOAL 2: To improve the form and functions of the built environment for community livability incorporating economic, environmental, health safety and aesthetic values.
- GOAL 3: To develop and manage the infrastructure systems needed to ensure basic hygienic conditions and manage urban activities in order to minimise long-term adverse impacts on the environment.

Human settlements can be the source and cause of pollution which contaminates water, air and soil far beyond their boundaries. Coastal and human health are directly linked to the adequate treatment of waste. The lack of adequate services such as potable water, sanitation and solid waste management and disposal will undoubtedly exact a heavy toll on human health, productivity, quality of life, and in the long run the economy particularly where the latter is heavily dependent on tourism. With proper and long-term planning, settlements can provide high quality living for their inhabitants at sustainable levels of consumption.

These problems, although evidenced to various degrees in Seychelles, are less significant than those of other developing countries and island states. In Seychelles, development is already sprawling over and sterilising land. In some of the more densely populated areas, the quality of both life and the neighbourhood have deteriorated significantly in terms of infrastructure, housing, aesthetics and safety. The trend towards an increase in urban population in Seychelles for Mahe, Praslin and La Digue in particular is likely to continue given that these are the main centres for education, employment, and greater economic opportunities.

One of the main sources of land-based pollution in Seychelles is sewage. Septic tanks and pit latrines remain the most common system of sewerage disposal in Seychelles, although central Victoria is served by a treatment plant. Discharges from the greater Victoria area is estimated at 9,000m³/day, only 1,700m³/day of which is collected and treated before being discharged at sea. Pollution has been observed in ground water, in surface waters and the marine environment, affecting the ecosystem in general and the coral in particular. If left unchecked, pollution especially in the main tourist areas will have a detrimental effect on the tourism industry and therefore the economy.

Each Seychellois produces more than 0.5 kilos of solid waste per day, making an annual total for Mahe of 15,000 tons. The Public Utilities Organisation (PUC) presently collects only 13,500 tons per year. This is dumped at the landfill site on the East Coast of Mahe. Some 7,000 tons of commercial and 5,000 tons of green waste per year are also collected. PUC recently introduced regular collection of recyclables, which are stockpiled at the official landfill site for eventual export. Fish wastes, produced as a result of the processing of tuna, is recycled to produce animal feed for the local market.

The Constitution of Seychelles defines access to water as a basic right. In line with this principle, Government's objective is to provide potable water to 95% of the population by the year 2000. Water shortage, especially in the southern part of Mahe, is a serious problem although the islands receive an abundance of rainfall. Most of the rain-water flows as surface run-off to the sea in the absence of adequate storage facilities. The present water supply system is incapable of meeting demands generated by social and economic development, particularly in agriculture, tourism and health. It is not known what percentage of water used by households are for drinking and cooking. The average per capita consumption of water on Mahe is 140 litres per day, which adds up to a total demand of 13.1 million litres per day. The demand for water is projected to reach 15.5 million litres per day by the year 2000 based on an estimated annual increase of 8%. About 30% of the population uses untreated water.

Studies on alternative ways of increasing water supply carried out over the years have indicated that the more economic long term solution is to build a new large capacity dam with adequate piping and treatment works. It is recognised that the environmental impact of such a development will be significant.

No data is available on the state of the atmosphere in Seychelles or noise pollution, though it is recognised as being generally unpolluted except for localised areas associated with quarrying operations, construction sites and homes (loud music). In recognition of the potential problems that air pollution can cause for Seychelles, Government has taken steps to introduce air quality standards and measures to ensure compliance with both local and international environmental health standards e.g. the reduction in ozone depleting substances in accordance with the Montreal Protocol.

ACTIONS AND INITIATIVES :

A. Built Environment

1. Undertake greater development of existing settlement areas and communities through urban renewal and rehabilitation programmes before taking new areas for development, paying particular attention to the form and quality of the built environment.
2. Encourage restoration of deteriorated or abandoned buildings/areas.
3. Establish programmes aimed at revitalising and beautifying the community neighbourhoods and suburbs with the active participation of the concerned community.
4. Incorporate safety, environmental concerns, parks and open space requirements, accessible cultural, educational services and employment opportunities in the planning and development of human settlement areas.
5. Develop a set of guidelines to be used in the approval process for land development applications adjacent to the shore.
6. Incorporate protection mechanisms for viewlines/viewpoints and aesthetic landscapes into the planning process.
7. Ensure that urban development proposals and architectural styles of buildings are in sympathy with the natural and social environments in terms of design and scale.
8. Encourage neighbourhood watch as a way of combatting crime and strengthen the institutional, judicial and legislative base for detecting, preventing and dealing with crime.

B. Infrastructure

It is recommended that Government sets up a "National Infrastructure Advisory Council" to promote private sector involvement in and co-ordinate infrastructure provision.

Projects aimed at improving and ensuring water supply, minimising the problem of solid waste management and allowing for increased sewerage treatment have already been identified and listed amongst the priority projects in the draft PSIP 1995 - 1997. It is necessary for Government to proceed with these projects within the next 5 to 10 years:

a) Water

1. Pursue with the phased implementation of -
 - i. rehabilitation works on existing reservoirs and construction of a third reservoir for Mahe at an estimated total cost of SR330 million by the year 2000; and,
 - ii. upgrading works on the water supply systems of Praslin and La Digue at a cost of SR9 million and SR1.3 million by 1997.
2. Undertake educational and sensitization campaigns to reduce the per capita consumption of water from the current 140 litres per person per day to 125 litres per person per day in 1996 and encourage its rational use.
3. Undertake comprehensive water resource assessment studies and environmental, economic and social impact assessments of potential alternative

sources and storage of water e.g. underground water, desalination plants, etc., for domestic consumption.

4. Develop and enact a comprehensive "Water Resource Act" to integrate water and land use management mechanisms and to provide for planning on a water shed basis.
5. Formulate water resource management programmes for the rational use of scarce water resources in particular for Mahe, Praslin and La Digue where pressure on water resources are greatest, to also include :
 - i. the development and implementation of a plan to create and co-ordinate water resource data bases that include critical on-going monitoring of water quality and quantity; and,
 - ii. the identification and protection of water catchment areas from further vegetation clearing and encroachment by development and pollution from human-derived contaminants e.g. animal wastes, septic tanks, agriculture, pesticides, waste disposal, etc.
6. Review the pricing policy of water to encourage reduced water consumption and recover costs of water infrastructure, maintenance and operations.
7. Make it mandatory for and provide credit facilities for each new house constructed to install a 500 litre water tank to collect rainwater from the roof for gardening, carwashing and use in toilets and bathrooms.
8. Undertake the identification and marking of underground water pipelines.

b) Waste Water Treatment

1. Implement waste water treatment facilities for -
 - i. greater Victoria (estimated to cost SR74 million and designed to serve 65,000 people) as a top priority and without further delay; and,
 - ii. Beauvallon and Belombre regions by the year 2000 (to serve 75% of the population - around 5,000 people - and major hotel developments at an estimated cost of SR48 million).
2. Finalise studies for and establish priorities for the construction of waste water treatment facilities in other densely populated areas, namely Anse Volbert, Anse Royale and Anse Aux Pins.
3. Require large and or polluting commercial and industrial developments to install sewerage and or other pretreatment plants.
4. Develop guidelines for requiring large residential estates or higher density development to install package sewerage treatment plants.
5. Set up special credit facilities to permit house-owners to modify their existing drainage systems for eventual connection to a public sewerage treatment facility.
6. Implement public awareness campaigns on the proper use and maintenance of septic tank systems.

c) Solid Waste

1. Build solid waste treatment facilities on Mahe estimated to cost SR84 million and extend the treatment to cover hospital and ship wastes.

2. Develop and implement integrated management practices, proper environmental controls and performance monitoring of solid waste collection, disposal and treatment in particular for Mahe, Praslin and La Digue.
3. Build solid waste treatment facilities for Praslin and La Digue.
4. Identify and zone suitable sites for use as landfill sites and strictly control development within a radius of 500 metres therefrom
5. Undertake an educational campaign to change consumption patterns and reduce waste generated by manufacturers, marketing agencies and consumers by :
 - i. informing waste generators about waste disposal costs, pollutants caused by solid waste and monies that can be earned by recycling resources; and,
 - ii. informing the public as to what is hazardous, what the mechanisms are for safe disposal and what alternatives are available.
6. Introduce standards and appropriate economic instruments to :
 - i. reduce waste and other pollution at source of production and or importation;
 - ii. encourage re-use and recycling of waste in addition to energy-efficiency, materials-efficiency, and water-efficiency of practices, processes and products at both the micro- and macro-economic levels.
 - iii. control the manufacture, marketing, use, storage, transport and disposal of hazardous and toxic substances

d) Air and Noise

1. Encourage the shift to new technology reducing carbon dioxide and sulphur dioxide emissions.
2. Enact air quality standards and ensure compliance thereto in transportation, industry by requiring regular emission testing.
3. Encourage reforestation as a means of removing carbon dioxide from the atmosphere and noise buffers.
4. Enact standards to control noise emissions from transportation, industry and homes and ensure compliance thereto.
5. Undertake an education campaign against noise pollution starting with the schools.

2.5 Conservation and Rehabilitation of Historical and Cultural Heritage

GOAL : To promote conservation and rehabilitation of historical and cultural heritage.

Seychelles has a unique but diverse cultural heritage as a result of its multi-cultural and multi-racial makeup. The need to preserve the Seychellois identity and cultural heritage has contributed much to Government's cultural policy which has found expression in :

- i. Creole becoming the national language widely used in the media and in schools;
- ii. the listing and restoration of various historical sites and monuments (actual restoration works have todate been undertaken mostly by private owners without Government assistance; a small number of listed buildings have fallen into ruins due to the lack of a maintenance programme and financial resources);
- iii. a revival of traditional activities (namely dance and songs);

- iv. the development and promotion of a Creole literature through the work of the Kreol Institute;
- v. the development of anthropological and archival work;
- vi. the construction of public library facilities, the main one being on Mahe, a SR40 million project completed in 1993; and,
- vii. an annual creole festival - *Festival Kreol* - in which other creole speaking countries of the region and the Caribbean participate.

ACTIONS AND INITIATIVES :

Action programmes identified by Government in the next 3 to 5 years will concentrate on extending library services on Mahe, Praslin and La Digue at a total cost of SR3 million, upgrading the National Archives at SR2.5 million, and creating a National History Museum at SR0.3 million. Private sector contributions and participation in a range of cultural activities is being encouraged.

It will also be necessary for Government to implement a rigorous programme to :

1. Promulgate appropriate legislations for the setting up of National Trusts (similar to the Environment Trust Fund which was set up recently for environmental programmes and initiatives) through which funds for the maintenance of protected buildings and sites can be raised.
2. Involve local communities in the preservation, rehabilitation and re-generation of protected buildings and sites and other areas of national interest in different ways (e.g., volunteer assistance for repair and general maintenance works).
3. Control demolition, modifications and repairs of listed buildings and or other buildings of architectural interest.
4. Protect the integrity of the historic urban fabric by:
 - i. developing urban design guidelines;
 - ii. balancing rehabilitation and new development especially in central Victoria; and,
 - iii. introducing the use of Transferable Development Rights (TDR) i.e. transferring the right to develop onto other properties.
5. Promote the value of conservation and financial viability of rehabilitation and offer incentives to the public and private developers.
6. Protect natural and built landscape forms and designs which have recreational and visual value and add to the natural attractiveness of the country for the enjoyment of both the local and visiting populations.
7. Encourage and support local cultural institutions and associations and institutionalise public-private partnerships e.g. National Trusts.
8. Document and maintain a directory of architectural and other details of listed buildings and structures.

2.6 Balanced Development of Settlements in Rural Regions

GOAL: To promote sustainable development of rural settlements.

The rural areas of the Seychelles are in reality mostly the geographically dispersed outer islands. Policies and programmes aimed at integrating the outer islands in the

national economic development of the country have been in place for many years. In the past, the Seychelles had a culture of outer island-based employment and life. Over the years, the role of outlying islands in the economic and social development of the country has changed substantially.

The Island Development Corporation (IDC), a Government agency, is undertaking agricultural, tourism, fisheries and utility and infrastructure development projects on these islands, more recently with the participation of the private sector. Improvements in communications and transportation carried out by both the Government and the private sector have been significant. IDC is currently responsible for:

- i. the welfare and development of the State-owned islands with the exception of Coetivy which is managed by the Seychelles Marketing Board (SMB), another Government agency ; and,
- ii. ensuring that any commercial development project undertaken on the outer islands is environmentally sustainable.

The shift in Government policy has over the years meant substantial change to the way in which the outer islands have participated in the economy, with on occasions involving a total pull-out of both economic activity and population. Recent trends indicate a general move towards principally resort type development on the outer islands and certain islands may possibly be reserved exclusively for animal husbandry activities for import substitution. The potential social, economic, environmental and infrastructural impacts of these developments would need to be seriously evaluated in an integrated manner before projects are implemented. The implications on housing, employment and human resource development must also be considered.

ACTIONS AND INITIATIVES :

Given the large number of small islands involved and the sensitivity of the environment, it is necessary for Government to:

1. Implement integrated regional and rural development plans and programmes that are based on needs and economic viability.
2. Undertake studies of the carrying capacities of the islands prior to implementing development projects.
3. Ensure that ALL developments undertaken on the islands are subject to:
 - i. the planning approval process and provisions of the Town & Country Planning Act;
 - ii. the provisions of the Environment Protection Act, in particular environmental impact assessments; and,
 - iii. social impact assessments.
4. Eliminate environmentally harmful subsidies, foreign exchange earners and price control systems which perpetuate unsustainable practices and production systems.
5. Establish priorities for regional/rural infrastructure investments.
6. Undertake sociological studies to examine reasons behind the changes to the culture of outer island-based employment and life and use the results thereof in policy and development planning for the outlying islands.

2.7 Disaster Preparedness and Post-disaster Rehabilitation Capabilities

- GOAL 1: To reduce the risk from natural and man-made disasters.
GOAL 2: To improve disaster preparedness and post-disaster rehabilitation capabilities and minimise time and cost of recovery after disasters.

There are no available statistics on the cost, numbers and frequency of natural and man-made disasters in Seychelles, although land- and rock-slides, flooding, house and bush fires are known to be fairly common. Tropical cyclones do not pass through the granitic Seychelles as they lie too close to the equator, but frequent cyclones in the vicinity of the outer islands have been recorded.

The approach to dealing with natural and man-made disasters in Seychelles has been mainly one of responding to disasters rather than prevention. This usually involves State (Minor Disaster Fund) and NGO organisations (e.g. the Roman Catholic Church's CARITAS, the Red Cross) which provide relief on a relatively limited scale. On a regional basis, programmes for responding to oil spills and airline disasters have been put into place.

The ability of emergency services to respond to disasters in Seychelles is most often hampered by the lack of equipment, trained personnel and difficulty of access to disaster areas. Post-disaster rehabilitation capabilities are limited.

ACTIONS AND INITIATIVES :

Programmes aimed at preventing and improving disaster preparedness programmes and post-disaster rehabilitation capabilities should be carried out at both the local and international levels.

A. Local

1. Introduce data collection and analysis on location, occurrence, incidence, magnitude and cost of natural and man-made disasters and response plans.
2. Adequately equip and train rescue and emergency teams.
3. Reduce the effects of natural and man-made disasters and improve settlements planning and design methods by incorporating vulnerability and risk assessments and environmental impact assessments.
4. Design, designate and equip public or large buildings that can be quickly and easily converted into decentralised, disaster and intermediate relief centres if the need arises.
5. Set up a National Disaster Co-ordinating Centre.
6. Establish a co-ordinated multi-nodal disaster preparedness and response information system which maps out response capacity, location, telephone and radio contacts, including all agencies and organisations dealing with public safety and security, meteorology, transport, medicine, energy.
7. Identify potential hazards and establish contingency and response plans, management systems and funds for relief and delineate clearly roles and responsibilities of and communication channels between key functions of disaster

preparedness, prevention, assessment, monitoring, relief, resettlement, emergency response.

8. Encourage the participation of the community, NGOs and the business community in disaster preparedness, planning and response, e.g. supplying water, food, fuel, first aid, etc.
9. Establish reliable communication, response and decision-making capabilities at the lowest level possible.
10. Implement drill exercises for emergency response and relief.
11. Develop post-disaster rehabilitation capabilities to cover:
 - i. resettlement facilities
 - ii. reconstruction
 - iii. counseling

B. International

1. Establish regional disaster preparedness and response, relief programmes and information systems and procedures for major disasters of potential transboundary impacts and requiring :
 - i. a regional or international input; and,
 - ii. the use of expensive and highly specialised equipment.
2. Establish a reliable communication network, clear responsibilities for response and action between key functions, which will also require the immediate notification by States of any natural disasters or emergencies that are likely to produce sudden harmful effects on the environment and the provision of help by other States to the afflicted State.
3. Formulate regional warning systems for natural disasters e.g. storm surges, threats of sea-level rise, oil spills.

3.0 CAPACITY BUILDING AND INSTITUTIONAL DEVELOPMENT

3.1 Decentralisation And Strengthening of Local Authorities

Capacity building and institutional development are of critical importance to Seychelles. The shortage of skilled human resources:

- i. prevents the development of ancillary services or specialised expertise and reinforces the heavy dependence on expatriate labour; and,
- ii. is widely perceived to be one of the most pressing impediments to the country's economic performance and achievement of sustainable developments.

The current training activities are financed substantially from the Government's budget. This is supplemented by scholarships from various other countries. However, such assistance is on the decrease and the financial support of foreign donors is critical to maintain adequate training levels to deal with all aspects of sustainable development.

One worrying aspect of capacity building in Seychelles is that the present educational and training system has been unable to provide the skilled human resources to respond to the fast economic growth experienced and labour market needs (MESA, 1995).

Given these conditions, private sector involvement in training and skills development is essential.

In addition, training programmes in western countries are tailored for larger regions, an approach that is not always adaptable to the needs of small island states like the Seychelles, hampering in some instances, the effective assessment, implementation and monitoring of development implications and resource management.

ACTIONS AND INITIATIVES :

1. Review and extend the scope of the Human Resource Development Plan (HRDP) to also :
 - i. aim at equipping institutions and staff to undertake multiple functions;
 - ii. require tertiary education levels to address a wide range of disciplines required for resource management and planning in small island states; and,
 - iii. strengthen training at organisational level.
2. Review current institutional set up to avoid duplication of functions as is the case between the Housing Division of the Ministry of Community Development and the District Administrations.
3. Improve decision-making capacities at parliamentary and district levels by:
 - i. improving the knowledge base of politicians and personnel in the District Administrations;
 - ii. making available information gained from international meetings and conventions; and,
 - iii. sharing experiences with other countries through workshops and exchange programmes on human settlements and environment issues.
4. Periodically evaluate the performance of District Administrations for further decentralisation as appropriate.
5. Seek assistance from UNCHS (Habitat) and other multi-lateral or bi-lateral agencies in strengthening management capacity and institutional development in the country, in particular in shelter and human settlement planning.
6. Encourage the participation of investments from the private sector for formal training through mechanisms such as more social security benefits, tax concessions and other collaborative arrangements and partnerships.
7. Tailor training programmes to better meet the demands and needs of the labour market in consultation with the private sector and employers.

3.2 Participation, Civic Engagement And Government Responsibilities

GOAL : To strengthen participatory mechanisms and community-based action planning.

"Sustainable development requires the active engagement of civil society organisations, as well as the broad-based participation of women and men" (UNCHS, 1995). Public involvement in decisions involving legislations and regulations, policies, programmes and projects is essential. Effective public consultation should become a routine part of Government's decision-making process. A Government mechanism to

co-ordinate consultations and to assist in designing them to be effective is increasingly necessary. Early public consultations is especially important where changes may affect the ability of persons to earn their livelihood.

Ways of identifying problems, setting goals, mobilising resources and implementing projects might be usefully sought from traditional responses to resource management and control systems. Public participation allows for such an input in the decision-making process and makes for easier and less expensive implementation of projects in the long-term. Moreover, if decisions that are made daily in the homes and offices by people of all walks of life are to be compatible with the goals of sustainable development and human settlements, the Seychellois population will have to become better informed and educated on the costs or benefits of the choices they make everyday.

ACTIONS AND INITIATIVES :

Public participation in Seychelles has in the past been encouraged in a format restricted to representations by district administrators on behalf of the electorate. The public participation process in Seychelles needs to be developed in the following ways:

1. Improve possibilities for the public to participate in decision-making and render such participation and decision-making transparent.
2. Increase access by the public to information.
3. Provide the institutional and legal framework to support public participation.
4. Establish regular broad-based consultative techniques involving the major groups and NGOs in the decision-making.
5. Foster a positive approach to consultations by both Government and non-governmental agencies.
6. Use the media to effectively disseminate information on new technologies, sensitise the community and promote civic responsibilities and exchange of information and experiences.
7. Incorporate sustainable development education in all fields of study from elementary school through to Polytechnic and the continuing education programme.
8. Promote equity, incorporate gender and involve vulnerable groups through advocacy training, seminars and other educational campaigns and activities.
9. Educate the community to use the banking sector for the administration of funds.
10. Encourage NGO participation in implementation of such projects as self-help housing.

3.3 Metropolitan Management And Planning

- GOAL 1: To improve national human settlements management and planning.
GOAL 2: To better manage Victoria as an urban centre.

The severe shortage of skilled and suitably qualified personnel in this field and the growing pressure from the development and social sectors has weakened the institutional and technical capacity of Seychelles to effectively deal with human settlements planning and management. Immediate action is called for to address this

problem which by itself can prove to be a major obstacle to the improvement of human settlements.

Victoria, the capital, is currently divided into 6 administrative districts of local government. Over and above this, various Government agencies and bodies have sectoral responsibilities for maintenance and management of the town's infrastructure, services, etc. A new management approach is called for in Victoria given the human resource problems and fragmentation of responsibilities.

ACTIONS AND INITIATIVES

It is necessary to :

1. Use innovative methods of circumventing traditional personnel constraints e.g. contracting private enterprise, making part-time (port-folio) work possible, encouraging NGO participation, volunteers and exchange professionals.
2. Introduce in-house short training programmes and workshops in the short-term to bridge the gap between the lower technical level and qualified personnel.
3. Provide longer-term training programmes in:
 - i. administration and management of human resources and finances; and,
 - ii. regional and town planning, community development, development of primary infrastructure and services, project planning, appraisal, implementation and supervision.
4. Develop analytical and participatory methods suited to local conditions.
5. Create a legislative framework and organisational structure that assures co-ordination, efficient service delivery and rational development.
6. Introduce new schemes of service and remunerations that encourage the available qualified personnel to advance professionally and continue to work in the country.
7. Mobilise resources and develop longer-term strategic investment planning such as the Public Sector Investment Program (PSIP).
8. Revise the boundaries of Victoria and set up a high-level authority responsible for its proper management.

3.4 Domestic Financial Resources and Economic Instruments

GOAL: To strengthen the domestic financial base for shelter and settlements development.

All indications are that the demand for social housing in Seychelles will continue to form a large part of the market for many years. Funding for social housing is unlikely to come from international agencies unless the funding is at commercial rates and on short-term repayments which at this point in time the economy cannot sustain. Nevertheless, efforts to seek concessionary funding should continue. The possibility of Seychelles obtaining assistance on favourable terms from *Shelter Afrique* for its housing programme must be looked into.

It can therefore be assumed that funds to finance shelter and settlements developments will continue to come principally from internal sources, including public

and private. No doubt the largest impact on the financial base will derive from improvements in local resource generations, expenditure control and financial management.

ACTIONS AND INITIATIVES:

Government will need to build on initiatives taken to date in improving the local financial base by:

1. Improving the debt collection capabilities and controlling expenditure by SHDC.
2. Introducing land rates and taxes on foreign owned properties and seeking developer contributions :
 - i. where new infrastructure works will benefit or enhance a property; and,
 - ii. where a new development will require upgrading of existing infrastructure.
3. Legalising and facilitating Seychelles Credit Union's (SCU) access to national and international capital markets and specialised lending institutions, including instituting credit rating system.
4. Setting up building societies with access to personal savings for settlements developments and considering the conversion of Mortgage Finance Company (MFC) into such an institution.
5. Establishing systems and procedures to ensure financial accountability.
6. Negotiating lower interest rates on commercial loans for housing.
7. Devising new instruments and partnerships to tap international financial capital markets more effectively.
8. Expanding the country's economic base in an effort to generate capital in the form of foreign exchange.

3.5 Information And Communication

GOAL: To improve the country's capacity to exploit innovations in information technology and communications.

UNCHS has acknowledged that recent developments in information technology, the liberalization of trade and free-flow of capital on a global scale will bring major changes to the roles and functions of cities and, the decision-making, resource allocation and management process. The use of information technology in Seychelles to assist decision-making and information exchange is gaining momentum. Given the severe shortage of skilled human resource, investments in information technology can foster productivity gains in industry trade, commerce and provide for more effective planning and management of scarce resources.

ACTIONS AND INITIATIVES:

The Government needs to :

1. Encourage the adoption of appropriate information technology by both Government and non-governmental institutions within an integrated framework, and with priority going to Geographic Information Systems (GIS), the setting up of a National Topographic Data Base and a national data base on housing.

2. Train key actors in the use of information technology with the active participation of the private sector.
3. Set up facilities for and develop methods of sharing experiences and dissemination of best practices through electronic networks thereby reducing the isolation of local professionals.
4. Require studies and information on Seychelles to be deposited at the National Library.
5. Develop a documentation centre within the National Library for habitat and human settlement issues.
6. Sensitize all sectors on the importance of the Best Practice for Seychelles and access to and sharing information worldwide on the internet and electronic mail.

4.0 INTERNATIONAL CO-OPERATION

4.1 Enabling International Context

GOAL: To seek and share resources and skills across national boundaries in implementing the programmes adopted in the Habitat II Global and National Plans of Action.

The economic demands placed on the resources of developing countries and island states, particularly by dominant economic partners and aid agencies can be overwhelming and sometimes destabilising given the major technical, financial and human resource constraints these countries face. Recently agreed international conventions on bio-diversity conservation, climate change, desertification and Agenda 21 require participating countries to prepare and implement some form of strategy to address issues of international and national concerns. These international agreements place additional demands on many developing countries' already stretched resources. The Seychelles is no exception. Its regional and international commitments include some 16 conventions and treaties concerned with the protection of the environment and sustainable development, the most recent being the Bio-Diversity Convention.

Global sustainability depends on a firm alliance among all countries. If lower income countries and small island states are to develop sustainability, protect their environments and cope with the short-term impacts of structural adjustments and economic transitions on human settlements, the international community must help national governments. It can do so by providing the necessary technical, financial and other support, in a manner that does not result in the fragmentation of strategies and programmes and a loss of effectiveness and coherence.

The progress of the programmes in Seychelles aimed at ensuring sustainable human settlements and development cannot succeed without the co-operation of external aid agencies. These programmes stem from the country's regional and international commitments in addition to the draft PSIP 1995-1997, PAT 1992-2000, EMPS 1990-2000, HRDP 1994-2000 and the Habitat II National Action Plan. Most call for heavy capital investment and skilled human resources to which the Seychelles has

increasingly limited access. Failure to mobilise grants and loans on concessionary terms remains a major threat to the country's ability to deal with its high degree of vulnerability and successfully make the transition to sustainable development, shelter and human settlements.

ACTIONS AND INITIATIVES :

With international assistance, it will be necessary for the Government to continually :

1. Create and promote conditions for foreign and domestic direct investments in shelter, infrastructure and environmental and other programmes for sustainable human settlements.
2. Seek innovative sources of funding and negotiate international finances on favourable terms to fund shelter and human settlement programmes.
3. Raise the priority of sustainable human settlements development among multi-national and bi-lateral agencies and donors.
4. Develop a "foreign policy agenda for sustainable development" (Bass & Dalal-Clayton, 1995) for Seychelles in consultation with the private sector and the public covering such issues as the kinds of investment, trade, aid and other links that contribute to global sustainable development and the implications for the country, international compensation, international networking, associations to increase bargaining power, etc.
5. Enact local legislations in line with and strengthen international law aimed at achieving sustainable development by signing, adhering to and implementing conventions and treaties on environment and global sustainability (e.g. transboundary movement and disposal of hazardous waste).
6. Form productive partnerships with environment, development and humanitarian NGOs, business and citizens' groups to reinforce the local capacity to respond to actions called for under international agreements.
7. Examine ways of reducing the country's debt burden and improve conditions of trade.
8. Give more attention to the conservation and sustainable management of shared seas, other ecosystems and living resources.
9. Help prepare and put into place facilities for responding to major marine oil spills in the region or other natural disasters.
10. Support international research and co-operation to assess the nature and implication of climate change and its likely impact on investments, land prices, land use patterns and settlements in Seychelles.
11. Promote post-Habitat II regional and island states conferences to build upon networks, linkages and bargaining powers.
12. Support and facilitate access by Seychelles to the UNCHS (Habitat) information base.

Specific descriptions and lists of priority projects, programmes and activities requiring international co-operation and assistance are detailed in the EMPS 1990 - 2000, PSIP 1995 - 1997, HRDP 1994, PAT 1992 - 2000 which by and large recall projects from the NDP 1989 - 1994. Assistance will also be required for new programme areas identified by the Habitat II National Action Plan not already covered by these strategic plans.

4.2 Financial Resources and Economic Instruments

GOAL : To negotiate international cooperative agreements and financial commitments for both intergovernmental and non-governmental institutions.

Foreign aid is acknowledged to be a major influence in setting the pace and direction of development in many developing countries. The special case for island resources which are small in quantity but great in human significance has gone mostly unnoticed. Small island states like the Seychelles cannot raise large amounts of capital finance on the home market. Yet, the country finds it increasingly difficult to raise finance on the international market for the EMPS, PSIP, PAT and HRDP projects on account of its high per capita income and significant aid funding being focused on larger continental areas.

ACTIONS AND INITIATIVES :

To increase the capacity of Seychelles to support itself, effectively address environmental and human settlements priorities, developed countries and aid agencies should assist the country in the following ways:

1. Development assistance should be reformed and increased with Seychelles still having full control of its strategy for sustainability through innovative funding mechanisms e.g.:
 - i. debt-for-nature swaps i.e. trade of debts in return for protection of the environment;
 - ii. removing non-environmental trade barriers to exports and assisting with the diversification of the economy;
 - iii. fiscal and economic instruments; and,
 - iv. supporting and stabilising commodity prices.
2. Develop a financing package for islands like the Seychelles that allows for the integrated development and full implementation of programmes and projects aimed at achieving sustainable development in accordance with the stipulated strategy.
3. Provide assistance in evaluating the level of achievement of the goals and objectives of the EMPS and in due course, the PSIP and the Habitat II National Action Plan.

4.3 Technology Transfer, Information Exchanges, Technical And Institutional Co-operation

GOAL : To develop effective, interactive national, regional and international communication systems and strengthen institutions for technology transfer, information exchanges and institutional co-operation.

International agencies have an important role to play in:

1. Disseminating information on and facilitating access by Seychelles to:
 - i. available technologies in support of implementation of national action plans and for more efficient use of human, financial and material resources, the knowledge base which support their application and options for their transfer; and,

- ii. a global network of information (internet or other appropriate technologies) on legal and regulatory frameworks, institutional, governance, management practices and best practices in these fields.
- 2. Institutional strengthening in Seychelles to broaden the scope of understanding and ability to deal with sustainable development issues and provide a framework for renegotiating mandates, responsibilities and required resources.
- 3. Assisting Seychelles with assistance in obtaining appropriate alternative technologies/transfer in such areas as :
 - i. improved surveying techniques; and,
 - ii. energy generation.

ACTIONS AND INITIATIVES :

1. Provide technical, financial and political support for the creation and development of a national data bank on housing and human settlements in Seychelles in addition to a National Topographic Data Base for the country.
2. Provide technical and financial support for the setting up of a Geographical Information System for land and resource inventory, planning and management.
3. Provide financial and technical assistance for the capacity building programme outlined in the HRDP in addition to providing both short- and long-term training opportunities in urban and rural planning, and human settlements planning and management.
4. Facilitate the regional pooling of resources for more effective response to human settlement problems.

5.0 IMPLEMENTATION AND FOLLOW-UP OF THE NATIONAL ACTION PLAN (NAP)

5.1 Monitoring And Evaluating Progress

The success of the UNCHS (Habitat II) Global Plan of Action for sustainable human settlements and adequate shelter for all will depend on the commitments of national governments and implementation of requisite programmes defined under the National Action Plans. The National Report for Seychelles not only **assesses** the current situation but also contains an Action Plan which:

- i. sets goals;
- ii. outlines fundamental principles; and,
- iii. suggests actions and new policy directions that can be taken.

Popular participation must be the principal driving force in the realisation of the stated human settlement objectives. Government must play a leading role, work in a transparent way and with good governance in partnership with the public and private sector (individuals, businesses, institutions, NGOs) to achieve the goals set out in the National Report and Action Plan 1996-2000.

ACTIONS AND INITIATIVES:

To evaluate the success and long term impacts of these actions it will be necessary for the Seychelles government on its part to:

1. Appoint a central, non-partisan, high level agency of Government with the responsibility of:
 - i. publicizing and prioritising the implementation of programmes over a target period;
 - ii. overseeing the implementation of the NAP; and,
 - iii. co-ordinating the activities of lead and other agencies from Government Departments and the private sector in implementing programmes in human settlements and shelter.
2. Evaluate and monitor the implementation of the NAP against the national goals and objectives in addition to Agenda 21 and Habitat II Agenda.
3. Make appropriate recommendations to the UN on new or other areas needing further attention.
4. Further develop indicators to periodically evaluate the local impact and effectiveness of policies, strategies and actions and make adjustments thereto where required within the framework of Agenda 21 and Habitat II Agenda.

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