

São Tomé and Príncipe: National Sustainable Development Strategy (ENDS) 2026–2040

São Tomé and Príncipe’s National Strategy for Sustainable Development (*Estratégia Nacional de Desenvolvimento Sustentável* - ENDS) 2026–2040 articulates a vision of sustainability, social cohesion, institutional modernization, and structural economic diversification. This strategy also responds to the country’s vulnerabilities as a Small Island Developing State while leveraging its unique strengths as the only country in the world that has its entire territory classified as World Biosphere Reserve.

By 2040, São Tomé and Príncipe (STP) aims to become a model of sustainability, recognized for its human capital, resilience, preserved natural heritage and modern democratic institutions based on rule of law. The vision emphasizes a vibrant ecotourism sector, a productive 100% bio economy of high value agribusiness, a modern fisheries industry and financial/digital services sector facilitated by a transparent, efficient State that provides universal access to quality services.

The ENDS rests on four pillars: Human Capital Development, Inclusive Economic Growth, Environmental Sustainability and Climate Resilience, and State Reform and Modernization. Human Capital Development focuses on education, health, and social protection. Inclusive Economic Growth prioritizes ecotourism, agriculture, fisheries, and financial services. Environmental Sustainability addresses climate adaptation and renewable energy, while State Reform aims to modernize governance and enhance transparency.

The first Action Plan covering 2026 to 2028 targets seven priority sectors: human development, tourism, agriculture, fisheries, financial services, environment and energy, and governance. These sectors are chosen for their transformative potential and alignment with the four pillars.

The ENDS promotes diversified financing through domestic resource mobilization, development partner contributions, climate finance, and strong private sector investment. Blended finance, public–private partnerships, and impact investment funds will play a key role in mobilizing the required capital for strategic sectors.

Introduction

The *National Sustainable Development Strategy (ENDS) 2026–2040* sets out São Tomé and Príncipe’s long-term development vision for structural transformation of the economy. The ENDS responds to the country’s pressing vulnerabilities while charting a forward-looking path for inclusive, resilient and sustainable growth. As a Small Island Developing State (SIDS), São Tomé and Príncipe (STP) faces particular challenges related to geographic isolation,

climate exposure, limited diversification and small domestic markets. Yet, the country also possesses unique comparative advantages—rich biodiversity, political stability, a strategic maritime zone, and globally recognized premium agricultural products—that can be leveraged to accelerate sustainable development.

The strategy is anchored in four mutually reinforcing pillars: (i) **Human Capital Development**, (ii) **Inclusive Economic Growth**, (iii) **Environmental Sustainability and Climate Resilience**, and (iv) **State Reform and Modernization**. Together, these pillars articulate the transformations required to achieve the country's long-term vision: *a sustainable, inclusive and resilient nation, recognized for its human capital, diversified economy, preserved natural heritage and modern, transparent institutions by 2040*.

The ENDS 2026–2040 is implemented through multi-year Action Plans, beginning with the 2026–2028 cycle. These plans translate long-term ambitions into targets for implementable reforms, investment priorities and policy measures designed to mobilize financing and reinforce national capacities.

Development Context and Structural Challenges

São Tomé and Príncipe's development landscape is profoundly shaped by its characteristics as a Small Island Developing State. Geographic isolation, dependence on imported goods, limited economies of scale and exposure to external price shocks create inherent vulnerabilities that weigh on national planning and long-term stability. These structural constraints generate high costs across all sectors, restrict competitiveness, and limit the country's ability to build robust economic buffers.

However, the country has also been an example of democratic transition with strong adherence to a value-based multilateral system and its democratic values. As one of the safest countries with high quality of life, it has made strong progress on social indicators with life expectancy at around 70 years of age and one of the highest vaccination rates in Africa. High value agribusiness has put the country on the map globally, with high quality biologically certified products such as chocolate, coconut oil, pepper and vanilla, but also high-end sustainable ecotourism. The country is internationally recognized as a biodiversity hotspot and the recent designation of its entire national territory as a UNESCO World Biosphere Reserve underscores São Tomé and Príncipe's commitment to conservation while positioning it as a truly unique natural sanctuary.

The economy, traditionally dominated by cacao production, has shown impressive growth over the past decades, though strongly impacted over the past years by the negative consequences of the Covid pandemic which also slowed private sector investment. International cooperation has been the major source of funding for the investment priorities of the country. Inadequate infrastructure, small domestic market, fragile supply chains and energy challenges have constrained the pace of transformation.

Environmental pressures add an additional layer of complexity. Climate change intensifies exposure to coastal erosion, extreme weather events, rising sea levels and biodiversity loss, threatening livelihoods, infrastructure and key economic sectors. Deficiencies in waste management, soil degradation and fragile ecosystems further undermine long-term resilience. Together, these structural, economic and environmental challenges define the context in which São Tomé and Príncipe implements its development strategy, underscoring the need for targeted reforms, strengthened capacities and strategic investment to promote sustainable and inclusive growth.

Comparative Advantages for Sustainable Transformation

Despite its constraints, São Tomé and Príncipe holds several distinctive assets that provide a strong foundation for sustainable and inclusive growth.

Natural Capital and Sustainable Tourism Potential

The country's natural heritage—unique biodiversity, protected areas, endemic species, volcanic landscapes and cultural richness—creates ideal conditions for nature-based, high-value and sustainable tourism. With proper infrastructure, training and management systems, STP can develop a competitive ecotourism sector aligned with global demand for authenticity, conservation and responsible travel.

Premium Agricultural Products

STP is renowned for its fine-flavour cocoa, organic coffee, spices and specialty crops. These high-value products enjoy international recognition and offer strong potential for agro-processing, certification, branding and niche market expansion.

Blue Economy Potential

The Exclusive Economic Zone (EEZ), 160 times the size of the national territory, presents opportunities in sustainable fisheries, controlled semi-industrial fishing, aquaculture, marine biotechnology and ocean-based tourism. With proper governance and investment, the blue economy can become a major driver of growth.

Democratic Stability and Social Cohesion

Political stability and social peace reinforce investor confidence and create an enabling environment for reforms and long-term investment.

Strategic Geographic Position

Located in the Gulf of Guinea, STP benefits from proximity to West African markets and strong cultural and trade links with the Community of Portuguese-speaking Countries (CPLP), EU partners and global markets.

Vision 2040

The ENDS envisions São Tomé and Príncipe as a **sustainable, inclusive and resilient nation** by 2040. This vision implies a profound structural transformation built around:

- A dynamic and environmentally responsible ecotourism industry
- A productive, technology-enabled agricultural economy focused on high-value exports
- A modern and sustainable fisheries sector integrated into the blue economy
- Universal access to quality education, health and social protection
- A diversified economy supported by an improved business climate
- Strong, transparent and efficient public institutions
- Gender equality, social cohesion and youth empowerment
- Enhanced climate resilience and environmental governance

This long-term vision aligns national aspirations with global development frameworks and positions STP to benefit from emerging opportunities while safeguarding its natural capital.

Four Pillars of Transformation

1. Human Capital Development

The strategy prioritizes strengthening education, technical and vocational training, healthcare and social protection. Expanding early childhood education, modernizing curricula, enhancing teacher training, developing a national skills strategy and improving primary health care are key objectives. Reducing gender inequalities, promoting youth opportunities and reinforcing social protection are also central to inclusive and equitable development.

2. Inclusive Economic Growth

Economic diversification is essential to reduce vulnerability and increase competitiveness. ENDS prioritizes transformative investments in:

- Sustainable tourism as a key driver of growth
- Modernized agriculture and agro-industrialization

- Semi-industrial fisheries and blue economy value chains
- Deepened financial services through digitalization and improved regulation

These reforms aim to create jobs, expand exports and strengthen economic resilience.

3. Environmental Sustainability and Climate Resilience

The strategy underscores the urgency of conserving natural ecosystems, enhancing water resource management, expanding renewable energy and building climate-resilient infrastructure. Waste management, land-use planning and protection of critical biodiversity areas are core components.

4. State Reform and Modernization

Institutional strengthening is a cross-cutting enabler. Key priorities include public administration modernization, justice reform, improved public financial management, digital governance and mechanisms to enhance transparency and accountability.

Implementation Priorities: 2026–2028

The first Action Plan operationalizes the long-term vision through targeted reforms in seven sectors: human development, tourism, agriculture, fisheries, financial services, environment and energy, and governance. This initial phase focuses on foundational investments, capacity building, regulatory reforms and mobilization of financial resources to catalyze structural transformation.

Strategic measures include curriculum reform, tourism branding, climate-smart agriculture, development of fisheries and logistics port, digital financial services, renewable energy expansion and improvements in the private sector enabling environment.

Financing and Resource Mobilization

Achieving the ENDS vision requires a diversified financing approach. Domestic resource mobilization will be strengthened through improved tax administration, reduced informality and better management of natural resource revenues. Development assistance remains essential, particularly concessional financing. Climate finance offers significant opportunities for supporting renewable energy, ecosystem restoration and adaptation projects. The strategy places strong emphasis on attracting private investment through blended finance, PPPs, guarantees and impact investment instruments. The financial sector is expected to play a pivotal role in mobilizing capital, deepening credit access and expanding digital financial services.

The strategy identifies key risks - economic, climate-related, institutional, social and global - and outlines mitigation measures such as fiscal consolidation, climate adaptation planning, digital governance reforms, enhanced social protection and market diversification. Building resilience in all sectors is fundamental to ensuring that reforms withstand global shocks and local constraints.

Conclusion

The ENDS 2026–2040 sets out the vision of the country with clarity on sectoral priorities and policy direction. Ecotourism, high end agribusiness, the blue economy, renewable energy, digital finance and infrastructure present compelling opportunities supported by structural reforms and a favorable policy environment. With strong political commitment, effective coordination and strategic partnerships, São Tomé and Príncipe can transform its vulnerabilities into drivers of sustainable growth, positioning itself as a resilient, competitive and attractive destination for responsible public and private investment. The National Strategy was adopted officially in September 2025. Its financing framework is the guiding document for the allocation of resources and the annual state budget.