



Food and Agriculture
Organization of the
United Nations



Hand-in-Hand
Initiative

Investment Opportunities in the Union of the Comoros

Country Profile

Why invest in the Union of the Comoros?

Relevance of the Hand-in-Hand Initiative in the country

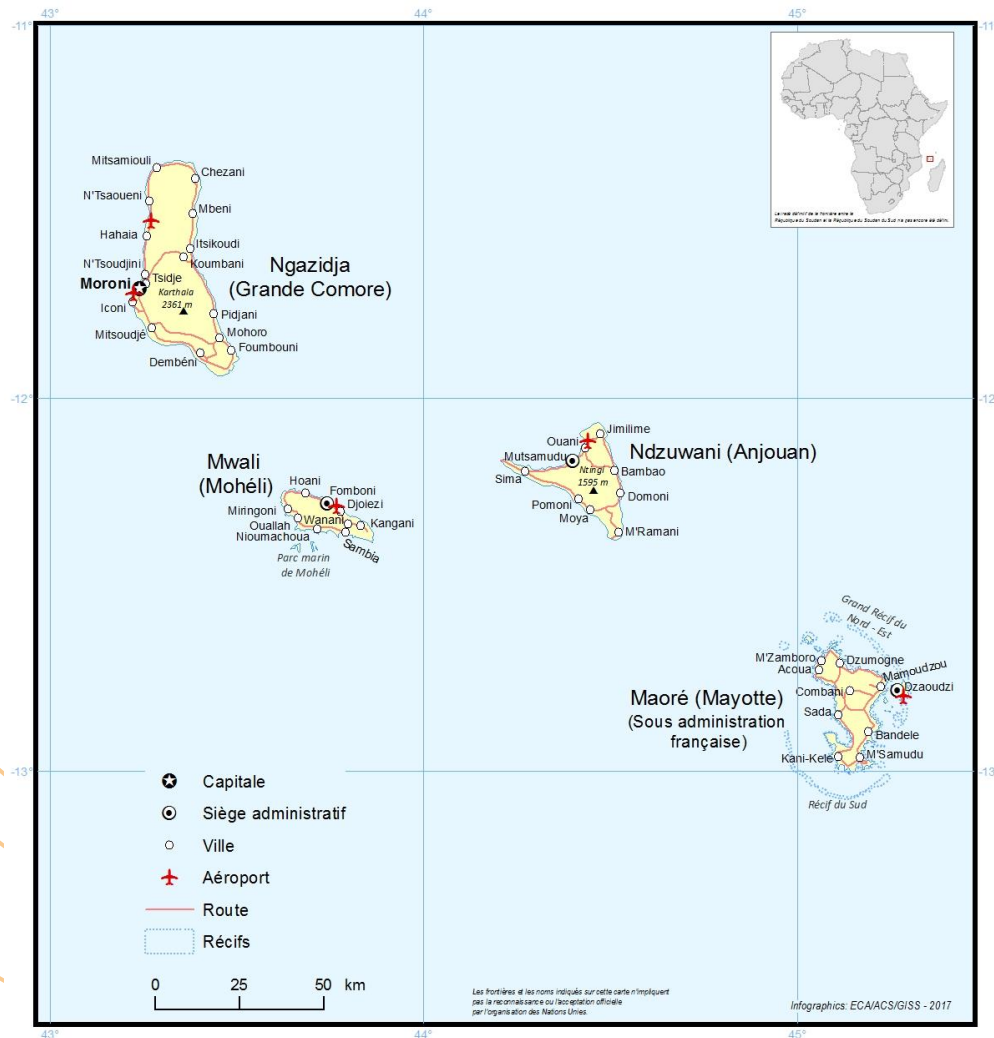
Investment proposals

Country Profile-The Union of the Comoros

Current Status and Agriculture



Agriculture



- Total land area of 2 236 km²
- Population: 889 676 inhabitants (INSEED, 2024 projection)
- HDI: 0.558 (2022)
- Regions: 3 governorates
- Prefectures: 16
- Municipalities: 54
- National policy based on: the plan “Emerging Comoros” (PCE) by 2030
- Member countries of: IOC, COMESA, SADEC, Arab League, AU, WTO

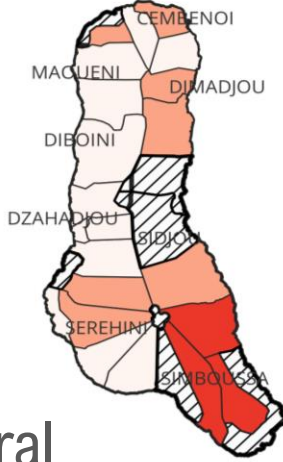


Poverty statistics

Current Status and Agriculture

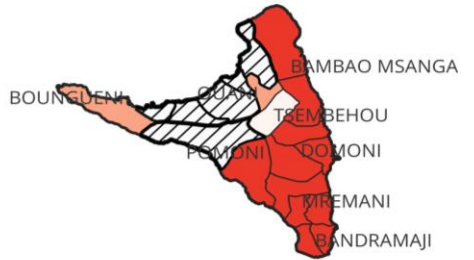
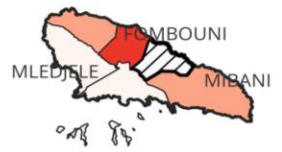
Agriculture

- National poverty rate: **44.8 % (WB, 2023)**
- Level of poverty among the agricultural population (FAO, MAPA 2021)*:
 - the south-east of Anjouan has the highest concentration of poverty in the Comoros
 - In Grande Comore and Mohéli, most communes have a low to medium level of poverty, with the exception of a few communes that have a high level of poverty



Pauvreté (class. médiane)

- Faible pauvreté
- Pauvreté moyenne
- Haute pauvreté
- ▨ Pas d'information



"HiH" initiative in the Union of the Comoros



Relevance

- The agricultural sector is the backbone of the Comorian economy, accounting for 44% of GDP and 57% of the working population.
- ✓ The country took its commitment to the 2030 Agenda to another even higher level by adopting, in 2019, the « Plan Comores Émergent » (PCE) which places the Union of the Comoros on a new development trajectory leading it to the status of an emerging country
- ✓ The pillars of the PCE contribute to both the achievement of the SDGs while integrating the implementation needs of the African Union's Agenda 2063.
- ✓ To facilitate the implementation of the « Plan Comores Émergent », the government has drawn up and adopted a portfolio of priority programs, all of which are all aligned with the SDGs and monitoring and evaluation is done around a mechanism based on the five pillars of the 2030 Agenda.
- ✓ Legal and tax incentive framework
- ✓ Fisheries, poultry and food crops, including bananas, are among the priority programs in the compact (COMPACT Comoros at the Dakar II Summit in January 2023)

Agriculture

Government objectives

Current Status and Agriculture



Desire to support the creation of new private businesses in the agricultural sector / greater involvement of the private sector.

Banana

Target by 2030: increase banana production to at least 90 000 tons/year (COMPACT Comoros)

Production for local demand and export (diaspora demand estimated at 45 tons/year)

Fisheries and aquaculture

Inclusion in the priority programmes and the PCE
Huge potential in the fisheries and aquaculture sector and significant under-exploited fishery resources:

Demersal resources located on the continental shelf:
3,000 tonnes/year

Coastal pelagic resources: 10,000 tonnes/year

Oceanic pelagic resources (high seas): 20,000 tonnes/year

with 427 km of coastline

improvements in the governance of the sector are underway, thanks to the support provided by the PTFs (statistics, safety, SCS, co-management, health control) support for the development of the private sector and the promotion of public-private partnerships (e.g. ANPI, chambers, employers' organisations, etc.)

Poultry

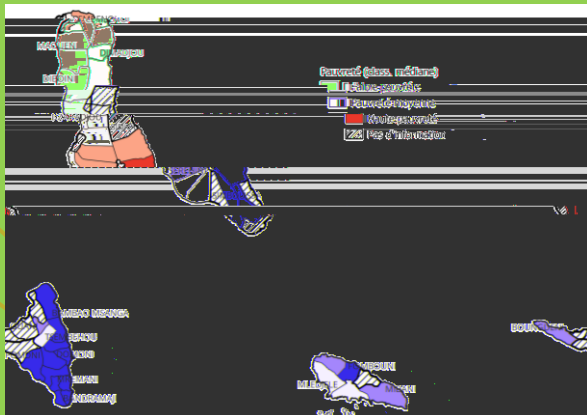
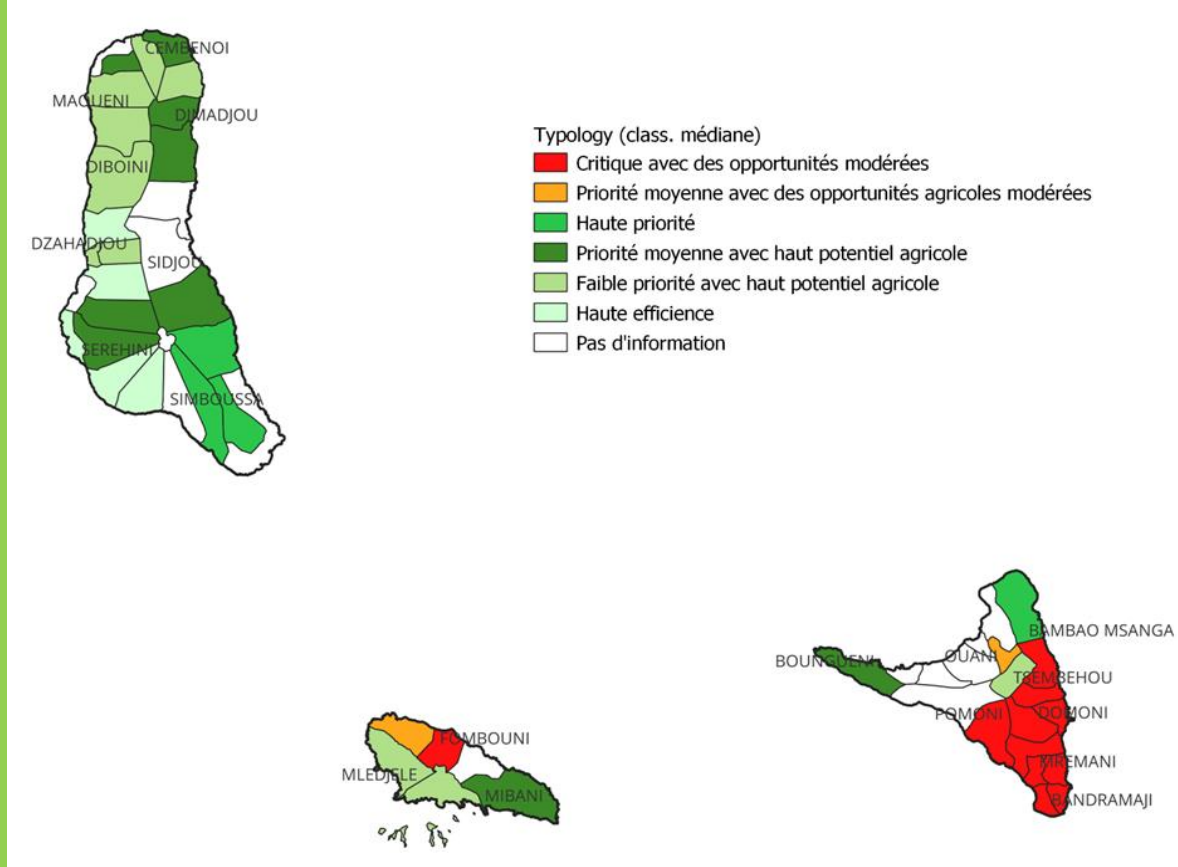
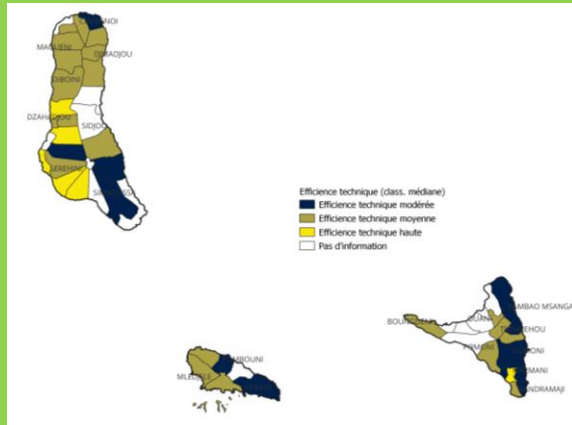
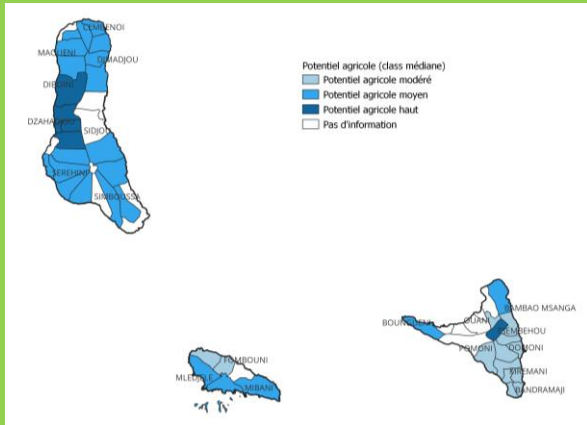
Reduce imports: 80% of the animal products consumed are imported and the quantities imported are constantly increasing (10 000-15 000 tonnes/year)

Agricultural typology and investment areas

Current Status and Agriculture



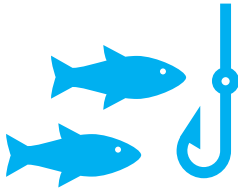
Typologies



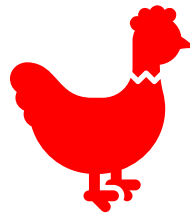
The combination of the maps of **potential, poverty and efficiency** makes it possible to categorize territories according to typologies and to target the areas of intervention



Banana production



Fisheries and aquaculture



Poultry production

Climate-smart banana production

Opportunity 1:



Bananas, the food crop par excellence in the Comoros, are one of the most important crops in terms of agricultural production (6,338 tons/year, FAO 2024) and yield (21.5 tons/ha)

Banana is a very **popular staple food**, with strong local demand.

Increasing climate-smart banana production

Current Status and Agriculture



Smart Banana

Current constraints

Predominantly artisanal agricultural production with insufficient local added value

Weather-related and disease-related losses.

Conservation of agricultural products without compliance with SPS standards, and still very limited processing, conservation and marketing activities

Difficult access to agricultural credit and private investment

Research and Development still in its infancy; Inefficient management structures due to a lack of qualified human resources and adequate equipment

Legal framework does not encourage investment in the sector, in particular the existence of customs taxes on imported equipment and inputs intended for agriculture

Key Investments

Support banana production to nearly 90,000 tons of bananas/year: USD 5.6 million (private sector - public sector)

Build 3 large warehouses, 12 storage units for banana conservation, rehabilitate rural roads: USD 4.8 million (private sector)

Set up 25 processing units and 6 packaging units for products in the banana sector. USD 3.1 million (private sector)

Develop marketing channels and export markets: USD 2.8 million (private and public sector)

Establishment of 1 reference laboratory and 2 subsidiary laboratories for the in vitro production of banana trees 3.4 million (public and private sector)

Pilot a financial product for the sector and reduce customs taxes on imported equipment and inputs and support the creation of new private companies USD 0.3 million (public sector)

Risks and mitigations

Climatic, phytopathological and health risks:

Mitigation: extension of resistant varieties and use of quality inputs and phytosanitary control

Risks: poor quality of infrastructure

Mitigation: Bringing it up to international standards

Risks: health safety

Mitigation: Implementation of a system of health and health controls

Risks: Lack of opportunities

Mitigation: Development of a strategy to gain international market share (AfCFTA, COMESA, etc.)

Administrative delays

Mitigation: Application of the Investment Code

Total investment (USD): **20 million**
Government Contribution (USD): **\$1 million**
Direct total beneficiaries (households): **3 490**
Indirect total beneficiaries (individuals): **18 497**
Additional net income per household (USD): **1 785**

Internal Economic Rate of Return: **22.58%**
Net Present Value (USD): **7 million**
Benefit/Cost Ratio: **2.10**

Poverty reduction
Food security
Job creation
Economic growth



Develop the aquaculture and fisheries sector



Opportunity 2:

Fishing contributes to national wealth creation estimated at **6.7%**

Existence of 5 industrial fishing segments and **4 national fishing segments**: semi-industrial fishing, artisanal fishing, traditional fishing and shellfish gathering

Existence of **121 cooperatives/associations** bringing together a total of 7600 fishermen, including 55 in Grande Comore (4,000 fishermen), 45 in Anjouan (3,000 fishermen) and 21 in Mohéli (600 fishermen) (source Fishermen's Union, 2018)

Aquaculture almost non-existent

Unmet local demand: recurrent shortages and import of canned goods. Fish imports are estimated at between **500 and 1,000 tonnes/year**

Annual production between **20 000 and 25 000 tons/year**

Existence of potential export markets outside of the **EU (East Africa in particular)** that are accessible and remunerative

Aquaculture

Fisheries and aquaculture sector

Current Status and Agriculture



Current constraints

Small-scale fishing with insufficient local added value

Predominance of the informal sector in the fisheries sector, and underdeveloped entrepreneurship

Preservation and storage of seafood done individually, neglecting compliance with SPS standards

The country has no fishing port, nor a well-structured local market

Processing infrastructure in the fisheries sector remains insufficient and inadequate.

Vocational training (navigation, mechanics, safety, conservation) and Research/Development scheme, which hamper the modernisation of the fishing professions

Key Investments

Facilitate access to inputs, equipment, fisheries control and surveillance, safety at sea and construction of landing points for small-scale fishing on 3 strategic sites USD 1.8 million (private sector)

Install 45 aquaculture production sites, 45 fish ponds, 6 hatcheries and their equipment, and feed production units. USD 2.4 million (private sector)

Setting up a cold chain (positive and/or negative cold rooms, insulated containers/fish shops, ice boxes, ice) USD 0.8 million (private sector - public sector)

Create 30 small and medium-sized enterprises for the conservation and processing of tuna into cans, development of a marketing strategy (circuits, standards, export, etc.) 1.6 million USD (private sector)

Create and operate specific markets for fish and fishery products and support the creation of 30 fish markets in the main cities, USD 1 million (private and public sector)

Setting up a reference laboratory for product analysis and quality control for the certification of fishery products intended in particular for export USD 1.8 million (public and private sector)

Risks and mitigations

Risk: Over-exploitation of the coastal fringe and degradation of environments due to the anchoring of pirogues:

Mitigation; Promotion of semi-industrial fishing with the use of efficient and sustainable fishing equipment and technologies

Risk: low access to quality food for farmed fish

Mitigation: Controlled imports and initiation of local fish feed production

Risks: poor quality of cold chain infrastructure

Mitigation: Bringing it up to international standards

Risks: health safety

Mitigation: Establishment of a system for the protection and sanitary control of fishery products

Risk of resource degradation

Mitigation Support for the implementation of the Voluntary Guidelines for Sustainable Small-Scale Fisheries

Fisheries and Aquaculture

Investment Proposal:



Agriculture

Total investment (USD): 10 million

Government Contribution (USD): 0.5 million

Direct total beneficiaries (households): 2 503

Indirect total beneficiaries (individuals): 13 266

Additional net income per household (USD): 8 953

Internal Economic Rate of Return: 19.36%

Net Present Value (USD): 3.84 million

Benefit/Cost Ratio: 1.30

Poverty reduction
Food security
Job creation
Economic growth



Develop the poultry sector

Opportunity 3:



The country imports 20 000 tonnes of broiler chicken and more than 950 000 table eggs (UA, 2022)

Local production of broilers almost non-existent (except for artisanal production or culled laying hens).

poultry farming, mainly focused on the production of eggs for consumption, very insufficient egg production

Very low added value of the subsector and low contribution to employment,

Very high price levels

Poultry

Fisheries and aquaculture sector

Current Status and Agriculture



Aquaculture

Current constraints

A low level of poultry production. Chronic deficits in poultry feed.

Persistence of animal diseases due to poor health and vaccination coverage.

Lack of modern processing and marketing channels for livestock products.

Lack of modern and appropriate infrastructure (poultry transport, input manufacturing plants, etc.).

Limited Research and Development programs

Lack of sustainable funding (public and private) accessible to farmers.

Key Investments

Build infrastructure for the production of broilers (30), eggs and chicks (15). USD 8.2 million (private sector)

Create 3 pilot feed manufacturing factories (silos, supply of raw materials, and equipment) and development of local resources 1.5 million USD (private sector)

Set up a central pharmacy and 2 ancillary depots to make veterinary products available USD 2.7 million (public and private sector)

Create 3 cold chains, 6 modern slaughterhouses, 3 processing units and 6 storage units and warehouses. USD 3.9 million (private sector)

Establishment of processing units for local products in the poultry sector. 1.6 million (private sector)

Create and operate a reference laboratory in animal health and poultry disease surveillance. USD 1 million (public sector)

Piloting a sustainable and accessible financing model for the sector

Risks and mitigations

Risk: Epidemics requiring the slaughter of poultry:

Mitigation: Veterinary surveillance, farmers' insurance

Risk: access to feed

Mitigation Controlled imports and initiation of local feed production

Risk: Uncontrolled imports

Mitigation Customs Controls

Risks: poor quality of cold chain infrastructure

Mitigation Bringing to international standards

Risks: health safety

Mitigation Establishment of a system of and health checks on poultry products



Total investment (USD): 20 million

Government Contribution (USD): \$1 million

Direct total beneficiaries (households): 3 190

Indirect total beneficiaries (individuals): 16 907

Additional net income per household (USD): 3 633

Internal Economic Rate of Return: 20.16%

Net Present Value (USD): 1.86 million

Benefit/Cost Ratio: 1.08

Poverty reduction
Food security
Job creation
Economic growth



Investment plan of Comoros



50.0 Million US\$	47.5 Million US\$	2.5 Million US\$	57,853	19-23%	4,836 US\$	12.7 Millions US\$	0 tCO2-eq
Total Investment	Total Investment gap	Government Contribution	Total Beneficiaries	Average IRR (%)	Per capita income	NPV	ExACT

Investment case Banana Value Chain

Investment: **20 Million US\$**
Government Contri: **1 Million US\$**

Investment Gap:
19 Million US\$

NPV :
7.0 Million

IRR:
22.58%

Direct beneficiaries
3,490

Indirect beneficiaries:
18,497

Total beneficiaries:
21,987

Per Capita income increase
1,785 US\$/Person



1

Investment case Fisheries and Aquaculture Value Chain

Investment: **10.0 Million US\$**
Government Contri: **0.5 Million US\$**

Investment Gap:
9.5 Million US\$

NPV :
3.84 Million

IRR:
19.36%

Direct beneficiaries
2,503

Indirect beneficiaries:
13,266

Total beneficiaries:
15,769

Per Capita income increase
8,954 US\$/Person



2

Investment case Poultry Value Chain

Investment: **20 Million US\$**
Government Contri: **1 Million US\$**

Investment Gap:
19 Million US\$

NPV :
1.86 Million

IRR:
20.16%

Direct beneficiaries
3,190

Indirect beneficiaries:
16,907

Total beneficiaries:
20,097

Per Capita income increase
3,636 US\$/Person



3

Summary

