



P Plano EEst Datég Sco
de Desenvolvimento
Sustain

2017/2021
CAPE VERDE

GOVERNO DE
**CABO
VERDE**

A TRABALHAR PARA TODOS.

“Cabo Verde, país plataforma no Atlântico Médio”

Um Cabo Verde com a
importância que merece.



PEDS

Strategic Plan
Sustainable development

2017/2021



TABLE OF CONTENTS

PREFACE	9
Executive Summary	11
1 Diagnosis	31
1.1 THE INTERNATIONAL CONTEXT.....	33
1.1.1 The global international context.....	33
1.2 THE NATIONAL CONTEXT.....	33
1.2.1 Cape Verde in the context of Small Island Countries.....	38
2 The major challenges to the Sustainable Development of Cape Verde.....	41
2.1 VULNERABILITIES AND RESILIENCE.....	43
2.1.1 Economic vulnerability	44
2.1.2 Environmental vulnerabilities and resilience measures.....	47
2.2 THE VALUATION OF ISLANDS AND ENDOGENOUS RESOURCES.....	50
2.3 EXCELLENCE EDUCATION.....	51
2.4 INTEGRATION OF INTERNATIONAL DEVELOPMENT AGENDAS.....	54
3 Cape Verde of the Future	57
3.1 THE VISION.....	59
3.2 THE STRATEGIC RESPONSE: DYNAMIC INSERTION OF CAPE VERDE INTO THE WORLD ECONOMIC SYSTEM	60
3.2.1 Cape Verde, platform country.....	63
4 The objectives of PEDS.....	67
4.1 OBJECTIVE 1: MAKE CAPE VERDE A CIRCULATION ECONOMY LOCATED IN THE MIDDLE ATLANTIC.....	69
4.1.1 Cape Verde circulation platform country in the Middle Atlantic.....	69
4.1.2 Foreign Direct Investment.....	81
4.1.3 Deepen multilateral and bilateral economic relations	83
4.2 OBJECTIVE 2: ENSURE ECONOMIC AND ENVIRONMENTAL SUSTAINABILITY.....	86
4.2.1 Consolidation of current tourism and ensuring self-sustainability of its growth.....	86
4.2.2 Promote domestic production and exports:.....	87
4.2.3 Structural Reforms	93
4.2.4 Adoption of an agenda for the preservation of the Environment and Biodiversity.....	115
4.3 OBJECTIVE 3: ENSURE SOCIAL INCLUSION AND REDUCTION OF SOCIAL AND REGIONAL INEQUALITIES AND ASYMMETRY	117
4.3.1 Family Living Conditions and Social Inclusion.....	117
4.3.2 Education.....	120
4.3.3 Access to Housing	122
4.3.4 Decent Employment and Professional Training	124
4.3.5 Youth	125
4.3.6 The National Health System and access to Social Security.....	127
4.3.7 Gender Equality.....	129

4.3.8 A Culture.....	132
4.3.9 Sport.....	133
4.4 OBJECTIVE 4: STRENGTHEN SOVEREIGNTY, VALUING DEMOCRACY AND ORIENTING DIPLOMACY TOWARDS THE CHALLENGES OF THE COUNTRY'S DEVELOPMENT.	135
4.4.1 A Democracy.....	135
4.4.2 The Culture of Peace, Rights and Justice.....	137
4.4.3 Security	140
4.4.4 Defense of the Territory.....	142
4.4.5 Foreign Policy, the Mobilization of Strategic Partnerships and the Diaspora	144
5 Operationalization of PEDS.....	149
5.1 THE RATIONAL AND LOGICAL FRAMEWORK OF THE PEDS	151
5.2 THE PROGRAMMATIC PILLARS OF PEDS	155
5.2.1 Pillar 1 - Economy: A New Model of Economic Growth	156
5.2.2 Pillar 2 - Social State: Human Capital, Quality of Life and Combating Inequalities	162
5.2.3 Pillar 3 - Sovereignty: A new model of State.....	164
5.3 PEDS REGIONALIZATION	166
5.3.1 Regional Goals.....	168
6 Financing and implementation modality of the PEDS	173
6.1 PEDS financing mechanisms	175
6.2 NATIONAL APPROPRIATION AND STAKEHOLDERS.....	176
6.2.1 Operationalization of the Planning System.....	177
6.2.2 Roles and Responsibilities	177
6.2.3 Follow-up/Monitoring and Evaluation Mechanism.....	178
6.2.4 Follow-up/Monitoring Plan.....	178
6.2.5 Assessment Plan	179
6.2.6 Monitoring/Monitoring and Evaluation Committee.	179
6.2.7 National Statistical System.....	179
7 Risks	181
8 Annexes	185
8.1 THE PEDS PREPARATION PROCESS.....	187
8.2 PEDS SCENARIO AND MACROECONOMIC PROJECTIONS	188
8.2.1 Population.....	188
8.2.2 Income, Poverty, Inequality and Unemployment	189
8.2.3 External Framework of the Cape Verdean Economy	190
8.2.4 Dynamics of the Cape Verdean Economy.....	191
8.2.5 Production	192
8.2.6 External Sector	194
8.2.7 Monetary Sector	195
8.2.8 Prices and Deflator.....	196
8.3 REGIONALIZATION BY ISLAND	197
8.4 INDEX OF TABLES AND GRAPHICS	208

List of Acronyms, Abbreviations and Acronyms

AGOA	<i>African Growth and Opportunity Act</i>
ANMCV	National Association of Municipalities of Cape Verde
ANT. E BAR	Antigua and Barbuda
APD	Public Development Aid
WORK	Airports and Aviation Security
NOT	Access Grant
BCV	Bank of Cape Verde
BVC	Cape Verde Stock Exchange
CBF	Tax Benefits Code
CC-PEDS	PEDS Advisory Board
CEDEAO	Economic Community of West African States
CEJFFA	Center for Legal Studies and Tax and Customs Training
CH₄	Methane
CHEGOV	Head of Government
CIN	International Business Center
CNEST	National Statistics Council
CNIET	International Conference of Labor Statisticians
COC	Cape Verdean Olympic Committee
TREE	Cape Verdean Paralympic Committee
CP	Conference of the Parties
CPLP	Community of Portuguese Speaking Countries
CQNUMC	United Nations Framework Convention on Climate Change
DB	<i>Doing Business</i>
DGPOG'S	General Directorates of Planning, Budget and Management
DNOCP	National Directorate of Budget and Public Accounting
DNP	National Planning Directorate
DNRE	National Directorate of State Revenue
DTF	<i>Distance to Frontier</i>
CVD	Cape Verdean escudos
EDB	<i>Ease of Doing Business</i>
END	National Statistical Development Strategy
ENOUGH	Wastewater Treatment Plant
ETOPS	<i>Extended Twin Engine Operations</i>
EU/EU	European Union
USA	USA
FAA	<i>Federal Aviation Administration</i>
DO IT	Autonomous Fund for Culture and Creative Industries
FADSTM	Autonomous Maritime Transport Security and Development Fund
FED	<i>Federal Reserve System</i>
FED. RUSSIAN	Russian Federation
FOR	Flight Information Region
FMI	International Monetary Fund
GCF	Green Climate Fund
GIVE	Greenhouse Gases
GEF	Global Fund for the Environment
I&D	Investigation and development

ICCA	Cape Verdean Institute of Children and Adolescents
GOES	Foreign Direct Investment
IDH	Human development Index
IDRF	Family Expenses and Income Survey
IE&I	Institute of Energy and Industry
IEFP	Institute of Employment and Vocational Training
IFH	Real Estate, Land and Habitat, SA
INDC	<i>Intended Nationally Determined Contributions</i>
I HAVE	National Statistics Institute
IPCC	<i>Intergovernmental Panel on Climate Change</i>
IRPC	Corporate Income Tax
IRPS	Personal Income Tax
IUP	Single Tax on Assets
IVA	Value-added tax
MSA	Monitoring and Evaluation Module
DON'T	Ministry of Agriculture and Environment
MAY	Ministry of Internal Affairs
MCIC	Ministry of Culture and Creative Industries
MDESP	Ministry of Sports
MDN	Ministry of National Defense
ME	Ministry of Education
ALONG	Ministry of Economy and Employment
MERCOSUR	Southern Common Market
MF	Finance Ministry
MFIS	Ministry of Family and Social Inclusion
MIOTH	Ministry of Infrastructure, Spatial Planning and Housing
MJT	Ministry of Justice and Labor
MNEC	Ministry of Foreign Affairs and Communities
MSSS	Ministry of Health and Social Security
NAFTA	North American Free Trade Agreement
NAPA	National Action Program for Adaptation to Climate Change
NDC'S	Nationally Determined Contributions
ND-GAIN	Notre Dame University Global Adaptation Index
NDT	Land Degradation Neutrality
OECD	Organization for Economic Cooperation and Development
LEATHER	Delegated Bodies of the National Statistics Institute
ODM	Millennium Development Goals
ODS	Sustainable Development Goals
ARE YOU	State's budget
OMT	World Tourism Organization
ONG'S	Non-Governmental Organizations
FATHER	<i>Ocean Thermal Energy Conversion</i>
PALOP	Portuguese-speaking African countries
PDCA	Plan-Execute-Review-Adjust
PEDS	Strategic Plan for Sustainable Development
DON'T	Small Island Developing States
MONEY	National Strategic Plan for Waste Prevention and Management

PG	Government program
GDP	Gross Domestic Product
PMA	Least Developed Countries
PNSIC	National Internal Security and Citizenship Program
TO SET DOWN	Rural Socioeconomic Opportunities Promotion Program
PPI	Small Island Country
PPIP	Multiannual Public Investment Program
PPP	Public-private partnership
PROG.GOV.	Government program
PS	Social Pension
QDMP	Medium-Term Expenditure Framework
QL	Logical Framework
QOMP	Medium Term Budgetary Framework
RDP	Public Expenditure Review
RH	Human Resources
RIS	Social Inclusion Income
RL	Liquid Result
ROE	Profitability of Equity
RRD	Disaster Risk Reduction
RSU	Urban solid waste
S&A	Follow-up and Assessment
SADC	Community of Southern African Countries
WHICH	World Economic System
WHICH	National Statistical System
SIDS	<i>Small Island Developing States</i>
SIGOF	Integrated Budget and Financial Management System
SIGPG	Georeferenced Asset Management and Information System
SIPC	Computerized Civil Process System
SIPP	Computerized Criminal Procedure System
SNI	National Investment System
SNP	National Planning System
SNS	National Health System
SSA	<i>Sub-Saharan African Countries</i>
TACV	Cape Verde Air Transport
TADAT	<i>Tax Administration Diagnostic Assessment Tools</i>
TIC'S	Information and Communication Technologies
UA	African Union
USA	State Business Sector Monitoring Unit
UDL	Local Development Unit
WAEMU	West African Economic and Monetary Union
UK	United Kingdom
UNESCO	United Nations Educational, Scientific and Cultural Organization
VAB	Gross value added
VBG	Gender-Based Violence
ZEE	Exclusive economic zone
SEAEM	Special Economic Zone of Maritime Economy

PREFACE

The Strategic Plan for Sustainable Development (PEDS) sets challenging goals guarantors for the 2017/2021 period, in a consistent long-term approach, based on four structuring objectives: (1) make Cape Verde an eco-circulation dynamics in the Mid-Atlantic; (2) ensure economic sustainability mica and environmental; (3) ensure social inclusion and the reduction of inequalities and social and regional asymmetries; (4) reinforce sovereignty, valuing democracy cracy and guiding diplomacy towards the country's development challenges.

The external context, of reduced public development aid and the internal context, of high public debt, balance of structural assets cultural and profoundly deficient, important regional asymmetries, high unemployment and more than a third of the population in a situation of absolute poverty. struggle, impose the need for a paradigm shift in the process of development of the country is based on: (1) the imperative of inclusion in the System World Economic Survey (SEM). Cape Verde cannot, due to its size and characteristics of an island country, developing outside a context of great economic openness and deep relations with the SEM, namely through through insertion into dynamic economic spaces that allow the country to access to investments, markets, technology, knowledge and security; (2) in the endogenization of institutional, economic and social factors development, to make the country sustainable.

The PEDS, by defining its objective as "making Cape Verde a circulation in the Middle Atlantic", responds to the imperative of inclusion in the SEM, through valuing the country's political, institutional and social stability to strengthen trust in relationships with development partners to and with investors and through the valorization of the geo-economic location mica of the country, from an economic and security point of view. Cape Green is positioned as a country with a good location for connectivity between Africa, Europe and America, open to the world, cosmopolitan, safe, of low political, social and health risks, with a strong focus on construction tion of a knowledge and innovation economy, to function as

air, maritime, digital and financial, commercial and industrial innovation platform
industrial and ethnic investment, in its inclusion in the SEM.

The endogenization of institutional, economic and social factors of development
development implies the creation of a political, institutional, social,
favorable economic and educational. This environment requires a developed attitude
developmentist who believes in the country, in its possibility of development;
a predisposition to change the current state with ambition and build a
collective future, which involves current generations and benefits future generations
tures. Requires reforms. Reform requires strategy, intentionality, consistency
and good time management, to structurally change the environment
institutional, economic and social, necessary to achieve the objectives of the
development.

PEDS, to be executed efficiently, needs: (1) a
economic growth based on private investment, the complement
the social and solidarity economy and social and territorial inclusion; (2) a strong
bet on local and regional development, through more decentralization,
of the territorialization of the Sustainable Development Goals and a
Partner state in relations with companies and non-governmental organizations
-governmental; (3) a competent Public Administration focused on the mission
are public service and guided by the rule of law; (4) a political action
and governance aimed at stimulating the autonomy and self-sufficiency of
families, through employment, production and income and instruments
that define clear, objective and impartial rules for the conditions of
access to care, benefits and social programs.

The PEDS targets are challenging to increase the average income of
Cape Verdeans, reduction in the unemployment rate, significant improvement in
Human Development Index, reduction of social inequalities and
absolute poverty. We are confident that we will achieve them.

Your Excellency, Mr. Prime Minister of Cape Verde,

Dr. Ulisses Correia e Silva





Sumário Executivo

The Strategic Plan for Sustainable Development (PEDS) 2017 – 2021 is the document that materializes, in programmatic terms and operational, the Program Government of the IX Legislature. THE PEDS describes the design process and implementation of the strategy Government, to lay the foundations of sustainable development of Cabo Verde, with a view to construction of a better future for all Cape Verdeans.

In this sense, PEDS was designed from a participatory and efforts were made to ensure, in addition to the central public administration and local governments, the involvement of various national entities and institutions, including civil society and private sector organizations and also the development partners of Cape Verde. The Plan contributes to the global development (2030) and was developed taking into account the alignment with the principles of the Sustainable Development Goals (SDGs).

The logic and structure of the PEDS document comprise a narrative described in seven main chapters, in which the first four report the substance of the strategy and the following three describe aspects relating to its implementation.

The PEDS chapters are:

1. Diagnosis;
2. The great challenges to Development Sustainable Cape Verde
3. Cape Verde of the Future;
4. The objectives of the PEDS;
5. Operationalization of PEDS;
6. Financing and implementation modality tion of the PEDS;
7. Risks.

The diagnosis shows a photograph of the country and of the world in which it operates, and, based on this image, the main challenges were identified of development. Next, in tune with the precepts and future vision of the Government Program, a strategy for overcoming these challenges and the objectives of PEDS were outlined for the current period. Below is a review of the main chapters, in terms of substance and operationalization of the strategy.

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Chapter 1 – Diagnosis – describes the context global society in which Cape Verde is inserted, as well as the situation in which the country found itself in 2016. In this logic, a challenging global scenario was observed, in which growth

average of the world economy went from 3.7%, between 2007-2011, to 3.4%, in the period 2012-2016.

Advanced economies, despite the transitions, experienced an acceleration of the level of economic activity of 0.7%, being that, in the particular case of the Euro Zone, Cape Verde's main trading partner, the increase was only 0.2%.

In the region of the Economic Community of West African States (ECOWAS), the countries of the Economic and Monetary Union of West Africa (UEMOA), which reached more expressive growth rates, explained by the institutional advances achieved in recent years, as well as inflation rates more moderate.

World tourism, despite the weak dynamics of global economy, continued to grow at a stable, maintaining the growth trend which has been registered since 2009. The flow of tourists increased by 3.9% in 2016, reaching a total of 1.2 billion arrivals worldwide. The African market was one of the most dynamic, having recorded growth of 8% in 2016, reaching 58 million tourists.

Particularly, with regard to the reality of Cape Verde, statistical data point to a country where the population is expanding, with the resident population expected to increase from 531,239 inhabitants in 2016 to 621,141 inhabitants in 2030, scenario that presents opportunities and challenges.

With an increase in the working-age population, the country will have a dependency burden smaller, creating a window of opportunities that will allow you to save on health services and other social services, improve the quality and inclusion in education, increase production economy, increase investments in technology and skills to strengthen the economy and generate the necessary wealth to deal with the future aging of the population. For another hand, the demographic increase could increase the social challenges, especially in terms of creating employment for young people and women, social security and in the health and education sectors.

In 2016, the national economy grew 3.8%, signaling the break of the downward cycle economic growth rate at the average rate of 1.5%, between 2011 and 2015. However, the data on national accounts indicate that the contribution of each Island in the formation of the economy presented a linear and uneven distribution in recent years, with emphasis on the island of Santiago, which represents 52% of GDP, followed by São Vicente with 16% and Sal with 12%. This fact portrays the regional inequalities that the country front, with the remaining six inhabited islands to represent 20% of GDP.

One of the direct consequences of these asymmetries is the manifestation and distribution of poverty in the country. In 2015, 35% of the population lived in poverty, while 10.6% in a situation of extreme poverty.

In 2016, the country had around 386,147 people aged 15 or over, and of these, 63.9% (246,680) constituted the workforce, with 209,725 employed and 36,955 unemployed (15%).

The tertiary sector was the main generator of employment, with around 61 out of every 100 employees, the phenomenon being predominantly urban, with 72.6% of employment. Unemployment, which is structural, is still very high and is more accentuated among women (17.4%) than among men (12.9%).

Access to basic and secondary education is possible in all municipalities in the country. At the higher level, however, such access continues to be selective, due to the fact that the supply is concentrated almost exclusively on the islands of Santiago and São Vincent. The quality of education continues to be the main challenge, at all levels of education, demanding the urgent introduction of improvements. At the In the particular case of higher education, the courses offered by universities often do not correspond to market needs.

Regarding Health, despite the advances recorded, challenges still persist, particularly with regard to access and quality, for

that measures will be taken, within the framework of the complementarity between the public sector and the private sector, in order to reinforce, namely mind, human resources coverage, management capacity, including maintenance infrastructure and equipment, the system health information, inspection services and Health regulation, as well as the consolidation of the infrastructure network, with, in the latter case, interventions should be preceded by the review of the Health Charter.

In the water sector, it appears that 64.6% of households obtain water mainly from the public network, this percentage being more expressive in urban areas, where it reaches 69.5%, than in rural areas, with 53.6%.

In 2016, around 89.6% of households had electricity as their main source of energy for lighting, a percentage also with greater expression in urban areas (93.0%) than in rural areas (83.1%).

Gas is the main source of energy used in
cooks for the vast majority of families (76.0%),
but mainly in urban areas, while
that, in rural areas, only 42 out of every 100 families use gas, with
firewood being the most important source (55.2%). Does this
mean some threat
for vegetation cover.

The current state of the environment in Cape Verde ca-
is characterized by the prevalence of strong pressure on the
exploration and use of
natural resources, in different domains, putting at risk the capacity
of environmental systems to provide, over time, the functions and
environmental services for society and the
maintenance of ecosystems, thus lacking response measures and
strategies
individuals, including civil society. On the other hand, the physical,
geographic and
ecological conditions of Cape Verde significantly affect the carrying
capacity of the territory which, due to its fragmentation, presents
the
space availability as a limiting factor
of a natural expression, in quantity, when
we refer to biodiversity. Not less
important is our vulnerability to
effects of drought, floods and hurricanes that tend to worsen with
climate change.

.....

Chapter 2 – The great challenges to Development
sustainable development of Cape Verde – description
see the main challenges for development
sustainable development of the country, under which the strategic
response of the PEDS, comprising
short, medium and long term, was designed to
to address deficiencies and to assert Cabo's comparative and
competitive advantages
Green, in order to take advantage of opportunities
present and future development.

Vulnerabilities and resilience

As a Small, Medium-Income Island Country, Cape Verde's biggest
challenge is

face the need to build an eco-
economy with a high level of sustainable growth
stable and inclusive, in order to overcome the
key conditions, structural vulnerabilities, external dependence,
unemployment,
poverty, inequality in income distribution, reduced opportunities
for emigration and, consequently, the drop in remittances.

Cape Verde is faced with vulnerabilities
natural data, related to its origin
volcanic nature, its archipelagic nature, its location in the Sahel
region, the scarcity of rainfall and the lack of mineral resources. In
addition
its reduced territorial, demographic and
economic situation and its isolation in relation to the
African continent, are characteristics that limit the real possibilities
of development.

The Cape Verdean nation faces the following main vulnerabilities:

- **Agricultural production:** Cape Verde imports more
80% of the food that its population enjoys.
tion needs;
- **Exports of goods:** exports of Ca-
bo Verde are limited to a very
reduced number of products;
- **Environment:** the decrease and irregularity of
rainfall are at the origin of the droughts that
constitute the main cause of the phenomenon of
desertification, with devastating effects on
the country's fragile ecosystems;
- **Climate Change:** as a Small
Lower middle income island country, the
effects and impact of climate change
have more acuity;
- **Geographic dispersion:** the insularity is fragmented into 10
islands, with a very steep and rugged orography (in most of
the
islands) has extremely heavy effects on
costs of basic infrastructure, services
services and essential goods;
- **Security:** strategic location, extensive
are from the coast and the exclusive economic zone
make Cape Verde particularly exposed
to new threats, such as drug trafficking

drugs and people, illegal immigration and international crime;

- **Energy:** energy dependence on the outside higher is around 75%.

Cape Verde is faced with two major additional challenges that it must respond to simultaneous: the challenge of guaranteeing, in the medium term and with endogenous resources, the survival¹ of its resident community, from a perspective of reduction of Public Development Aid (APD), and the challenge of self-sustained and accelerated development, to respond to the legitimate aspirations of its population for living standards superiors.

Balance of Payments analysis allows conclude that the Balance of Goods is structural and pro-fundamentally deficient, consistent with the fact that Cape Verde imports most of the goods it consumes. The Services Balance, whose positive balance does not represent 50% of the negative balance of the Goods Balance, proves to be incapable of compensate for the gap, which is aggravated by the balance negative, also structural, of Income Primary. Balance can only be achieved thanks to external transfers.

This is one of the traps into which the Cape Verdean economy has fallen, which naturally tends to reproduce itself, and which requires redoubled effort to be overcome. The only alternative, and the real solution, is to replace external aid with private investment. However, this alternative, for To be effective, it requires an adequate business environment, based on trust, minimizing context costs and sustainability.

The appreciation of Islands and resources endogenous

Another major challenge is the valorization of the islands and of endogenous resources. They are now established

¹) Translated as the minimum income that people need in a given context to live in conditions of dignity.

of public policies that favor decentralization and the commitment to the territorialization of development management instruments. AND

It is clear that local government requires more resources and new mechanisms for better exercise of responsibilities already decentralized, but it is above all It is clear that a new wave of decentralization It is necessary, as a condition to value endogenous potential and to accelerate local and national economic growth, to reduce asymmetries regions and promote regional balance.

Reinforcing knowledge of the territory must prioritize revise the inventory of environmental assets and resources tourist, historical and heritage areas, but also technical and organizational capabilities, existing at local level. The regional development plans, drawn up within the scope of the PEDS, will be mechanisms for dialogue, mobilization and decentralization of resources and attributions, commitment and involvement of local authorities in their execution and, in this way, strengthening resources and of responsiveness, as well as serving for signaling business opportunities and for the realization of the shared vision of the Powers Central and Local for each island of Cape Verde.

Within the scope of the PEDS, and especially based on regional development plans, mechanisms for preparing the

administration, society and local power for regionalization that will lead to decentralization to higher levels of territorial attributions, which can be exercised with greater

rationality and advantages, in terms of contribution to the valorization of endogenous resources and benefits for populations.

Excellent education

The Cape Verdean educational system has centered, almost entirely, on day-to-day management, prioritizing quantity. The *deficit* of quality of education, particularly higher education, remains like a heavy heel of Aquilles. The educational system continues to fail to address

face the reforms that need to be made in the field of curricula and, in particular, in the pedagogical field. In this last domain is the main challenge.

The Human Resources training system that the PEDS assumes is therefore based on a reforms the educational system and also of the professional training system, and focuses on both the curricular and pedagogical domains.

As regards the first domain, it is fundamental objective to adapt the curricula of different levels of education to the needs of the digital and nano-technological economy in terms of human capital, as well as providing Cape Verde with the essential requirements to respond to general challenges of development options and, in particular, those that result from the implementation of the seven identified programs, and detailed in the PEDS, for the implementation of the vectors directors of the Dynamic Insertion of Cape Verde not World Economic System.

As regards the second area, the reform Its main objectives will be to integrate the different levels of education, from pre-school to university, giving them articulation, coherence and consistency and to introduce, as universal and main pedagogical resources, ICTs, video image, the

distance learning and the conditions of access to digitalized information, also universally available for students and teachers.

.....

Chapter 3 – Cape Verde of the Future – announces the vision of the future that the Government has for Cabo Verde, as well as describes the strategic response that will be adopted, with a view to overcoming the country's challenges, on the path to development and taking advantage of present and future opportunities. The Program of Government for the IX Legislature (2016 - 2021) is clear in stating his forward-looking vision:

“A developed Cape Verde, inclusive, democratic, open to the world, modern, safe, where full employment and full freedom.”

The current international context, combined with the Cape Verdean reality, particularly with reading the Balance of Payments, suggests the following dynamic insertion director vectors of Cape Verde in the World Economic System:

1. *The geoeconomic and geopolitical location of Cape Verde.*
2. *Tourism*
3. *Human resources*

The appreciation of the geoeconomic location of Cape Verde goes, first of all, through the creation of a reliable country and by minimizing context costs. Only in this way can the country become attractive for investment, unavoidable for said valuation.

Creating an environment of trust and minimization of context costs implies, mandatory, profound reforms capable of changing the current state of doing business, the indicators of economic freedom and

good governance indicators. Just for this way, adjusting the country's internal conditions to the new demands of the surrounding environment, if it can make Cape Verde a competitive country and conditions to take advantage, to a high degree, of the its resources, to achieve two specific objectives essential:

- First, a quasi-emergency objective, is the creation of necessary and sufficient conditions to ensure balance in the Scales Current, in structural terms, as a basis for guaranteeing the survival of resident community, from the perspective of the short, the medium and long term.
- Second, the objective of ensuring the accelerated, self-sustaining and sustainable development of Cape Verde, based on the concept circulation economy.

The highest priority is to ensure the conditions that allow the country, within the PEDS horizon, resolve the intricate problem of the Current Balance, without endangering the normal conditions of survival of the community.

The Strategic Concertation Agreement of July 2017 created a true alliance strategy between the Government and social partners, and, thus, a political and social environment, characterized by stability and commitment, compatible with a true

change of development paradigm, based on the dynamic insertion strategy of Cape Verde in the World Economic System.

This strategy is based, in particular, on profound reforms, with the purpose of creating the necessary confidence in the economy, minimize context costs and ensure sustainability of development.

The Agreement places economic gains, inclusion and social gains, as well as the preservation of environmental balance, in an explicit, tripartite commitment between social partners and the Government and between current and future generations. As well, it establishes a binding and decisive commitment to balanced regional development, capable of reversing the migratory dynamics, characterized by

undesirable flows, which took place in the country, in recent years, responsible for some of the main prevailing social tensions and the difficulty for the State to respond, in a adequately and effectively to its responsibilities specific areas in the field of security and combat against poverty, particularly not referring access to employment, food, health, education, housing, drinking water, energy, sanitation and communications, ensuring the improvement of indicators of relative poverty and extreme relative poverty and.

Dynamic Insertion into the Economic System world

The concept of *dynamic insertion into the System World Economic* can be defined as follows: process of permanent adjustments, particularly in the economic spheres, of

security and meaning, in which, to the gains arising from the transformations of the elements that condition the nature of insertion, are added to those that result from the evolution most favorable environment, whether naturally occurring or induced.

Dynamic insertion proposes a reaction to changes in the context of the surrounding environment, adjusting to them, so as not to lose the train. In dynamic insertion, action prevails proactive, which also implies prospective analysis and timely preparation of conditions to best welcome the forces of change in the surrounding environment and gain power.

Applied to a Small Island Country (PPI), such as Cape Verde, the fundamental elements of the con-accepted are as follows:

- Due to its scale and the fact that it faces ted with additional costs resulting from the insularity and its archipelagic nature, Cape Verde cannot, in general terms, economic success, both in its micro, as in macro, outside of a context of great economic openness and deep relations with the World Economic System (SEM). The country's economic performance and success necessarily depend on

of its inclusion in the SEM.

- Insertion, if dynamic, that is, if it occurs as a process and is guided by permanent, articulated and strategic action ica on the elements of an internal nature and on those of an external nature, capable of conditioning or promoting development, offers a great opportunity. In this sense, globalization can only mean advantage.

- Acting on the elements of nature external environment can create the best conditions capable of guaranteeing the optimization of the advantages of inclusion in the SEM, taking into account, namely, the economic spheres, security and meaning. This presupposes a *consistent cooperation policy*, both in the bilateral and multilateral dimensions, as well as in the regional one.
- Action on elements of an internal nature can allow the transformation of the economic, cultural and political environment, by in order to ensure the *action of factors bearers of economic growth, development and progress, as well as your best combination*.
- The action on elements of an internal nature and on those of an external nature must be coherent and consistent with the objectives global, and properly articulated. She does not It can be, in particular, conflictual.

In the current context, the dynamic insertion of Cabo Verde in the World Economic System, states in the concept of Cape Verde - Economy of Circulation Located in the Mid-Atlantic, at a *crossroads* that connects the Atlantic continents.

.....

Chapter 4 – The objectives of PEDS – describes the four objectives recommended for the PEDS, based on the dynamic insertion strategy of Cape Verde in the World Economic System, and aligned with both the Program and Vision of the Government for the IX Legislature, as with the international development agendas and with the commitments made in them by Cape Verde.

For each objective, strategies are described that will be implemented for your achievement. The first two objectives are related to the sphere of the national economy, the third is relative to the social sphere and the fourth is relative to issues of national sovereignty.

The first objective of PEDS is “To make Green a localized Circulation Economy in the Mid-Atlantic.” Through this objective, The aim is to lay the foundation stones for the implementation of the seven programs (seven opportunities) with the capacity to generate the strategy Cape Verde - circulation platform in the Middle Atlantic, namely:

1. Creation of a *supply logistics port weaving of ships of the international fleet* passing through or approaching Cape Verde on its routes, including ships circulating in West Africa, and transshipment (Sea Platform).
2. Creation of a *logistics airport international passenger distribution and cargo* and that articulates the continents and countries riverside of the Atlantic (Aerial Platform).
3. Locating companies and transforming Cape Verde into an *International Business Center* and attracting FDI and promotion of the Endogenous Business Initiative (Commercial and Industrial Platform).
4. Creating an independent financial platform international (Financial Platform).
5. Creating conditions capable of promote and increase the participation of Cape Verdeans living abroad and, also, favor the ethnic component in participation in the economic and social development of the country (Ethnic Investment Platform).
6. Tourism development , namely mind thanks to the consolidation and improvement of existing, and the diversification of internal destinations and products, making the tourism is a widespread phenomenon to all islands (Tourism Platform).
7. Development of the Digital Economy and Nano-technology (Digital and Innovation).

The construction of Cape Verde - circulation, also presupposes a strong strategy attracting Foreign Direct Investment (IDE), as well as a strong diplomacy strategy

soft - both multilateral and bilateral

both also detailed in chapter 4.

Cape Verde's Dynamic Insertion strategy of no World Economic System emphasizes importance of FDI. In fact, the need for this emphasis is not exclusive to Cape Verde, it is an attribute of all dynamic economies, whether big or small.

Like the other PPIs, Cape Verde records an enormous shortage of capital, technology, of qualified human resources, superior organizational capacity and markets. The IDE brings this pentagon of resources and,

in doing so, it determines direct, indirect and induced on all sectors of economic life mica and social, as well as the improvement of the macroeconomic variables, namely GDP, Balance of Payments, employment, income and public revenues.

The program to create conditions for have the current context, making Cape Verde a effectively competitive country in attracting FDI, aims to significantly reinforce trust, minimize context costs and ensure a sustainable economy.

To reinforce trust, the program will act, essentially, over three domains:

1. Strengthening stability (namely political, economic and social).
2. Reinforcement of the country's predictability (in particular in the exchange rate, tax and legal domains).
3. Strengthening economic freedom, thanks to improvement, in particular, of the performance of items considered in the freedom indicator economical, built by The Heritage Foundation. This indicator attributes to Cabo Verde is a *mostly un-free* country classification (116th position, in the world ranking). As one can conclude from the analysis of the table below, the only one of the TOP TEN PPIs with This classification is Barbados, but a position to which this country only fell in 2016.

Within the scope of the PEDS, the diplomatic agenda of Cape Verde will have as an essential assumption create political and cooperation conditions that enable dynamic cable insertion Green in the World Economic System. Like this Therefore, it is a priority of diplomacy to deepening of political relations and co-operation with the Atlantic, dynamic, in particular with the European Union (EU) and the Eurozone, with European countries that are not members of the EU (including Russia), with countries of the North American Free Trade Agreement (NAFTA) (in particular, the USA), with countries of West Africa, including this one, for the purposes of the PEDS, Morocco, Mauritania and the Economic Community of West African States (ECOWAS), and Southern Africa, with emphasis on for Angola and South Africa.

Outside the Atlantic Area, diplomacy will give special priority to deepening political relations and cooperation with the Middle East.

East (including in this concept, for the purposes PEDS, Turkey, Egypt and Israel), with the People's Republic of China and East Timor.

The general objectives are:

- a) Establish or deepen cooperation agreements operation that facilitate circulation, freer form of goods, capital, technologies and people between these countries or regions and Cape Verde.
- b) Establish or deepen cooperation agreements operation in the field of development of Human Capital, namely Re-Highly Qualified Human courses.
- c) Create conditions for the insertion of institutions Cape Verdean tions, namely health, scientific and technological research and production, training and development of Human Capital, in particular of Highly Qualified Human Resources in global knowledge production and innovation networks.
- d) Establish or deepen elimination agreements elimination of double taxation.

The second objective of the PEDS is to “Ensure Sustainability Economic and Environmental feasibility”. this one objective, intrinsically linked to the first, re-states the importance of tourism for Cape Verde, since, as this sector is the current driver of economy, it must be the catalyst to which other sectors must be linked, from the perspective of value chain.

Cape Verde tourism currently faces at least 4 major challenges: the challenge of competitiveness, the challenge of sustainability, the challenge of concentration and the challenge of maximizing the impact on wealth and well-being -being of Cape Verdeans. These challenges will be addressed by the Cape Verde Platform program ma of Tourism.

The promotion and development of tourism, as a vector-generator of the dynamic insertion of Cape Verde in the World Economic System, comprises two essential dimensions and to be carried out in parallel:

1. The first, whose objective is to continue to contribute to balancing the Balance of Payments, namely as an almost single, in a medium-term logic, to the reduction of ODA flows. To achieve this objective, it is essential to act, immediately and with perseverance, to correct the undesirable effects of intense migratory flows to Sal and Boavista Islands, namely in the fields of employment, health, education, housing, water, energy, sanitation and urbanism. It is essential, guarantee, in these two destinations, high tourist safety standards and minimize the negative environmental impacts resulting, in particular, from human action.
2. The second, aimed at acting as a Cape Verde a world reference destination for sustainable tourism, known to citizens of the issuing markets, with diversified products based on the geography of one of the islands and in History, Culture and in nature. Within the scope of this second

dimension, the diversification of issuing markets, destinations, operators, products, reception infrastructures and the

reduction/elimination of seasonalities are essential objectives.

In parallel with the development of tourism, identified key sectors should be developed developed, with a view to promoting production domestic and exports. These are the sectors: fisheries, agriculture, light industry and creative industries

It is clear that the interconnection of these sectors with tourism has incalculable potential for the economic support of Cape Verde, as well as an invaluable contribution to the well-being of the Cape Verdean population. Like this, The strategies and contributions of these sectors to the sustainability of the national economy are also described in chapter 4.

Furthermore, to achieve objective 2, reinforce but basic, structuring elements are necessary, and are described in the topics State Reform, which comprises the strategy for Public Administration, for the State Business Sector, for Administrative Authorities and for Regionalization, in the Business Environment topic, which comprises the strategy for Good Governance, Economic Freedom and *Doing Business* (including Tax Reforms), and in topic Financing the Economy that describes the strategy for Access and Alternatives to Fi-financing of the Economy.

Also, to complete the objective of ensuring the sustainability of the national economy, the particular strategies for infrastructure and transport, energy, territorial planning and environmental environment and biodiversity are described.

The development of infrastructure and means of transport is defined as one of the priorities, in order to guarantee safety, efficiency and quality in the movement of people and goods.

In this way, within the scope of PEDS, it is intended build an Integrated Transport System, competitive and secure, with a relevant contribution to national wealth, the balance of payments, employment and national mobility and International.

With regard to transport systems sea and air, cargo and passenger, The aim is to guarantee the unification of the market national, its integration with the international market supported mainly by the creation of maritime and aerial platforms. In this context, the infrastructures and means of transport must form an integral part of the transport process, ensuring safety, efficiency and quality in the circulation of people and goods.

Cape Verde's geostrategic position gives the country a privileged opportunity to transform into a large transshipment center of goods, both for the West African region and for the logistical interests of maritime operators, as well as in a large

national fuel supply center bunkering . In this way, they must be two of the main sustainability pillars of the maritime platform, which will also be a strong promoter of the development of potential of ship repair in Cape Verde.

At the level of Maritime Transport, and so that the platform is successful, it is crucial that Cabo Verde fulfills its commitments while Coastal, flag and port state, in a sectoral sustainability framework. This will be achieved through participatory work by all sector stakeholders and with the regulation and operationalization of the Fund Autonomous Security and Development of Maritime Transport (FADSTM), and the creation of the maritime safety fee.

In terms of air transport, the location geostrategic strategy of the country generates favorable conditions and positive synergies for success, implementa-

mentation and development of an air traffic distribution turntable (Hub), generating more income and more jobs, improving the competitiveness of the supply chain value of transport and business tourism.

As established in the Government Program, the good performance of the Energy sector is vital importance to guarantee the sustainable development of Cape Verde. The guidelines strategies of the aforementioned program for the sector choose energy security, price stability and bill reduction energy as central concerns.

It is in this context that the National Program for Energy Sustainability is inserted, having as the main axes of intervention: Reinforcement Institutional and Improvement of the Business Environment, the Reform of the Organizational Structure of the Energy Market, Investment in Strategic Infrastructures, Development of Renewable Energy and the Promotion of Efficiency Energy.

Therefore, to give a new impetus in this direction, The intention is to create the Institute of Energy and Industry (IE&I) to work in the areas of Regulation Technique, Planning, Research, Formulation of Policies and Promotion of Innovation in the Energy and Industrial Sectors. Special attention will be given to improving the planning, monitoring and evaluation system of the energy sector, the development and adequacy of the legal and regulatory framework and strengthening regulation.

Taking advantage of the great potential of renewable endogenous resources, particularly in wind and solar aspects, is assumed as an instrument ment to reduce the cost of electricity and water, increasing energy security and the competitiveness and diversity of the economy national. The Program recommends the use, to the extent is technically and economically possible, renewable and clean energy, with a focus on

exploitation of wind energy on a large scale up to the maximum limit of the penetration rate, of photovoltaic solar energy for centralized production and distributed generation and of solar thermal for water heating.

Spatial Planning constitutes an instrument privileged instrument of organization and management sustainability of the national space. The sustainable use of soil and territorial waters, as environmental resources where

locate infrastructures and economic activities nomic-social, is decisive for the promotion of balanced, harmonious and ecologically sustainable economic development.

stable.

The most efficient operation of the habitation is a fundamental condition, not only for the boosting the real estate sector, rehabilitation urban areas and cities, but also for the social inclusion of families and mobility of people, so their dynamization mechanisms must be progressively improved, as the deficiencies accumulated throughout

of these years are incompatible with short term.

Urban requalification, rehabilitation of houses of the poorest families and accessibility, with a view to promoting the liberation of cities, the key activities are considered ve for the reconfiguration of urban design and to promote the population's quality of life. In this way, it was decided to create a vast Program with the three identified aspects, with priority for tourist cities and areas of great degradation.

The Government recognizes the need and high importance of adopting integrated policies in the domain of the environment, to ensure the management sustainability of environmental resources, guarantee the enjoyment of environmental quality by society, enhancing the appreciation of the environment as an asset and factor of economic competitiveness

of the country and taking into account the balance between satisfying current needs with fair expectations of future generations. To reach this aim, a set of commitments, which translate into measures of policy, which must be capitalized in shares concrete, assuming the maximum premise of transform words into tangible results.

Considering the reference situation, and in a perspective of mitigating constraints, managing weaknesses and taking advantage of opportunities, institutional action, during the new governance cycle (2017-2021), should be conducted towards changing the existing scenario, aiming at the continuous improvement of trends in environmental quality indicators and with a view to the gradual qualification of the environment in Cape Verde.

The third objective of the PEDS is "To ensure social inclusion and the reduction of inequalities and social and regional asymmetries". As implied in the title, this objective aims to address of issues relating to people and their fundamental needs and rights, as parts of Cape Verdean society.

In this objective, strategies for improve the living conditions of families and social inclusion, for education, for access housing, decent employment, youth, the national health and social security system, as well as for gender equality, for culture and sport.

Poverty and social inequalities have been reflected in the difficult living conditions of many families, who are still unable to satisfy their their basic subsistence needs. It is pauperization of families passes through existence of low levels of education, with implications on the level of employment and working conditions life in general, namely poor housing conditions, poor access to services basic social benefits and comfort goods.

Social inequalities exist as a result of gender, physical and/or mental condition, income, place of birth and age, with a part considerable population still unable to ability to satisfy your basic needs of subsistence, using paid work, especially women.

The Government Program, as well as the PEDS, has a strong focus on social inclusion and appears, as a commitment to governance, the combating social inequalities, focusing in a policy that will prioritize social inclusion and that will promote the dignity of the human person and its autonomy, with an inclusive country through path to employment, income and education, in order to boost the social ascension of the most disadvantaged based on access to work and the constant improvement of their working conditions income and quality of life.

Therefore, to overcome these challenges and mitigate the impacts of poverty and other social phenomena that affect Cape Verdean society, an integrative and inclusive approach will be adopted in which people's well-being

and families is placed at the center of policies public, aiming to contribute to the fight against social inequalities, poverty and increased income for the most vulnerable, through guarantee families access to social services basic (health, care and education), creating the minimum conditions that allow them to ensure the well-being and quality of life of its members. They constitute axes of intervention: Access to Income and Social Services Basic Institutions, the Deficiency Care System pending issues, the Socioeconomic Inclusion of People with Disabilities, Comprehensive Attention to milies in Vulnerable Situations, the grace of Immigrant Families and the Protection of Children and Adolescents against situations of personal and social risk.

The Government developed the Strategic Plan for Education (2017/2020) as an instrument of

medium term for policy implementation for the Education and Higher Education sector.

This plan is articulated with the Objectives of Sustainable Development - Agenda 2030, ensuring and incorporating the principles of respect for human rights, sustainability environment, inclusion, valuing diversity and education professionals, with the following objectives being established:

1. Guarantee quality education for all the Cape Verdeans;
2. Reduce inequalities throughout the territory national river, focusing on the specificities of each municipality, identifying the potential des and local dynamics.

Access to housing constitutes one of the instruments of economic and social policy to promote the dignity of the human person and his or her autonomy. However, housing policy it is complex and interferes with other economic-social and environmental policies. Consequently, to respond to housing challenges the National Housing Plan will be promoted, in the scope of the PEDS.

Employment and professional training are strongly related and contribute to the achieving the future vision for Cape Verde. To the transformational and potential areas of economic growth, already identified, namely mind, sustainable ocean economy, agribusiness, renewable energy, tourism, co-mercium, industrial development, culture and creative industries are always sources of generation of qualified jobs.

In this sense, it is essential to raise the issue of employment and professional training, which requires a multisectoral approach, with involvement of all actors from the public and private sectors and NGOs, to create an environment favorable to economic growth mico, to leverage decent employment opportunities.

The Government's vision and political guidelines defend a Youth prepared to be in the world, as authentic citizens, with full rights and bearers of values. In this regard, Youth is considered a priority for the development of a sustainable society and balanced.

Being a transversal sector, the policies developed will be made through a dialogue between the Government and youth society, in promoting of innovative measures that meet their needs and expectations, particularly in the areas of employment, training, recreation and sport, associations and volunteering.

decoration.

Therefore, the Government assumes the following commitments: promoting young business, with emphasis on the Promotion of Young Micro Entrepreneurship, creating the Qualification program Initial Professional and System Review Educational/Training, guarantee the professional internship, as part of the curriculum and experience professional, the Youth Employment Plan, the Quality of Life and Healthy Life, at the level of health, education, sport and culture and of security. The Government will combat youth unemployment with better Education and Training. Professional application.

Despite the progress made, the National Health Service is still experiencing difficulties. culties, arising from the new challenges due to the changes recorded in the country's epidemiological profile, as well as the insufficiency of resources to meet the demands of the sector and to the growing expectations of Cape Verdeans in terms of health.

The complexity of such challenges places the mind the need for urgent measures, substantiated in a reform program that allows the improvement of the performance of the health, to better satisfy the needs of the population. The health policy complies with

will adhere to the principles governing the National Health Service, namely universal access to services at all levels

health care; everyone's solidarity guaranteeing the right to health and contributing for financing healthcare; The defending equity in the distribution of resources and in the use of services; safeguarding the human dignity and preservation of the physical and moral integrity of users and providers; The safeguarding professional ethics and deontology in the provision of services.

To sustain the intended changes, opening up to the private sector will be prioritized, through Public-Private Partnerships (PPP) in health, which will expand demand responses and leverage financing the health sector, taking into account consideration of the necessary complementarity; improve health regulatory policy; prepare a new Health Charter that takes into account not only the size of the population

resident, but also tourist demand; It is adapt health infrastructures to the needs current data.

Gender equality is one of the central issues for inclusive development, being a precondition for achieving sustainable development. The country continues to register important challenges to achieving full gender equality. The need to accelerating women's access to work dignified, especially in rural areas and among young women, access to decision-making positions, including in the sphere policy, and the institutionalization of health services support for victims of gender-based violence (VBG), areas in which their situation is still unfavorable. To overcome the challenges identified, with special attention to empowering economic development, and attending to the obstacles cles and opportunities identified, the following axes of intervention are outlined during the PEDS period: Transversalization of the Approach Gender, Gender-Based Violence, Parti-Political citation and Exercise of Power, Empowerment

Economic ration (productive and reproductive economy), Health and Sexual and Reproductive Rights and Education and Vocational Training.

Culture is the safeguard of a people, it is their identity and charisma, its flag and guarantor of national unity. And, within this framework, the PEDS addresses culture, first, as a fundamental factor fundamental of human and social development, and second, recognizing as fundamental for the State to assume the role of facilitator and promoter of conditions that guarantee the development of personal, technical, environmental issues, aligned with issues relating to gender equality and equity and the development local development.

However, the sector faces several problems and challenges, already identified, and, therefore, the intention is to incorporate a new paradigm and mentality for culture, aiming at

following sectoral strategies:

1. Expanding the cultural and artistic offer
qualified: program development
professional technical training
for the artistic sector, meeting the specific needs of local professional groups (with a strategic focus on niches
sector-specific, young women, female heads of households, young artists) in
rural, urban areas, and in all municipalities on the islands, in order to guarantee the inclusion
of segments of the population that
are in a vulnerable situation
social, through training and qualification
professional, and the generation of opportunities
of work.

2. The appreciation of historical heritage, cultivating
tural and tourist: valorization strategies
historical, cultural and tourist heritage,
in addition to manifesting themselves in preservation,
conservation, study and
transmission of values to future generations, increasingly
encompass actions that
allow us to understand and approach heritage as a marketing
product,

engine of development, generation of
jobs, differentiation of territories,
of promoting regional and national identities
national.

Sport plays an extremely important role
importance, as a regulatory and
social balance of Cape Verdeans. From this perspective, Sport is considered as a factor
of development, framed in its nature of transversality and interaction with education, health and well-being of populations, the
tourism and Cabo's international projection
Green, the sports industry and the export of
talents, as well as in its important role,
as a mechanism for social inclusion and civic participation of young people.

National sport will have its development model redefined, in order to promote
the recognition and elevation of its importance in the national context. To this end, a policy
medium and long-term sports strategy, with the ambition of building an integrated and competitive Cape Verdean Sports System, through
medium and long-term planning, with priorities, objectives, goals and modalities, accompanied by the allocation of financial resources,
will be defined for the period 2017-2021.

The fourth objective of the PEDS is to "Strengthen the sovereignty nia, valuing democracy and guiding
diplomacy for development challenges
from the country". This chapter covers the strategies
for the consolidation of democracy, the culture of
peace and justice, security and defense of the territory
and foreign policy.

Cape Verde's democratic path has become
reference and central element of credibility
from the country. The realization of the constitutional regime of mitigated parliamentarism created the foundations of
Democratic Rule of Law, instituted and cultivated
tivated fundamental freedoms, allowed structural reforms and the implementation of the economic
private-based market.

The current constitutional regime has also proven by the emergence of an efficient and independent electoral system, which provided, in these 26 years, the regular and periodic carrying out of various municipal and presidential legislative elections. However, the increase in abstention may indicate some exhaustion, if not a growth crisis, of the classic exercise mechanisms

of power, especially representation.

In this context, sovereign bodies undertake to carry out, during the PEDS period, reforms in depth that aim to:

- Create scientific research mechanisms international dissemination and promotion of Cape Verdean democracy and, in particular, of your good practices,
- Consolidation of the supervisory and parliamentary control, by bringing the citizens' parliament, for the improvement of the rights of the democratic opposition, by legislative transparency, ethics and decorum parliamentarians;
- Promote or *open-parliament*;
- The review of the electoral code, covering emerging themes such as the system of electoral districts, the number of deputies and local elected representatives, the system of incompatibilities, the computerization of the electoral process, from census to voting, and prior inspection, organization and reinforcement of the independence of electoral administration and the system electoral justice;
- It will also promote a review of the Constitution of the Republic, particularly in aspects relating to fiscal control, accounts public policies and the organization of the State, and regionalization;

Social peace is one of the most important conditions for ensuring an environment of growth. ment of the economy and development sustainable, based on predictability and the existence and compliance with clear and objective rules of social relationships. Social peace is inseparable from speedy justice and legal security

ridiculous, not compatible with the current situation of slowness of justice.

Therefore, combating slowness will be a priority in judicial decisions, broad and effective legal information relevant to citizens, the reform of the legal aid system, the

adequacy of the judicial organization, taking the courts to a sub-municipal level, the specialization of the different branches of justice, namely commercial and economic justice, the introduction of ICTs, the development of the technical capabilities of the Courts and the Ministry,

procedural reforms, etc.

Security has become a critical element of Cape Verdean society, with the great challenge to offer residents an acceptable standard of security and to make Cape Verde a country with a good level of security for tourism, as the main axis of economic activity. Not immune to the globalizing impacts of insecurity, the country must develop alliances to security, both with the European Union and with the USA.

Priority will go to the security of air, document and maritime borders.

Public order is another critical domain of the national security system. Thus, protection of the physical, moral and psychological integrity of citizens, property and heritage, and, also, of companies, will be pursued with determination.

The essence of national diplomacy continues to be the preservation of national sovereignty and the defense and the promotion of the country's interests, but based on a new paradigm that pursues the strategic objectives: economic development, through safe and advantageous insertion in the world, as a credible and useful country in the international concert, the reinforcement of collective and cooperative security partnerships, as well as integration on the African continent, aiming at its positioning as a reference platform

international provision of goods and services specialized in Africa.

In addition to these, the objective of highlighting the emigrated Cape Verdean communities, in relations with the host and host states provide them and their descendants with dignified treatment, integration and empowerment ment.

In this sense, a rethinking of foreign policy, to respond to the priorities that arise from internal and external constraints, directing national diplomacy towards the following fundamental axes:

- Particular attention to country issues insular;
- The revitalization of the special partnership with European Union;
- Reinforcing political dialogue and cooperation with traditional vanguard partners, such as, for example, Luxembourg and the USA, as well as with the PALOP and Timor-East;
- Regional integration and pro-social participation active in multilateral bodies, such as the ECOWAS, the African Union (AU) and the Community nity of Portuguese-speaking Countries (CPLP);
- The expansion of partnership relations to countries in Asia and the Middle East;
- The mobilization of aid and support mechanisms development financing, tant with the real situation and capabilities of the country;
- The integration of Cape Verdean communities dianas abroad, working and negotiating the problem of deportation, from the perspective prevention and inclusion;
- The appreciation and preservation of manifestations cultural activities among the diaspora and the diffusion of Cape Verdean culture, in the host countries and in those with which Cape Verde maintains historical ties of friendship.

Chapter 5 – Operationalization of PEDS – describes the rationale and modality for implementing the Plan, as well as providing information on how it will be monitored and evaluated.

bundled up

PEDS will be implemented through a programmatic approach, where programs sectoral and transversal, were designed to the achievement of the recommended objectives, within the 2017-2021 time horizon.



Thus, PEDS has a programmatic structure distributed across 3 pillars (Economic, Social and Sovereignty), with a total of 35 programs, including a “Management and Administration” program. General” - comprising administrative aspects of the entire state machinery and a budget estimated ECV 389,208,119,737, to meet its 4 macro objectives.

The pillars of PEDS, from a development perspective sustainable, are also aligned with the United Nations 2030 Agenda, contributing to achieve the Sustainable Development Goals (SDGs).

The Economy Pillar comprises 20 programs. The sectors responsible for these programs are Head of Government, the Economy and Employment, the Finance, Agriculture and Environment, Culture and Creative Industries, Infrastructures, Spatial Planning and Housing. Contribute

building, essentially, towards objectives 1, 2 and 3 of the PEDS and marginally towards the objective 4, this pillar has an indicative budget of ECV 133,013,916,004 and contributes to SDG 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17.

The Social Pillar comprises 8 programs. The sectors responsible for these programs are the Head of the Government, Agriculture and Environment, Sport, Education, Family and Social Inclusion, Infrastructure, Spatial Planning and Housing and Health and Social Security. Contributing

essentially for objectives 1, 2 and 3 of the PEDS, This pillar has an indicative budget, for the period 2017 – 2021, of ECV 118,804,460,324, and contributes to SDGs 1, 3, 4, 5, 8, 10 and 16.

The Sovereignty Pillar comprises 6 programs. You sectors responsible for these programs are the Administration Internal Administration, Defense, Justice and Labor and Foreign Affairs and Communities. Essentially contributing to objectives 1, 2, 3 and 4 of the PEDS, this pillar has an indicative budget, for the period 2017 – 2021, of ECV 43,693,590,676, and contributes to SDGs 1, 3, 4, 5, 8, 10, 13, 16 and 17. Also part of the PEDS is an administrative program, transversal to all ministries, with a budget of ECV 94,326,592,279.

Aiming at harmonization, alignment and effectiveness, both in the implementation, as well as in the follow-up and evaluation of the PEDS, and following the principles of Results-Based Management, the PEDS has a global logical framework, determining the main goals for the period, as well as evaluation indicators. The annual follow-up and assessment of health indicators impact of the strategic plan are anchored in the Statistical Agenda and guaranteed by INE, and will follow an agenda stipulated by the System National Planning.

The PEDS also comprises an analysis of different regions of the country, where specific forces are addressed and considered and goals established regions, with the aim of valuing the islands and endogenous resources and above all to reduce asymmetries.

To conclude, in the PEDS document there are your financial planning processes ra and financing, as well as the mechanisms operational measures to ensure national ownership and implementation processes by different actors and, finally, an analogy lysis of risks for its implementation.

A stylized white silhouette of a family consisting of two adults and two children, all with their arms raised in a celebratory gesture. The background features concentric blue circles.

1. DIAGNÓSTICO

This chapter describes the context global society in which Cape Verde is inserted, as well as the situation in which the Government of the IX Legislature found the country in 2016. Based on this scenario, the main challenges to be faced in 5 years following period of implementation of the Strategic Development Plan Sustainable (PEDS) 2017 – 2021.

1.1 The International Context

1.1.1 The global international context

The average growth of the world economy went from 3.7%, between 2007-2011, to 3.4%, in the period 2012-2016. The slowdown in the main emerging economies justified the performance global macroeconomic situation in this period. Advanced economies, despite the constraints, experienced an acceleration in terms of economic activity of 0.7% (in the particular case of the Euro Zone, the increase was just 0.2%).

In the period 2012-2016, international prices of commodities and fuels reversed the trend growing trend, seen between 2007 and 2011. Given the drop in global demand for commodities and internal conflicts, the average growth rate of the Sub-Saharan African economy fell from 5.8%, between 2007-2011, to 3.9%, between 2012-2016. In 2016, growth reached 1.4%, being the lowest value recorded since 1994.

For the region of the Economic Community of West African States (ECOWAS), we highlight

the countries of the Economic and Monetary Union of West Africa (UEMOA), reaching rates of more expressive growth, explained by the institutional advances achieved in recent years, as well as more moderate inflation rates. Accelerated price growth has been common in the Sub-Saharan Africa region, reaching an inflation rate of 12.7% in 2016.

Despite the weak dynamics of the global economy, the World risk continued to grow at a rapid pace. stable, maintaining the growth trend that has been recorded since 2009. The flow of tourists increased by 3.9% in 2016, reaching a total of 1.2 billion arrivals worldwide. The market of Africa was one of the most dynamic, having registered a growth of 8% in 2016, reaching the 58 million tourists, recovering from the falls occurred in the previous two years. The biggest growth growth occurred in Sub-Saharan Africa (11%), while North Africa once again showed signs of recovery. operation, with growth of 3% in the period.

1.2 The National Context

Cape Verde is an archipelago with a surface area of 4,033 km2, formed by ten islands, with Santiago is the largest island, with around 24.6% of the national territory, followed by Santo Antão, with 19.3% of the territory.

Cape Verde's population has been growing since 1950, and will continue to grow, at least until 2030, according to the demographic projections of the National Institute of Statistics (INE), for the period 2010-2030, with the resident population increase from 531,239 inhabitants in 2016 to 621,141 inhabitants in 2030, according to Table 1.

	2010	2016	2021	2030
Total population	494.040	531239	563198	621.141
Dependents (Under 15 years old and 65 years old and over)	41%	34,4%	33,2%	32,5%
Population aged 15 – 64	60,6%	65,5%	66,84%	67,5%

Table 1: Demographic Projections 2010 – 2030
Source: INE

The Cape Verdean population was extremely young, with an average age of about 28.6 years in 2016, compared to an average world for 30 years. The average age of the -verdians will increase and reach 29.8 years, in 2020, and around 33 years, in 2030. It is expected that the proportion of children aged 0 to 14 years will decrease from 29.0%, in 2016, to 27.3%, within the PEDS horizon and to 24.0%, in 2030, while the proportion of population aged 15 to 64

years, a range called demographic opportunity, is expected to increase by 65.5% in 2016, to 67.5% in 2030.

Currently, Cape Verde is going through a transition demographic, with social and economic implications, which will define its development path for the future. With falling rates

of fertility and mortality, in the initial stages of a demographic transition, the proportion of people under 15 years old and over 64 years old tends to decrease and, consequently, grows to proportion of the population at an age to create wealth. This growing human contingent represents a demographic opportunity.

This combination, known as youth bulge, due to the shape of the demographic pyramid, can result in demographic dividends.

derived from changes in the supply of labor work, savings and human capital, and can both create opportunities that favor economic growth and the social well-being of populations, as it can increase social challenges,

particularly in terms of job creation for young people and women, social security and health and education sectors.

With an increase in the population of working and their participation in the labor force, Cape Verde will have a lower dependency burden, creating a window of opportunity

which will allow you to save on health and other social services, improve quality and inclusion in education, increase economic production, increase investments

technology and skills to strengthen the economy and generate the necessary wealth to deal with with the future aging of the population.

In 2016, the national economy grew 3.8%, signaling the break of the low-pace cycle

of economic growth at an average rate of 1.5%, between 2011 and 2015, due to the worsening of situation in the Euro Zone and the drop in confidence among economic agents. This fact was

accompanied by decreasing inflation rates, reaching -1.4% in 2016. Furthermore, the

The country's public debt has worsened significant in recent years, going from 78.5% in 2011 to 129.6% in 2016. Note

that this significant increase in debt was due to the policy adopted during this period to financing the country's economy, using external public loans, in a

scenario of gradual reduction of public aid to development via donations, which results in currently facing challenges for the country, in terms of concerns the creation of alternatives for financing ciation of its development.

INE data on national accounts indicate

cam that the contribution of Added Value

Gross (GVA) of each Island, in the formation of the economy, presented a linear and uneven distribution in recent years, with emphasis on the Island of Santiago, which represents 52% of the GDP, according to São Vicente with 16% and Sal with 12%. Such

fact portrays the regional inequalities that the country faces. At the sectoral level, there are also asymmetries, with the tertiary sector², driven by tourism, making the greatest contribution to the

GVA (70%), followed by the Secondary Sector³ with 19% and, lastly, from the primary sector⁴, which accounts for 11% of the total produced.

2) 80% of commerce's GVA is generated in Santiago and São Vicente, and, on the other hand, 64.3% of the accommodation's GVA and restoration, a direct tourism activity, is focused on Sal (40.2%) and Boa Vista (24.1%).

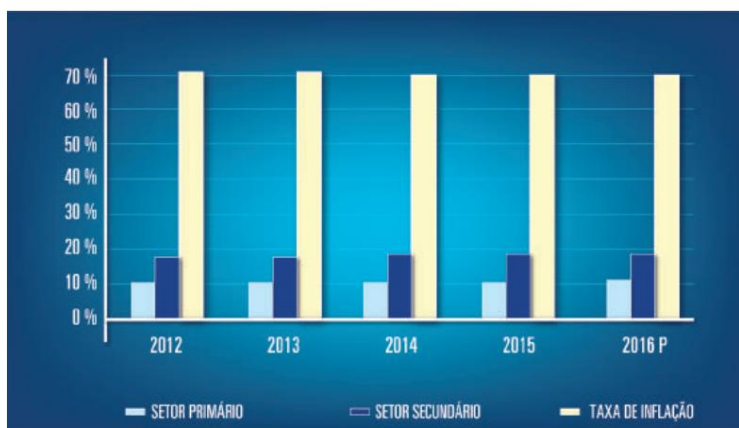
3) 90% of manufacturing industries are located in islands of Santiago and São Vicente.

4) Around 87% of agricultural GVA is generated by the islands Santiago (52.4%), Santo Antão (20%) and Fogo (15.2%).



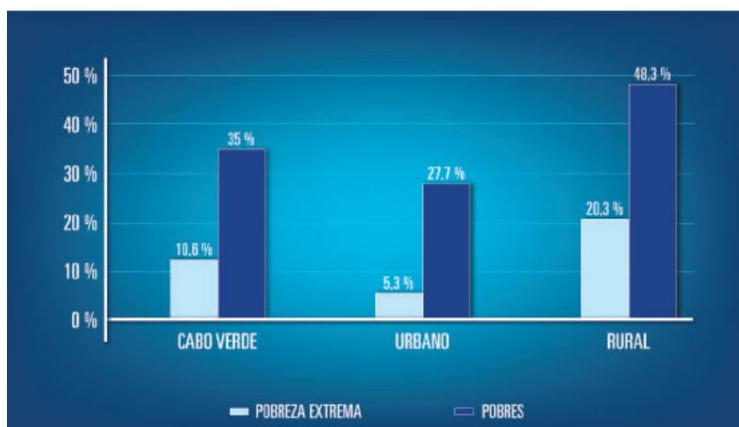
Graph 1: Evolution of Real GDP, Nominal GDP and Inflation.

Source: INE



Graph 2: Sectoral contribution to GVA.

Source: INE



Graph 3: Incidence of global relative poverty and extreme relative poverty, according to residence environment.

Cast iron: INE, IDRF 2015

One of the direct consequences of these asymmetries is the location of poverty in the country. According to data from the III Expenditure Survey and Family Recipes (III IDRF), 2015, in Cabo Verde around 35% of the population lived in poverty, while 10.6% lived in extreme poverty. In the following graph, you can see

that poverty manifests itself in ways more intense in rural areas. This result is also associated with the inequality in the country. The Gini index is 0.46 and when analyzed by residence, it is found that in the urban area (0.45) it is more intense than in rural areas (0.39).

Around 386,147 people live in Cape Verde.

people aged 15 or over, and of these, 63.9% (246,680) constitute the strength of work, that is, the active population, of which 209,725 were employed and 36,955 unemployed (15%) in 2016. The tertiary sector is the main generator of employment in Cape Verde, with around 61 out of every 100 employees and the phenomenon is predominantly urban, with 72.6% of employment. In rural areas, the primary sector generates 54 out of every 100 jobs, which partly explains the high incidence and concentration of poverty in this environment, taking into account the level of underemployment and low income in this sector, predominantly familiar and traditional mind.

The imbalance in access to economic opportunities and employment encourages the imbalance in access to performance. Thus, 54.3% of employment is in Santiago, followed by São Vicente with 16%, and these two islands with them thus account for around 70% of the jobs generated in the country. Adding to Sal island, make up 79% of the job opportunities in the country.

The private business sector, the main generator of employment, accounts for 39% of jobs, followed by self-employment, which guarantees employment for almost 25% of employees and public administration with 16%. Around half of the employed population does not have any contract or employment relationship.

Unemployment, which is structural, is still very high and is more pronounced among women (17.4%) than among men (12.9%). Women constitute the majority of the population of 15 years and more, however, they are a minority within the employed population, occupying only 45% of the work stations. Unemployment especially affects young people, with at least 41 in every 100 active young people are not employed.

Regarding the matter of gender equality, the need to accelerate the women's access to decent work, especially in rural areas and among young women, access decision-making positions, including in the political sphere (the percentage of female deputies in Parliament is of 23.6% and that of women elected in the governing bodies local power is 26.3%), and institutionalization support services for victims of violence gender-based (GBV), areas in which your situation is still unfavorable. The main ones areas of activity for women are commerce labor, agriculture and domestic employment, all marked by informality and low income. In the informal sector, 62.5% of initiatives are women and 88.9% are self-employed, in low-productive and profitable areas.

Other important issues are noted in matters of gender, namely i) the fact of school dropout being more frequent among boys than girls, so able to go to work, due to the situation of poverty of their families; ii) despite the girls frequently become pregnant and terminate their education, their success rate in min of the studies is larger compared to the of the boys.

Still on education, despite the advances recorded in access to basic and secondary education, in all municipalities in the country, at the level higher education, such access continues to be selective, not merit, but due to the fact that the offer is concentrated almost exclusively on the islands of San-tiago and São Vicente, combined with the insufficiency of

family resources, and because a better discrimination mechanism has not yet been achieved positive, which promotes equity in access to University education.

In addition to access to higher and technical education, quality of education continues to be the main challenge, at all levels of education, requiring the introduction of improvements, as well as metrics to measure the quality of teaching. At the particular case of higher education, courses offered by universities, often do not correspond to the market's skills needs and, currently, there is no systematic funding of research academic and scientific.

Regarding healthcare provision, there was a advancement, especially in primary care, with the number of Health Centers increasing from 17, in 2010, to 28, in 2013. However, there are problems of efficiency and effectiveness in the provision of these services, mainly derived unequal access and lack of specialization tions. Regarding access, residents of Santiago go and São Vicente have an advantage in compared to those on other islands, due to the offer, both through the public sector, as well as the private sector, best services and first reference.

Even with regard to access to services that increase women's autonomy, imbalances are registered. For example, the unmet needs for family planning among

women living in a de facto union are situated at 7.8% and 8.2%, in Sal and São Vicente and by 20% and 21%, in Fogo and Santiago Norte, respectively. As for specialization, they are shortages of nurses with specializations are portrayed, which culminates in the use of general service assistants to carry out work that should be carried out by nurses.

meros.

Due to the demographic characteristics translated into a demographic dividend, health and education are the fundamental pillars for the

cess of the country's development. The increase in population of working age may constitute a window of opportunity for growth economic, if a large part of the population, particularly the economically active population, enjoy good health, have access to training and a decent, safe and productive job. A key question is how Cape Verde can leverage and take advantage of these dynamics and ensure, positively, its development process, boosting economic growth and promoting structural, economic, urban and social transformation in a sustainable way.

The current state of the environment in Cape Verde is characterized by the prevalence of strong pressure on the exploration and use of resources natural resources in different domains, putting at risk the capacity of environmental systems to make environmental functions and services available to society and for maintenance over time. of ecosystems, thus lacking measures response and particular strategies, including sive of civil society. On the other hand, the characteristics physical, geographic and ecological characteristics of Cape Verde significantly condition the carrying capacity of the territory which, due to its fragmentation, presents the availability of space as a limiting factor of an expression natural in quantity, when we refer to the biodiversity. No less important is our vulnerability to the effects of drought, floods and hurricanes, which tend to worsen with climate change.

In the water and sanitation sector, in addition to the investments already made, efforts must constitute an anchor for improving access safe access to drinking water sources, improving hygiene and waste management conditions solids. According to data from 2016, in sanitation, it appears that the proportion of households connected to the public network of sewage is 26.3%, while 53.6% is connected to the septic tank. The proportion of households with sanitary facilities reached

77%, higher than the target set for 2015, for the Millennium Development Goals (ODM), which was 62.3%. Regarding the method of solid waste evacuation, most of households use containers, going from 56.5% in 2010 to 53.3% in 2016, reduction due to greater car use of waste, which went from 15% in 2010 to 26.1%, in 2016. In the water sector, it appears that 64.6% of households obtain water mainly from the public network, with the use of this source more expressive in urban areas (69.5%) than in rural areas (53.6%).

In the energy sector, investments made in energy production, storage and distribution infrastructures contributed to improve territorial coverage in electrical energy, greater than 95%. In 2016, around 89.6% of households had the electricity as the main source of energy for lighting, with greater expression in the middle urban (93.0%) than in rural areas (83.1%).

Gas is the main source of energy used in kitchen for the vast majority of families (76.0%), but mainly in urban areas, where at least 91 out of every 100 families mainly use this source, while, in rural areas, only 42 out of every 100 use mainly gas, with firewood being the most important (55.2%), which means some threat to vegetation cover.

Today, most Cape Verdean families have access to basic services, such as water, communication, electricity and sanitation, but housing today constitutes one of the important dimensions of poverty, both in the broad housing deficit component and in relation to housing insecurity, that is, degradation of the housing stock. The housing deficit basic which was around 36,500 accommodations in 2002, it was only partially corrected, through of the «Casa para Todos» program and other private, municipal and real estate initiatives

and has greater expression in urban areas. More of 30,000 homes are in a state of disrepair advanced and threaten to collapse, especially in the countryside. A new study on the housing situation must be carried out, reassessing the basic and extended housing deficit, as well as the National Social Interest Housing System, including national housing policy. However, they deserve special attention,

poor families, living in dilapidated houses, as these represent a threat to the lives of thousands of people and especially children.

1.2.1 Cape Verde no context two
Small Island Countries

Cape Verde prevails as a country of marked degree of economic vulnerability and low income, when compared to small island economies, particularly the TOP 10 PPI (Small Countries

islanders). The difference is significant, both when the variable considered is the HDI (Human Development Index), as to GDP per capita.

COUNTRY	PIB p.c.	IDH
Cape Verde	3.080	0,646
Singapore	52.239	0,91
Cyprus	21.942	0,85
Malta	23.281	0,83
Bahamas	22.817	0,79
Ancient from Barb.	14.764	0,786
Barbados	15.429	0,785
Mauritius	9.041	0,777
Trinidad and Tobago	20.452	0,772
Seychelles	14.133	0,772
Saint Kitts and Nevis	15.772	0,752

Table 2: Comparison of HDI and GDP pc of Cape Verde with the TOP 10 PPI.

Source: IBGE/Brazil

The following graph projects a scenario in which the Cape Verdean economy grows at an average rate annual rate of 10%, while three of the small island economies that are part of the TOP 10 grow at just 4% per year. Additionally, It appears that the population growth of countries remains constant.



Graph 4: GDP per capita Growth Scenario in Long term.

CAST IRON: DNP/MF

In such a scenario, Cape Verde would need 20 years to reach Mauritius (the last of the TOP 10, when measured by GDP *per capita*), 28 years to reach the Seychelles and 51 years to reach the level of Singapore's development. This scenario, optimistic and unlikely, is contradicted by the performance of the Cape Verdean economy, from 2009, whose annual GDP growth rates real were, on average, in the neighborhood of 1%.

Thus, the development challenge is one of the greatest challenges facing the country and imposes annual GDP growth rates of two digits, under penalty of never achieving convergence between the Cape Verdean economy and the of the most dynamic and developed PPIs.

Meanwhile, the economic context of stagnation and internal and external imbalances, including with a lack of budgetary space, which is extremely complex, caused the Government to prudently assume the growth model

sustainable economic development, throughout this period. This naturally involves valuing the specificities of the country, with emphasis on for insularity, location, stability politics, etc.

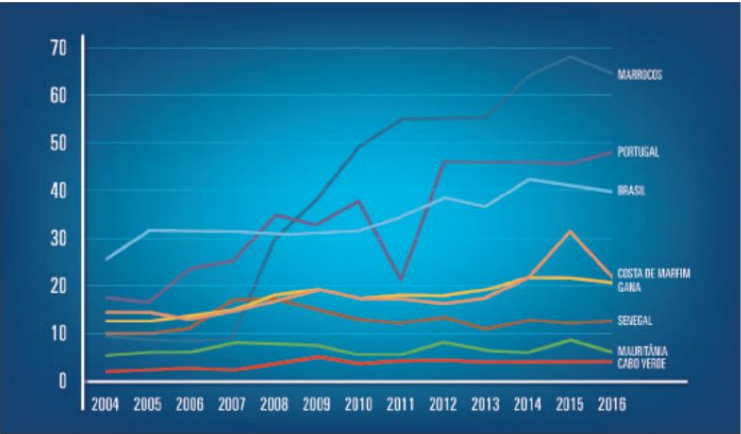
In the case of its location in the Atlantic, for example, despite being privileged, placing

o in favorable conditions for a good insertion in dynamic economic areas, namely Africa, Europe and America, the country is not yet configured as a platform for economic circulation in the Mid-Atlantic. The following graph presents Cape Verde's connectivity indicator in relation to others

Mid-Atlantic countries, measured by flows

of commerce, capital and people.

Two conclusions can be drawn of this graph: the first is that Cabo Verde is one of the countries with the lowest Atlantic connectivity index Medium, and the second is that, since 2004, Cape Verde's position has remained practically unchanged – which can demonstrate, among others, a lack of effective policies to improve country's connectivity.



Graph 5: Connectivity index of countries in the mid atlantic.

Source: World Bank



2. OS GRANDES DESAFIOS DO DESENVOLVIMENTO SUSTENTÁVEL DE CABO VERDE

Based on the diagnosis of the situation in 2016, this chapter describes the main challenges for the sustainable development of Cabo Verde, under which the answer strategy of PEDS, comprising short, medium and long term measures, was designed to address the shortcomings and to assert the advantages comparative and competitive aspects of the country, in order to take advantage of opportunities for development, present and future.

As a Small, Medium-Income Island Country, graduated from the group of Lesser Countries Advanced (PMA), in December 2007, the Cape Verde's biggest challenge is the construction of an economy with a high level of sustainable growth tentative and inclusive, in order to overcome the key constraints, structural vulnerabilities, external dependence, unemployment, poverty, inequality in income distribution, reduced opportunities for emigration and consequent drop in remittances.

2.1 Vulnerabilities and resilience

Cape Verde is faced with vulnerabilities natural, related to its volcanic origin, its island and archipelagic nature, its location in the Sahel region, the scarcity of rain and the lack of mineral resources. Furthermore, your reduced territorial, demographic and economic dimension and its isolation in relation to the continent African are characteristics that limit the real development possibilities. So, your vulnerability to external shocks constitutes just an aggravating factor and the performance, measured by national income, generally hides the vulnerability of the Cape Verdean economy.

The Cape Verdean nation faces the following vulnerabilities and will have to find strategies

and means to mitigate them, or counteract their impact, building sustainable resilience, in the framework of the 2030 Agenda:

- **Agricultural production:** Cape Verde imports more 80% of the food your baby needs population; only 10% of the country's surface (40,000 hectares) has an agricultural vocation; The Scarcity and irregular rainfall cause cyclical droughts, permanent water deficits and accentuated desertification. Like this Therefore, food insecurity is one of the main aspects of poverty in Cape Verde, particularly in rural areas.
- **Exports of goods:** exports of Cabo Verde are limited to a very reduced number of products, covering only about 5% of imports.
- **Imports:** dependence is particular high mind, with regard to goods strategic products, such as food products and energy products. Imports are equivalent to 40% of GDP and imports food represents around 35% of total imports of goods.
- **Environment:** the decrease and irregularity of rainfall are at the origin of droughts, which constitute the main cause of the phenomenon of desertification, with devastating effects on fragile ecosystems in the country, conditioning the biodiversity, vegetation cover, land quality and all agricultural production. Soils degrade with the loss of organic materials and a decrease in the capacity to water retention. Being level with the sheets water tables falling, soil salinity increases with the infiltration of seawater, reducing the irrigated surfaces, namely lies along the coastlines of the islands. For another hand, despite considerable advances in the implementation of conservation policies biodiversity, the country still faces great vulnerabilities not at the institutional, legal, of inspection, monitoring and scientific knowledge, translated into a continuous cline of terrestrial and marine biodiversity in at least two of its components

main – species and ecosystems.

- **Climate Change:** like a Small Country Low-middle-income islanders, the effects and the impact of climate change have more acuity. The global response to change climate change focuses on the urgent need to reduce greenhouse gas emissions (GHG). In 2010, in the Cancun Accords, Governments agreed to reduce these emissions, so that the increase in global temperature did not exceed 2 degrees Celsius (CQNUMC Decision 1/CP.16, 2010). More recently, in response to decisions 1/CP.19 and 1/CP.20, countries reported the Convention of its "Nationally Determined Contributions" (NDC's). For a small island country like Cape Verde, without neglecting mitigation measures to reduce greenhouse gas emissions, it is essential to focus on adaptation measures in response to the effects of climate change, in order to reduce vulnerabilities and increase resilience of populations and ecosystems.
- **Geographic dispersion:** the insularity fragmented into 10 islands, with a very steep and rugged orography (in most of the islands) has extremely heavy effects on the costs of basic infrastructures, services and essentials. Furthermore, it reduces connections and internal synergies and constitutes an obstacle to movement of people and goods within the national territory. The unification of the islands, through air and sea transport, associated with you give the guardian of the insularities who are coming to prepare a business environment.
- **Security:** strategic location (in the middle path between the African and European continents and American), the extension of the coast and the area exclusive economy make Cabo Verde is particularly exposed to new threats, such as drug trafficking and people, illegal immigration and international crime. Security concerns result in great pressure on the budget management of the State.

- **Energy:** energy dependence from abroad is around 75%. For Cape Verde to achieve its objectives of social transformation and economic situation, it is essential to reduce, or even eradicate this vulnerability through the development of alternative energy sources, such as renewable energy. A current energy production capacity Renewables in the country are around 25%.

2.1.1 Economic vulnerability

Cape Verde is faced with two major additional challenges, which it must respond to simultaneously: the challenge of guaranteeing, in the medium term and with endogenous resources, the survival⁵ of its resident community, with a view to reducing Public Development Assistance (ODA), and the challenge of self-sustained development and accelerated, to respond to legitimate aspirations of its population to higher standards of living.

With regard to survival, the analysis of the Balance of Payments allows us to conclude that the Balance of Goods is structurally and deeply deficit, consistent with the fact that Cape Verde import most of the goods it consumes, in particular essential goods, such as for example, food products, energy products, chemical-pharmaceutical products and material laboratory and medical-surgical, and not have a export base of goods of adequate size. The very water that is consumed in cities and in domestic tourist destinations it is imported, as results from the desalination process, whose production factors are, in essence, imported energy and equipment.

The Services Balance, whose positive balance does not represents 50% of the negative balance of Balance of Goods, shows itself incapable of compensating the gap, which is aggravated by the negative balance, also structurally, of Primary Income.

⁵) Translated as the minimum income that people need, in a given context, to live in conditions of dignity.

	2013P	2014P	2015P	2015P				2016P			
				1° tri	2° tri	3° tri	4° tri	1° tri	2° tri	3° tri	4° tri
Current Scale	-8 897,6	-14 041,9	-5 046,1	-616,9	-3 847,5	99,4	-681,2	751,1	-1 573,8	-2 563,3	-1 159,5
Goods (1)	-51 532,5	-50 277,4	-47 029,3	-12 715,9	-12 209,3	-10 444,5	-11 659,7	-10 694,5	-12 044,4	-15 395,9	-15 167,9
General Merchandise	-51 532,5	-50 277,4	-47 029,3	-12 715,9	-12 209,3	-10 444,5	-11 659,7	-10 694,5	-12 044,4	-15 395,9	-15 167,9
services	25 206,7	21 888,1	22 608,4	6 695,8	4 698,6	5 637,8	5 576,3	6 813,1	5 606,5	5 968,1	7 591,6
Transport	4 215,0	1 684,4	1 735,2	758,2	472,9	416,6	87,5	622,1	161,5	-183,9	511,5
Maritime	-3 711,5	-4 379,6	-4 056,4	-963,3	-1 096,2	-868,6	-1 128,3	-1 079,3	-1 061,8	-1 188,2	-1 102,3
Air	7 926,5	6 064,0	5 791,6	1 721,5	1 569,1	1 285,2	1 215,9	1 701,4	1 223,3	1 004,4	1 613,8
Trips	25 045,9	24 520,4	24 475,5	7 181,6	4 569,1	6 072,0	6 652,8	6 656,6	6 299,5	6 821,7	8 388,3
Business	-3 358,3	-3 807,0	-4 873,9	-1 080,0	-1 428,9	-1 297,3	-1 067,7	315,3	175,9	140,6	302,8
Tourism	29 597,3	29 412,9	30 427,5	8 565,2	6 217,7	7 657,5	7 987,1	8 802,7	6 530,3	7 171,6	8 553,3
Primary Yield	-5 366,8	-7 692,0	-5 869,5	-1 636,4	-1 654,2	-1 585,5	-993,5	-2 222,5	-1 489,9	-788,9	-1 499,4
Labor Income	9,0	-67,1	-38,6	-20,3	-47,8	23,1	6,5	48,0	318,6	185,5	155,2
Investment Income	-5 375,7	-7 624,9	-5 831,0	-1 616,1	-1 606,3	-1 608,5	-1 000,0	-2 222,5	-1 489,9	-788,9	-1 499,4
Direct Investment Income	-1 367,8	-2 975,3	-1 544,7	-382,0	-279,7	-458,2	-424,8	-1 198,1	-630,2	-191,8	-810,1
Trust Fund Interest	373,3	372,9	414,4	0,0	0,0	0,0	414,4	0,0	0,0	267,0	0,0
Interest on Public External Debt (Government)	-1 438,2	-1 518,3	-1 734,1	-466,3	-586,7	-426,9	-254,2	-457,6	-623,1	-222,5	-239,2
Interest Div. Ext. Priv. (Banks and other Sectors)	-3 077,0	-3 528,1	-2 992,5	-763,9	-763,9	-710,8	-753,9	-609,2	-586,3	-559,8	-645,8
Secondary Income	22 795,0	22 039,4	25 244,4	7 039,5	5 317,4	6 491,6	6 395,8	6 855,1	6 354,0	7 653,4	7 916,1
Official Transfers	4 947,7	4 664,1	5 394,9	2 081,1	723,5	1 205,7	1 384,6	869,6	1 326,4	904,2	1 816,1
Remittances from emigrants	13 779,4	15 485,2	18 593,3	4 403,8	4 255,9	5 220,1	4 713,5	4 466,8	3 672,1	5 269,0	4 409,2
Other Private Transfers	4 067,9	1 890,1	1 256,2	554,7	338,0	65,9	297,7	1 518,7	1 355,6	1 480,2	1 690,8
Capital Balance	533,4	658,8	1 883,8	798,0	421,1	222,8	441,9	125,8	297,0	422,7	428,1
Official Transfers	461,7	551,5	1 743,9	767,9	385,4	184,6	406,1	94,5	262,4	375,2	370,8
Financial Balance	-14 085,2	-22 762,3	-11 674,8	-2 504,7	-2 465,2	-1 618,4	-5 086,5	453,6	-5 257,6	-5 375,6	-2 894,3
Direct Investment	-4 627,4	-14 303,1	-11 121,1	-3 292,8	-2 860,2	-2 239,2	-2 728,9	-2 899,8	-3 150,5	-2 030,9	-2 430,8
Portfolio Investment	2 281,2	1 715,5	3 544,0	885,1	887,0	884,9	887,0	1 003,7	1 008,1	1 003,7	1 008,6
Other Investments	-11 739,0	-10 174,7	-4 097,7	-96,9	-492,1	-264,1	-3 244,7	2 349,7	-3 115,2	-4 348,3	-1 472,1
Currencies and Deposits	5 796,3	1 594,4	4 497,9	3 792,5	-591,6	2 235,8	-938,8	2 441,4	-1 737,9	-3 575,6	-38,9
Loans	-17 619,0	-12 095,5	-8 350,8	-3 422,2	-410,2	-1 894,2	-2 624,2	297,0	-1 054,4	-908,6	-1 440,4
Public External Debt (Government)	-18 670,6	-15 772,7	-10 590,1	-2 266,2	-928,1	-2 710,3	-4 685,5	146,0	-1 647,3	-999,2	-1 139,1
Private External Debt	895,0	3 583,2	2 204,7	-1 173,0	500,2	816,1	2 061,3	139,1	592,9	90,6	-301,3
Commercial Credits	-876,1	1 109,3	-371,6	-133,6	-205,9	278,8	-310,8	2,6	-237,2	17,6	-168,9
Other Liquid Assets	959,8	-782,8	126,8	-333,6	715,7	-884,5	629,1	-391,3	-85,7	118,3	176,0
Reserve Assets	5 603,9	7 844,9	3 523,6	855,9	-2 018,0	-2 808,2	7 493,9	-82,9	1 102,2	2 230,0	5 900,9
Errors and Omissions	-117,1	-1 534,2	-4 988,9	-1 830,0	-1 056,8	-4 748,8	2 646,6	-506,2	-2 878,5	-1 005,0	3 737,9

Source: Banco de Cabo Verde

Table 3: Balance of Payments in millions of ECV.

Balance can only be achieved thanks to external transfers, in particular remittances from emigrants and the contribution from APD, which, in its aspects "donation", that is, "direct donation", "help

food" and "budgetary aid" and, particularly, from 2009 onwards, in the area of contracting of public, external, growing and significant debt, for financing Government projects.

Again	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
APD	9.797	11.230	10.672	9.900	11.387	15.784	25.939	20.394	23.676	25.807	20.655	17.304	9.982			
Donations	7.360	6.610	6.400	5.364	6.236	7.536	9.440	4.342	4.203	4.275	3.014	4.294	4.164			
Budget Aid 1,233		551	1.203	1.563	1.640	2.180	3.085	1.711			573	1.199	1.041	1.282	1.312	
Food Aid	308	750	405	290		217	317	338	389	230	329		17	0	57	
Direct Donations 5,819		5.138	4.682	3.460	3.884	5.039	6.018	2.242	3.399	2.488	1.728	2.400	2.452			
Others	0	171	109	52	494	0000	259						228	612	343	
Loans	2.437	4.620	4.272	4.536	5.152	8.248	16.498	16.052	19.474	21.531	17.641	13.011	5.819			
Projects								2.588	13.491	13.295	17.392	19.877	14.720	10.358	5.819	
Budget Aid*								5.659	3.008	2.757	2.082	1.654	2.921	2.652		0

* From ADB and BM

Table 4: Public Development Assistance (ODA) in millions of ECV

The resource and dependence on ODA to balance the Current Account reversed, in a expressive, the fundamentals for hiring of external public debt, making it an unavoidable condition of external balance, in the short-term, instead of a resource to finance sustainable development programs, based on self-sustained growth.

This is, in fact, one of the traps in that the Cape Verdean economy has fallen, which tends, naturally, to reproduce and which requires extra effort, as well as a lot of coordination, conviction and perseverance to be overcome.

The clear perception that the elements determining the fragile balance of external accounts may be at stake, further aggravates the conclusions. Indeed:

- a) After experiencing a peak in 2010, in value of 9,440 million ECV, the donations, including budget aid, fell to around 4,300 million ECV in 2011, maintaining a decreasing average trend cent, although dampened, until the present;
- b) In recent years, tourism revenues grew at an average rate much lower than growth rate of the tourist flow, form can be concluded from the analysis of the Balance of Payments, combined with inputs annual number of tourists, which reinforces the idea of Cape Verde has invested in sun tourism -beach-sea, with low added value and an unfavorable evolution in the quality of search for destiny, facts that, associated with the worsening social and environmental tensions and the potential volatility of this market segment, determine that

- treat this variable with caution, as a structural element of response to tensions in the Balance of Payments, in the absence of appropriate policies capable of making this segment of tourist activity lient to external and internal determinants;
- c) After reaching a peak of 21,531 million of ECV, in 2013, loans to projects

began to fall, pronounced and sustained, reaching a value of just 5,819 million ECV in 2016, certainly determined by the prudence of financiers given the global macroeconomic context of country, justified, among other reasons, by the State's excessive debt (which is is between 125% and 130% of GDP).

- d) The only variable that, historically, has contributed to the balance of the Balance of Payments and which remains positive in terms of growth, continue to be the transfers of grants, certainly a result of the European crisis and its consequences on rates Euro interest liabilities, combined with interest rates on passive operations practiced by Cape Verdean banks, quite above the rates practiced in Europe, and with the stability of the ECV exchange rate against the EURO, as a result of the Agreement of Exchange Cooperation.

Designation	2013	2014	2015	
goods	-51.532,5	-50.277,4	-47.029,3	
Tourism	57,4%	58,5%	64,7%	
Shipments of Emigrants	26,7%	30,8%	39,5%	
Transfers	44.2%	43.8%	53.7%	

Table 5: Relative evolution of revenue Tourism, emigrant remittances and transfers against the Balance of Goods between 2013 and 2015

The analysis suggests the exhaustion of the economic model dominant in the last decade, a recreation of the foreign aid recycling model, based on strong public debt. Allow yourself to understand the difficulties in making the break with this same model, which seriously contaminates mind the only alternative and the true way out - replacing the recycling of foreign aid by private investment.

However, this alternative, to be effective, requires a suitable business environment, based on

confidence, in minimizing context costs and in sustainability, three critical elements that are missing, in the present context, in the Cape Verdean economy. To conclude that

is, just look at the indicators of *doing business*, good governance, economic freedom
ca and sovereign risk.

It is, therefore, urgent to find solutions, both for ensure, over a medium-term horizon, the survival of the Cape Verdean community resident, in the absence or continuation of the drastic reduction in ODA flows, such as for the break with the economic stagnation that is affecting the country since 2009, whose most visible face is the negative growth in GDP per capita and growth in the real GDP rate in the neighborhood of 1%, excluding the year 2016 which, although higher, remains anemic.

2.1.2 Environmental vulnerabilities and resilience measures

Cape Verde is characterized by a re-very limited natural courses and inserted in a zone of high meteorological aridity, which makes its natural ecosystems extremely vulnerable mind.

Insularity, the small size of the territory and land fragmentation, aggravated by social and economic fragility, exert great pressure on the territory and natural resources, contributing to the increase in environmental degradation and poverty and, therefore, require

a concerted and critical management strategy rich in natural resources.

Cape Verde is also vulnerable to extreme events and potential adverse effects of climate change, which could affect sectors

productive. Several forecast climate models for the West African region show that climate impacts will aggravate already existing pressures on the development of the archipelago and efforts to reduce

poverty. These impacts include the acceleration erosion, increased surface runoff, damage to infrastructure, particularly the along the coast and deterioration of ecosystems that allow the development of agriculture and local livelihoods.

Climate models, published during the evaluation of the National Adaptation Action Program (NAPA), for the period 2008-2012, showed that the country's natural vulnerabilities,

together with its social and economic implications will most likely be exacerbated by climate disruptions in the coming

decades. These include more extreme events frequent, such as storms, floods and droughts, as well as more rainy seasons short-term water shortages, with immediate impacts on livelihoods, infrastructure, sanitary conditions, refilling reservoirs and agricultural productivity.

Cape Verde belongs to the group of countries with the most vulnerable to climate change. Such as evidenced by the ND-Gain6 index, the country is 65th most vulnerable country and the 79th most resilient country, located in the upper right quadrant of the matrix of said index, meaning that the country has already taken important steps towards increasing resilience, but there are still large challenges for reducing vulnerabilities and urgent needs for reinforcement of measures adaptation and increased resilience.

It is important to present the vulnerability profile and resilience measures of the following environmental components and/or resources:

- **Soils:** soils (productive component of land) are, for the most part, skeletal or with little vegetation cover and poor in organic matter. Only 10% of

land is potentially arable; of these, 95% have been occupied by agriculture

rainfed and the remaining 5% through agriculture irrigation (PAIS Environment and Agriculture Forestry and Livestock). These lands are, in your greater proportion, located in semi-arid and arid zones, where the pressure of factors adverse climate conditions manifest themselves with greater intensity, thus making it difficult to establish vegetation cover, which is essential to

Agricultural production. Still due to the orography of the islands and the rains, which are often torrential, cause soil erosion to be very severe.

accentuated and aggravated by agricultural practices inadequate and free grazing. As

resilience measures, highlighting the implementation of measures of neutrality of

land degradation (NDT); mechanical and biological anti-erosion measures, practice of stabled livestock, intelligent agriculture.

- **Water:** in terms of water availability per inhabitant, the country is characterized by a situation of water scarcity. Scarce water resources represent one of the main obstacles to Cape Verde's economic development. Irregular, heavy and poorly distributed rainfall

in space and time, high rates of evapotranspiration, orographic conditions unfavorable conditions and over-exploitation of wells and boreholes, particularly in coastal areas, combined with poor infiltration, make that the availability of water constitutes one of the important factors of Cape Verde's vulnerability.

Therefore, the reuse of wastewater for multiple purposes is today seen as a central axis of sustainable management of water resources. The existence technology that enables reuse of these waters, raising their quality level is an alternative to their rejection in nature. In fact, one of the strategies

integrated management of water resources and resilience measures involves boosting the use of this resource for non-potable uses, such as the irrigation of green spaces, agriculture, some industries, among other activities, whose quality requirements are

substantially lower than water for human consumption. Another important measure relates to the organization of basins hydrographic areas and increased surface water retention capacity.

- **Biodiversity:** as an island state, Cabo Verde, has a significant variety of endemic flora and fauna. Also, the fact that being an archipelagic country, target of anthropic actions, intensified by the reduced size of the territory and climatic conditions adverse, the rates of biodiversity loss are worrying. According to projections, there is a high degree of confidence that projected changes in climate will result in the degradation, redistribution and/or increased fragmentation of ecosystems and in the loss of biodiversity and, consequently, of ecosystem services in SIDS, in the coming decades. In Cape Verde, approximately 20% of terrestrial species are included in the red list, classified as threatened or extinct (Leyens&Lobin, 1996). One of the most important measures of resilience adopted by the country is *in situ* conservation, through the creation and implementation of a network of protected areas. AND It is also necessary to reinforce measures and management and monitoring capabilities ecosystems and species *in situ* and *ex situ*. Scientific research, the promotion of knowledge and environmental education are essential mechanisms for reinforcing measures

adaptation and resilience of ecosystems.

- **Fishing:** one of the most used by small islands, which contributes positively for its GDP is fishing activity. However, due to the increase in water temperature, the increase in the average level of the sea and damage resulting from hurricanes, the tendency is for this activity to be compromised, since fishery resources will not always be able to adapt to these changes in the ocean, generating greater costs for governments of small islands, which require fishing activity,

as a way of supporting the population and GDP growth (IPCC, 2007c). Cape Verde is a large oceanic state. ZEE is

about 180 times larger than its actual terrestrial space. The coastal fishing industry

represents an important source of nutrition and income for the populations of Cape Verde.

This activity has been highly affected

by overfishing and the impact of climate change, bringing several effects

negative effects, including loss of fisheries

traditional activities, the decrease in income and

jobs, and great concerns about the

food security of populations. The implementation of marine protected areas

and measures to rationalize fishing, the

scientific research, the reinforcement of supervision, the

diversification of the fishing industry and the addition of

value constitute mechanisms for reducing the vulnerability of the fishery.

sector and increasing resilience.

- **Forest:** the forest areas of Cape Verde

They are mostly made up of introduced species. These are artificial forests, created in the 40s of the last century, with

the objective of combating drought and desertification. In recent years, changes in the rainfall regime have led to periods of

drought, consequently increasing the vulnerability of forests. The skill

of forests to adapt naturally to

climate change will depend on the rate and

magnitude of the changes to which they are subject, but

also, the type of vegetation,

despite recognizing that there are limits

above which the forests will no longer have

ability to adapt to changing

climate, without compromising its functions

basic. Climate change is projected to

change the frequency and intensity of natural disturbances, such as fires, incidence

of diseases and pests, directly impacting the adaptation and recovery capacity of forests. These impacts vary

between regions and are dependent on the type of management and adaptation measures implemented

mentioned. In this sense, it is fundamental to

changing (re)forestation policies, prioritizing native and endemic species that

are more resistant to the effects of fires

and pests and diseases. Equally important are the

development of management plans

forestry and contingency measures, given

to forest fires.

- **Solid waste:** solid waste comes

increasingly becoming one of the problems

but more worrying for environmental protection

biental. Its production and accumulation have

reached levels above re-harvest capacity. It is estimated that

the production of waste

urban solids in Cape Verde are around 171

000 ton/year (PENGeR, 2016). The quantities of

waste thrown into landfills. These continue to be the main destination for waste

solids of all types, constituting a risk

important for human health, due to

contaminants that can escape into the air,

water or soil. In these bins, the

waste from domestic, construction, hospitals and commercial and industrial units,

without adequate separation by type of waste. In general,

the location and size of the bins were not, in general,

past, carried out in a programmed and organized way, with a well-defined system of

management. Many trash bins are too close together

urban areas or main roads,

agricultural areas or forest perimeters. This excessive

proximity, to

in addition to the nuisance caused by pollution,

odors and fumes when incinerated at

open sky, causes other discomforts

serious, especially those relating to health

public, not forgetting the social factor of

populations that live off garbage, in their own

trash cans.

As mentioned in the emissions inventory

Greenhouse Gases (GHG), Cape Verde

presents an increase in total emissions from the

country, between 1995 and 2000, of 11.3%. The emissions from

waste sector covers 32.4% of emissions total CH₄, which corresponds to 3% of the total of the country's emissions in 2000 (2CN, 2007).

Given this context, efforts to reduce vulnerabilities of the solid waste sector include reducing their production, improving collection efficiency, introducing recovery processes, prevention of methane emissions, treatment and use of landfill gases. Also, on the other hand, energy, generated from the combustion of methane, can, also, replace the use of other fossil fuels, either as an energy resource primary, either as electricity (World Bank, 2012).

2.2 The appreciation of the Islands and the endogenous resources

Decentralization is one of the biggest gains of Cape Verdean democracy, by expanding the possibilities of access to bodies of power, promoting citizenship and political culture, but, above all, through proximity management, by reinforcing the social control mechanisms of power, contributing to the promotion of the economy place and for the valorization of resources and opportunities local tunities.

With the aim of enhancing the islands and endogenous resources, the Government established the public policies that favor decentralization and the commitment to the territorialization of development management instruments. It is clear that local government requires more resources and new mechanisms for better exercise of responsibilities already decentralized, but it is, above all, It is clear that a new wave of decentralization is imposed, as a condition for valuing endogenous potential and accelerating growth local and national economic, reduce asymmetries regions and promote regional balance.

The essence of public policies for the valorization of islands and endogenous resources is

today, above all, the responsibility of the Government, Therefore, the Executive's approach presupposes the strengthening knowledge of the territory and endogenous resources, strengthening capabilities in local level, the deepening of inter-municipality solutions and a new wave of decentralization, through regionalization.

Reinforcing knowledge of the territory must prioritize not only the inventory of environmental assets and tourist, historical and heritage resources, but also technical capabilities and organisational, existing at local level, challenge which universities should join, involving students and teachers, in the Municipalities source.

At the local level, in Municipal Councils, technical capabilities are still insufficient, in which refers to urban planning and territorial management, tax administration, financial management and patrimonial, planning, but also in areas of sanitation, sports management, cultural, civil protection and security.

The development of intercity solutions, particularly of a business nature, is essential for the operation of services

water and sanitation, solid waste, tourist resources, environmental assets, the territorial designation, health, as well as civil protection and municipal police, in search of scale, but also rationalization of resources and the valorization of capabilities.

Today, almost all Municipalities have a Plan Municipal Director, drawn up using external skills, which establish, with an imperative nature, obligations in terms of lower hierarchy, territorial citizenship and plan management capabilities. The technical training of Municipal Councils and the reinforcement of resources to deepen the urban planning are conditions for that planning serves the sustainable management of the territory. This should, therefore, be a priority area

ritary, in strengthening the capacities of the Chambers Municipal, which should start in the first year do PEDS.

The regional development plans, drawn up within the scope of PEDS 2017-2021, will be mechanisms for dialogue, mobilization and decentralization of resources and attributions, commitment and involvement of local authorities in

execution and, in this way, reinforcement of resources and responsiveness, as well as the signaling business opportunities and realization of the shared vision of the Government and the Local Power for each island in Cape Verde.

The Government of Cape Verde will also prioritize scope of the PEDS, and especially based on the regional development plans, mechanisms for preparing administration, society and local power, for regionalization, which will lead to decentralization to higher levels of territorial attributions, which

can be exercised with greater rationality and advantages, in terms of contribution to the valorization of endogenous resources and benefits for populations.

2.3 Excellent education

On April 9, 2012, at a conference in the city of da Praia, the African Development Bank ment made the following assessment of the system Cape Verdean educational:

Cape Verde's social performance, especially with regard to education, has been, consistently positive since 1975:

- Around 20% of the country's annual budget is spent on education.
- Has one of the highest literacy rates not continent.
- Has good performance, in terms of average total years of schooling, levels primary to tertiary, estimated at 12 years in 2009, ranking among the main countries from Africa.

- It has more than 500 pre-sale establishments collars, 427 primary schools and 69 schools secondary.
- During the last decade, the country invested heavily mind in technical-professional education. He was created a network of ten training centers technical (Employment and Training Centers), covering almost all the islands.

The quantitative steps taken in education, in However, they mask serious quality problems ity and relevance:

- The existing curriculum at secondary levels, middle and upper is wrong or not aligned with current needs or with the future reaction of the economy.
- There is a disconnect between institutions education and training of the workforce and companies.
- The education sector in Cape Verde does not has effective mechanisms for controlling the quality. Higher Education is especially I lack you in this sense.

After five years, the training system Human Resources, in Cape Verde, remains basically the same. The education system Cape Verdean has concentrated, almost in absolute, in current management, prioritizing the amount. The *deficit* in quality of education, in particular to the superior, remains a heavy Achilles heel. The education system continues to not face reforms head on what is important to do, in the field of curricula, and, in particular, in the pedagogical way. In this last domain lies the main challenge.

However, Cape Verde has basic infrastructural conditions to install a system cutting-edge educational, based on ICTs, distance communication and video-image, accessible in universal terms, with profound and positive results in the qualification of teachers, in pedagogical development, in the significant improvement of the quality of the teaching-learning process and in the democratization of access to education.

quality cation. To operationalize this desideratum, the Government of Cape Verde will invest in defining a vision and a set of

policies and goals, but also in reviewing and/or creation of instruments for regulation, inspection, monitoring and evaluation of security systems

Teaching, from pre-school to higher education, having as assumptions the relevance of the system for compliance with the PEDS goals and the responsibility of the parties (namely the State, education and training institutions,

of families and market agents) in the ensuring the sustainability of subsystems.

Taking into account that access to education, permanence and success of students/students are fundamental aspects for the balance of system and to pursue the country's development goals, the Government will develop, within the scope of public policies for development and promotion of social justice, criteria to support low-income families. In this context,

social action programs, in modalities that make it possible to alleviate the effort of families with education/training costs and mitigate costs associated with territorial discontinuity and the location of teaching/training units, which contributes to mitigating mobility costs and asymmetries regional. In addition to social action programs, the Government will also develop programs to encourage academic merit and promotion of active citizenship, aimed especially at young people. The promotion of distance training, increasing access for residents in peripheral locations, will be another aspect of the

public policy to promote equity in access and regional balance.

Have each of the islands completely covered fiber optic cable, and most of the islands in the archipelago are interconnected by submarine cable. optical fiber (developed in a closed loop) and serida numa rede moderna de telecomunicações, with capacity and reliability, in their various aspects, namely, transmission

are of sound, image and data, it is not truly a luxury, but it is a huge advance compared to the reality of most

countries on the planet, including continental countries advanced and with immense resources. But have all these conditions met and not knowing, the system educational, take advantage of them and place this resource at the service of pedagogy, with immeasurable advantages, in terms of quality, democratization of education and efficiency of the educational system is, unquestionably, a waste. Therefore, the Government will create the conditions to enhance the use of these infrastructures and equipment, in favor of increasing the quality of education and training services, with a view to the great goal of excellence and promoting greater accessibility access to Higher Education and professional qualification sional.

The Human Resources training system that the PEDS assumes, is based on the inadaptability to the challenges that strategic options of development place. Said another way- but more directly: either the capacity of Human Resources, training of Human Capital, assumes, in practice, the model, embodied in the dynamic insertion of Cape Verde in the World Economic System (WEM) and designs and executes, both in the curricular domain as, above all, in the pedagogical and institutional, the reforms that are necessary and cannot be further postponed, and, in this way, enables the country to respond appropriately to current challenges and futures, or is development itself at stake. This is the country's biggest challenge and, in particular, of the present governance - a Historical Challenge.

The Human Capital development program is therefore based on a profound reform of the educational system and also the training system professional apple.

Regarding the educational system, the form focuses, both on the curricular domain,

as in pedagogical. With regard to the first domain, its fundamental objective is adapt the curricula of different levels of education to the needs of the digital and non-technological economy, in terms of human capital, as well as providing Cape Verde with the requirements essential to respond to general challenges development options and, in particular, those that result from the implementation of the identified programs, and detailed in the following chapters, to implement the directing vectors of the Dynamic Insertion of Cape Verde in the World Economic System. With regards to the second domain, the reform will have as its objectives main integration of different levels of education, from preschool to higher education, giving them articulation, coherence and consistency, and introducing, as universal and main pedagogical resources, ICTs, video imaging, distance learning and access conditions, also universally available to students and teachers, to digitized information.

Regarding training programs professional, PEDS assumes, as its objective, essential, training and transfer, to institutions representing social partners - trade unions and organizations representatives of the private sector -, of the implementation of these programs, on a contractual basis and on a respect for the principles of public-private partnership and the partner state, giving substance to what was agreed in the Council of Social Concertation and which is contained in the Strategic Concertation. With this propose, whether through direct or indirect administration, the State assumes the key role of promoting professional training, through planning, programming, provision resources, contracting, with institutions private, with operational responsibility, in this domain, pedagogical assistance and through the evaluation of results.

The Human Resources development system reform program includes,

Furthermore, the creation of institutional, regulatory, financial and cooperation conditions for the highly specialized training, respecting the strategic interests of the country, in the field of development. Within the scope of this objective, the insertion of Cape Verdean institutions, of Highly qualified Human Resources training Specialized in global knowledge networks, it is a priority.

The ongoing transformations in the educational system and technical-professional training create the need to review legislative management instruments, namely the Basic Law of the Educational System and the Legal Regime of Higher Education Institutions, where they should the roles of the State and other actors must be redefined. One of the crucial aspects of re-defining the roles of the State is related to financing mechanisms, particularly for the areas of higher education and scientific research, which are presented as fundamental factors in the transformation recommended for Cape Verde, within the framework of the implementation of the PEDS. Indeed, in addition of citizens' personal development, higher education contributes, downstream, to increasing the quality of intervention by citizens in different areas of life in the country, particularly at the level of awareness civic and social participation, as well as at the of services, greater technological development and multiplication of innovation within the productive sector and society in general. It is unquestionable that a cultured society with well-qualified staff is more resilient in the face of to the challenges of today's world, as it is better prepared to identify and equate the variable determinants associated with the challenges and to adopt more tailored and likely to contribute to sustainable development. It can be stated, with a high level of certainty, that there is a correlation very narrow between academic qualification of a country's workforce and the positive multiplier effects on the economy and society.

2.4 Integration of Agendas international Development

A Agenda 2030, as “Samoa Pathway” of Agenda 2063

Signatory of both the Development Agenda and Sustainable Development 2030, which advocates the Sustainable Development Goals (SDG)⁷, as well as the Accelerated Modalities of Action of Small Island States in Development (SIDS) - “*Samoa Pathway*”⁸, and the Agenda 2063, Cape Verde is committed to its integration into plans, strategies and policies national, sectoral and subnational, as well as in its implementation and monitoring. This desafio is widely advertised in the Program of the Government to the IX Legislature, and consequently fearfully, assumed by the Strategic Plan for Sustainable Development, PEDS 2017 – 2021, through its thematic and sectoral programs rials and subsequent projects.

The “*Samoa Pathway*” recognizes the impacts harmful effects of climate change and rising sea levels, in SIDS efforts to achieve sustainable development, as well as for its survival and viability. The “*Samoa Pathway*” also appeals to strengthening the global partnership to support its implementation and SIDS to create resilience and take ownership of their development sustainable.

The developed framework identified and agreed a basis for action, in priority areas, how to segue:

1. Sustained and sustained economic growth tentative, inclusive and equitable, with decent work for all;
2. Climate changes;
3. Sustainable energy;

4. Disaster risk reduction;
5. Oceans and seas;
6. Food security and nutrition;
7. Water and sanitation;
8. Sustainable transport;
9. Sustainable consumption and production;
10. Management of chemicals and waste, including hazardous waste;
11. Health and non-communicable diseases;
12. Gender equality and women's empowerment you;
13. Social development;
14. Biodiversity;
15. Invasive foreign species;
16. Means of implementation, including partnership rias;

The approach to economic development and social security, food security, risk reduction disaster management (RRD) and ocean management, issues covered by the “*Samoa Pathway*”, fully converge with the SDGs.

The United Nations' “2030 Agenda for Sustainable Development” is the product of joint work of Governments and citizens of around the world, to create a new model global effort to end poverty, promote prosperity and well-being for all, protect the environment and combat change climate. The SDGs must be implemented across all countries and cover diverse areas, but interconnected, such as: equitable access quality education and health services, the creation of decent employment, sustainability energy and environmental, conservation and management of the oceans, the promotion of effective institutions effective and stable societies and the fight against inequality at all levels. The Agenda aims to poverty eradication and development economic, social and environmental, on a global scale, by 2030 and the 17 Objectives are:

1. Eradication of poverty;
2. Zero hunger and sustainable agriculture;
3. Health and well-being;
4. Quality education;

7) UNGA Resolution A/RES/70/1, September 2015

8) UNGA Resolution A/RES/69/L.6, November 2015

- 5. Gender equality;
- 6. Drinking water and sanitation
- 7. Clean and affordable energy;
- 8. Decent work and economic growth;
- 9. Industry, innovation and infrastructure;
- 10. Reduction of inequalities;
- 11. Sustainable cities and communities;
- 12. Responsible consumption and production;
- 13. Action against global climate change;
- 14. Life in the water;
- 15. Earthly life;
- 16. Peace, justice and effective institutions;
- 17. Partnerships and means of implementation;

“Agenda 2063 - The Africa We Want” is a strategic framework for the socio-economic transformation of the African continent in the coming we are 50 years old. It was built on the basis of identified priorities and seeks to accelerate the implementation of past and current continental initiatives, for growth and development. sustainable development.

It is based on the vision of the African Union, "A Integrated, prosperous and peaceful Africa, driven by its own citizens and representatives a dynamic force in the international arena", and advocates the following 7 aspirations for the continent, which derived from broad consultations public:

- 1. A prosperous Africa, based on growth inclusive and sustainable development;
- 2. An integrated, politically united continent based on the ideals of Pan-Africanism and in the vision of the African Renaissance;
- 3. An Africa of Good Governance, Democracy cia, Respect for Human Rights, Justice law and the rule of law;
- 4. A Peaceful and Secure Africa;
- 5. An Africa with a strong cultural identity cultural, heritage, values and common ethics;

- 6. An Africa, whose development is people-oriented, trusting in the potential of African people, especially in the potential of women, youth, and where children receive dignified treatment;
- 7. Africa as an actor and partner for- te, united and influential in the world arena;

The Government Program for the IX Legislature, 2016 – 2021, shapes the alignment of its strategy with international agendas and, through of its program for the legislature, announces the following major commitments:

- 1. Sovereignty;
- 2. A Cape Verdean Democracy;
- 3. A New State Model - An In- intelligent, Partner and Federator;
- 4. Security - A Safe State and Justice Efficient brace;
- 5. Justice - Efficient and Speedy Justice;
- 6. Defense - Guarantee National Defense, in a Broader Territory Concept;
- 7. Foreign Policy - A New Diplomacy;
- 8. Diaspora - New Commitments;
- 9. New Economic Growth Model - Prosperity for All;
- 10. Refocusing the Economy - Tourism: the Pi- Central home of the Cape Verdean Economy;
- 11. Economic and Structural Reforms: A No- v Economic Cycle that generates Employment and Income;
- 12. Valuation of Islands and Endogenous Resources the knees
- 13. Social State, Human Capital, Quality of Life and Combating Inequalities;

The commitments of the Government Program are perfectly aligned with the agendas international and contribute to achieving of the goals announced in them, according to the table from the following page:

ODS - Agenda 2030	SAMOA Pathway	Agenda 2063	Commitments to the Legislature
1	1, 13	1, 2, 6	1, 9, 11, 13
2 6 10, 13			
3	11	1, 3	13
4	13	1	5, 6, 9, 10, 11, 12, 13
5	12	6	13
6	7	1	10, 11, 12, 13
7 3 11, 12, 13			
8	1	1, 6	8, 9, 10, 11, 12, 13
9	1, 2	1	9, 10, 11, 13
10	1, 12	6, 5	11, 12, 13
11	2, 4, 8, 10	1	12, 13
12	1, 3, 7, 9, 10	1	9, 10, 11, 12
13	2, 3, 14	1	4, 10, 12, 13
14	5, 10, 14, 15	1	6, 9, 10, 12, 13
15	14, 15	1	6, 9, 12
16	13	3, 4	1, 2, 3, 4, 5, 7, 9, 11, 12, 13
17	2, 3, 10, 14, 16	2, 7	1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13

Table 6: Alignment of the Government Program with International Agendas



3. CABO VERDE DO FUTURO

This chapter announces the vision that the Government has for Cape Verde, as well How do you describe the strategic response? that must be adopted, taking into account overcoming the country's challenges, in path to development and taking advantage of opportunities present and future.

3.1 The Vision

The Government Program for the IX Legislature (2016 - 2021) of course, when declaring his vision perspective:

"A developed Cape Verde, inclusive, democratic, open to the world, modern, safe, where full employment prevails and full freedom."

The program goes further and announces a plan of action to build a better country, connected with itself and the world, to guarantee a more inclusive society and a nation

increasingly stronger, more global and more sustainable, to guarantee everyone the right to freedom, democracy and citizenship.

The current international context, a result of the deepening of globalization, catalyzed by great dynamics of Science and Technology and radical changes in organization and structure of the different markets, in particular the financial situation, combined with the reality bo-verdiana, namely with the reading of the Balance of Payments, suggests the following vectors, directors of the dynamic insertion of Cabo

Green no World Economic System:

1. Geoeconomic and geopolitical location from Cape Verde.
2. Tourism
3. Human resources

The appreciation of the geoeconomic location of Cape Verde goes, first of all, through the creation

of a reliable country and by minimizing context costs. Only in this way can the country become become attractive for investment, level for said valuation.

Creating an environment of trust and minimization of context costs implies, mandatory, profound reforms capable of changing the current state of *doing business*, the indicators of economic freedom and the good governance. Just this way, adjusting the country's internal conditions to new demands of the surrounding environment, it is possible to Cape Verde is a competitive country and is in a position to make the most of its resources to achieve two essential objectives:

- First, an almost emergency objective, is the creation of necessary and sufficient conditions to ensure balance in the Scales Current, in structural terms, as a basis for guaranteeing the survival⁹ of resident community, from the perspective of the short, the medium and long term, *even in the reduction of the contribution made today by APD.*
- Second, the objective of ensuring the accelerated, self-sustaining and sustainable development of Cape Verde, based on the concept of circulation economy, with the purpose of achieve a position among the TOP 10 PPI with better economic and social performance, particularly with regard to GDP *per capita* and the HDI.

On July eleventh in the year two thousand and seventeen, the Government and Social Partners signed, within the part of the Social Coordination Council, a com-promised to prepare by the legislature, designated "Agreement de Strategic Concertation". The aforementioned Agreement results, in essence, from the acute awareness of social partners and the government regarding the dimension and achievement of the two aforementioned challenges, the survival cia and development, as it is, broad, explicit and clearly referred to in the text thereof.

⁹⁾ Translated as the minimum income that people need, in a given context, to live in conditions of dignity.

The aforementioned challenges were assumed as decisive factors, with the highest priority being to ensure the conditions that allow the country, within the horizon of PEDS, solve the intricate *deficit* problem of the Current Balance, without endangering the normal conditions for community survival. In other words, maintaining the current, average living conditions of the resident Cape Verdean citizen, the Agreement creates a true strategic alliance between social partners, and, thus, a political environment. It is

social, characterized by stability and commitment, compatible with a true change in development paradigm, based on Cabo's dynamic insertion strategy. Green in the World Economic System, which was proposed by the Government and assumed by social partners. This strategy is based, in particular, on profound reforms, with the purpose to create the necessary confidence in the economy, minimize context costs and ensure development sustainability.

60

In other words, the Strategic Concertation Agreement puts, at the forefront of equality, economic gains, inclusion and social gains, as well as the preservation of balance

environment, in an explicit, tripartite commitment, between social partners and the Government and between current and future generations. Like this, establishes a binding and decisive commitment to balanced regional development, capable of reversing the migratory dynamics

that settled in the country in recent years (and that will last for some time, even after consistent measures capable of

to be counteracted, as a result of the option, after 2001, for economic growth unbalanced). Migratory dynamics, which is responsible, in the first degree, for some of the main prevailing social tensions and the difficulty for the State to respond, in a adequate and effective response to their specific responsibilities in the field of security and combat against poverty, particularly, not referring access to employment, food, health,

education, housing, drinking water, energy, sanitation and communications, making it difficult to improve poverty indicators

relative and extreme relative poverty.

3.2 The Strategic Response: Dynamic insertion of Cape Verde no World Economic System

The concept of *dynamic insertion into the System*

World Economic can be defined as follows: process of permanent adjustments, particularly in the economic spheres,

of security and meaning, in which, the gains arising from the transformations of the internal elements that condition the nature of insertion, are added to those that result from the evolution most favorable environment, which occurred in the naturally, or induced.

Dynamic insertion differs due to the approach gem, from the *adaptive economics thesis*. While the adaptive economics thesis, also suggested as a strategy for PPI, proposes a reaction to changes in the context of the surrounding environment, adjusting to them, so as not to *lose the train*, in dynamic insertion, the action prevails proactive, which also implies prospective analysis active and timely preparation of conditions, to welcome, in the best possible way, the forces of change of the surrounding environment and to gain power.

Applied to a PPI, such as Cape Verde, the elements fundamental elements of the concept are the following:

- Due to its scale, and the fact that it is seen faced with additional costs, which result of its insularity and its archipelagic nature, Cape Verde is unable, in terms general, economic success, both in its micro and macro dimensions, outside of a context of great economic openness and deep relationships with the SEM - System World Economic. The country's economic performance and success necessarily depend on its inclusion in the SEM.

- Insertion, if dynamic, that is, if it occurs co- a process and is guided by action permanent, articulated and strategic, on the elements of an internal nature and on those of external nature, capable of conditioning or promote development, offers a great opportunity. In this sense, globalization can only mean an advantage.

- Acting on the elements of nature external can create the best conditions, capable of guaranteeing the optimization of the advantages of inclusion in the SEM, taking into account, namely, the economic spheres, security and meaning. This presupposes a *consistent cooperation policy*, both in the bilateral and multilateral dimensions, as well as in the regional one.

- Action on elements of an internal nature can allow the transformation of the economic, cultural and political environment, by in order to ensure the *performance of the factors that promote economic growth, development and progress, as well as the*

your best combination.

- The action on elements of an in- tender and over those of an external nature must be coherent and consistent with the objectives global, and properly articulated. She does not It can be, in particular, conflictual.

The concept contradicts:

- The idea of development models, applied each to the specific case of small countries islands, due to their relative nature static and mechanistic mind. The concept of dynamic insertion, suitable for Cape Verde, requires a permanent attitude and purpose objectives of "reconstructing" the *economic system nationally*, at all times, and to influence, as much as possible, the surrounding environment, taking into account the established objectives.
- The idea of applied economic specialization to Cape Verde, whether in the traditional approach of comparative, relative or location, whether in the most recent approach, of competitive advantages.

- The concept also collides with the idea of sectoral specialization, since the determining elements of dynamic insertion result from the discovery of opportunities offered by the surrounding environment, combined with the transformations of the elements of an internal nature.

The concept emphasizes:

- The place to be reserved for a prospective approach, considered, in the context, as a fundamental method of developing thought abstract and strategic reflection, as well as of planning.
- The importance of simultaneous consideration of the economic, security and significance, as well as its multiple in- terations.
- The role of a democratic environment, through stability and the catalytic effect that exercises.

In the nineties of the last century, the implementation, by Cape Verde, of the dynamic insertion in the SEM, taking into account the context, was essentially embodied in the following and in summary form:

- In the great political reforms, which provided the country of a pluralistic, representative democracy, allowed reconciliation with its History, its Traditions and its Culture ture, and determined harmonization with the its natural space, from a geo-political point of view.
- In the reforms of the security forces, which they went through the definition of their new missions, as parts of the democratic system and their constitutionalization.
- In economic reforms, aimed at create a market economy based on economic freedom, regulated, instead of administered; for the privatization of the economy, the reorganization of public debt and the attracting foreign investment; and for the creation of the best conditions for predictability ality of the economy, based on stability

fiscal, exchange rate, monetary and price levels, in institutional development and security legal.

As a result:

- Cape Verde experienced new, more positive vas and promising, forms of relationship with other political and economic spaces.
- The business environment had a radical improvement; good governance indices experienced an upward trajectory and allowed for the country to access the status of a country of good governance; as well as indicators of economic freedom and political freedom.
- Confidence in the country has grown remarkably and resulted, in particular, in the increase self-sustained endowment investment geno and FDI, with effects on growth of GDP and GDP pc, in family income and consequent positive evolution of the HDI, in the reduction of poverty and extreme poverty rates, in the significant increase in exports and changing their content structural (from a country that exports only primary goods - bananas and fish -, Cabo Verde began to export, essentially, industrial products, namely clothing, footwear and products from the electronics industry, in addition to tourist products), in progressive fall in the unemployment rate. Instead of the State, for the first time, then Independence, the private sector began to be the largest employer (INE, 2001).

Despite the fact that, in recent years, there has been a consolidation the democratic, constitutional regime, as recognizes the latest *good governance report* published by The Heritage Foundation, Cape Verde accumulated significant delays in the economy and development, with im-significant negative effects on general conditions of its population, particularly in the domain of employment and income, with all the ensuing consequences. The population hardest hit was youth, with emphasis on young people with secondary or higher education.

The country did not know how to make the most of the *special partnership* with the European Union, as who guided the aforementioned partnership for Public Aid to Development, instead of orienting it towards the development of the economy; did not conceive a new and necessary cycle of political and, above all, economic reforms, absolutely necessary to adjust to the demands of SEM dynamics; consented to the State's excessive indebtedness, calling into question its solvency in the short, medium and long term, as well as sovereign risk, with harmful effects, namely on the ability to attract foreign investment and access, through endogenous companies, to external financing; did not register progress in the indicators of *good governance*, doing *business* and *freedom economic*; and, to a large extent, despised the its greatest capital - the geoeconomic location and geopolitics - by not clearly defining the objectives, partnerships, as well as strategy, policies, measures and means likely to enable its achievement; didn't take advantage of its Culture, its History, its biodiversity, its natural and built heritage, in short, its uniqueness as a decisive factor in asserting itself in the tourist market, thanks to its Nature and, in particular, its Creality and Morabeness; lost proactivity and even the reactive capacity in the face of changes the external environment; settled down again, to the condition of a country that makes survival possible through recycling ODA, particularly from 2008, although changing its content (recourse to public, external debt, as a way of guaranteeing the balance of external accounts, creating a vicious cycle of public debt, with harmful effects on the country's confidence indicators and financing private investment and development). Even worse was having allowed the progressive degradation of quality, with regard to formation of human capital, a reality recognized by unsuspected international institutions, as is the case of the African Development Bank. development.

As a result, the fragility and dependent profile of the Cape Verdean economy deepened. -verdiana; investment dynamics fell, particularly foreign investment; companies have known (and know) difficulties in development (today, Cape Verde has less companies than it had in the year two thousand) and even

survival; imbalances have worsened regional; the GDP growth rate fell and stagnated around 1%; the GDP pc met decreasing trend; unemployment and poverty increased, instead of decreasing, and affected women and youth more acutely, in particular educated and urban youth.

	2007	2008	2009	2010	2011	2012			2013	2014
Cape Verde	3 187	3 717		3 506	3 354	3 743	3 759		3 621	3 593
Santo Antão	2 245	2 610		2 573		2 476	2 814	2 554	2 663	2 715
Saint Vincent	3 310	3 918		3 615		3 541		3 926	3 699	3 596
Saint Nicholas	2 590	3 144		3 271		3 044	3 383		3 128	3 038
Shall	8 799	10 078	7 773			7 297	7 530		7 068	6 320
Good view	5 122	6 428	7 189			7 824	7 878		8 819	7 695
May	2 858	3 358	3 291			3 067	3 488		3 414	3 129
Santiago	3 006	3 450	3 324			3 126	3 497		3 578	3 506
Fire	2 094	2 462	2 334			2 151	2 643		2 709	2 497
Brava	2 305	2 671		2 592		2 418	2 908		2 673	2 528

Panel 7: GDP per capita and GDP per capita per island, between 2007 and 2014 (USD)

Source: INE

GDP										
Again	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PIB Nominal	121.973,7	134.698,4	135.879,1	138.568,5	147.924,2	150.351,3	153.723,2	154.435,7	158.699,1	163.381,4
Growth Rate	10,0	10,4		0,9	2,0	6,8	1,6	2,2	0,5	2,8
Real GDP	121.973,7	130.085,6	128.433	130.316,8	135.488,9	136.954,8	138.054,3	138.898,1	140.297,0	145.652,0
Growth Rate	7,9	6,7		-1,3	1,5	4,0	1,1	0,8	0,6	1,0

Table 8: Evolution of GDP (Million ECV; %)

During the period under analysis, the country specialized in mass, low-cost beach tourism. added value, with sustainability problems, both environmental and social, concentrated in the number and size of operators, on two islands, in Europe, as a transmitter, and on the type of reception establishment. The country ended up wasting the great opportunities offered by the first fifteen years of this century, particularly the immense opportunities brought by the economic crisis

world that began, in a visible way, from the year 2008. 3.2.1 Cape Verde, platform country In the current context, the dynamic insertion of Cabo Green in the World Economic System, states in the concept of Cape Verde - Economy of Circulation culation Located in the Middle Atlantic, in a crossing that articulates the Atlantic continents, as demonstrated by the diagram that I:



Given the current conditions of the global economy, crossed with the national economic reality and, above all, with the potential of Cape Verde, but, Also, given the proposed objectives, it is possible identify seven programs (seven opportunities) with the capacity to generate the strategy, all included in the Cape Verde concept - platform

circulation in the Mid-Atlantic, namely:

1. Creation of a *supply logistics port*
fabrics of ships of the international fleet
passing through or approaching Cape Verde
on its routes (including ships circulating in West Africa), and
transshipment, taking into account the detailed and recent
studies carried out by the Government (2016

and 2017), conclusive regarding the opportunity that Cape
Verde has in the field of these activities (Maritime Platform).
2. Creation of a *logistics airport*
international passenger distribution and
cargo and that articulates the continents and countries
riverside of the Atlantic (Aerial Platform).
3. Locating companies and transforming Cape Verde into an
International Business Center and attracting FDI and

promotion of the Endogenous Business Initiative (Commercial
and Industrial Platform).
4. Creation of an international financial platform (Financial
Platform).
5. Creating conditions capable of pro-

move and increase the participation of Cape Verdeans
residing abroad and, also, favor the ethnic component in

participation in the economic and social development of the
country (Ethnic Investment Platform).

6. Tourism development , namely
mind thanks to the consolidation and improvement of
existing, and the diversification of internal destinations and
products, making the
tourism is a phenomenon that is generalized to all islands
and found in the environment,
in Culture and History the ingredients
main aspects of product formation (Tourism Platform).

7. Development of the Digital Economy and
Nano-technology (Digital and
Innovation).

There are also two complementary programs
and unavoidable, as they condition the effectiveness
the execution of the seven programs mentioned above,
that are:

1. Improving the relationship with the external environment,
which includes, in particular, deepening the relationship with
the Community
Economics of West African States
(ECOWAS) and with the European Union and the
in the Euro, in the latter case, from a perspective
of economic quasi-integration; the negotiation of agreements
and commercial advantages: i)
with the North American Treaty countries
Free Trade (NAFTA), with emphasis on the United States
of America (USA); ii)
with the countries of the Southern Common Market
(MERCOSUR), with emphasis on Brazil;
iii) with Portuguese-speaking African Countries (PALOP)
not members of the
ECOWAS and the Community of Countries
Southern Africa (SADC), in particular
Angola and South Africa.
2. Adequacy of the operating conditions of the Cape Verdean
economy to the demands of the external environment, which
includes,
namely:
a) A program of economic reforms,

with the perspective of creating a highly competitive business environment, based on trust, minimizing context costs and reinforcing sustainability. b) The reform of the Human Capital training system, one of the most

important, if not the most important, in a medium and long-term vision, to guarantee the success of Cape Verde's dynamic insertion strategy in the System. World Economic theme.



4. OS OBJETIVOS DO PEDS

This chapter describes the objectives recommended for the Plan Development Strategic Sustainable, for the period 2017-2021, based on the previously identified strategy of dynamic insertion of Cape Verde into the System World Economic.

These objectives are aligned with the Government's Program and Vision for the IX Legislature, as well as with international development agendas and the commitments made by the Government of Cape Verde.

For each objective, the particular sectoral strategies that will be implemented by the Government to achieve it are described.

4.1 Objective 1: Make Cape Verde a Circulation Economy located in the Mid-Atlantic

4.1.1 Cape Verde circulation platform country in the Middle Atlantic

4.1.1.1 Maritime platform

The final report of the study of Cape Verde's opportunities in this field, dated June 2016, referred to above, called "Business Plan for the Porto Grande Bunkering Industry", concludes that Cape Verde's potential market, in the field of *bunkering*, considering ships that transit within the country's EEZ or in nearby latitudes, reach 4,419,050 tons/year. Once

that the studies are conclusive regarding this potential market and also refer to a non-negligible potential *transshipment* market, they are sufficiently detailed, particularly with regard to the type of ships, the origins and destinations of the months -

mos, supply modalities, identification and characterization of competition, as well as defining Cape Verde's competitive strengths and weaknesses, effective and potential. With regard to *bunkering*, the project to develop a port to operate in the provision of international *bunkering* and *transshipment* services includes the following:

• International *Bunkering* - 1st -

Identify the best port option from a competitiveness perspective (which involves, in particular, the consideration of variables such as infrastructure costs, ship maneuvering space, logistics for storing products, whether for *on-shore* supply, or for *off-shore supply*).

- 2nd Identify and mobilize partnerships, particularly in the operational, logistics, financial, management and provision of complementary services domains.

- 3rd Set up the investment and investment operation promotion of the bunkering service.

• *Transshipment*

- 1st Develop the market study and plan strategic.

- 2nd Identify the best port option, in competitiveness perspective.

- 3rd Identify and mobilize partnerships, particularly in the operational, logistics, financial, management and provision of complementary services domains.

- 4th Set up the investment and investment operation promotion of the port.





Obviously, this is a program in which the

The State must count on the strong and dominant participation of the private sector, especially in the areas of infrastructure, the operation of various associated services, starting with *bunkering*, itself, investment and financing. However, *the State's assumption of the role of a promoter is a sine qua non of success.*

4.1.1.2 Aerial platform

Cape Verde has a privileged location, at the crossroads of important air routes that connect the riverside continents of the Atlantic.

Responsible for air control and safety, in called FIR Oceânica do Sal, cross the skies of the country, in overflight operations, according to ASA statistics, around 120 planes per day, in average, totaling a daily flow of passengers transported between 18,000 and 24,000. To this important flow of passengers, we must add the traffic to and from Cape Verde, mainly derived from



of tourism. It is also worth considering the potential for traffic to and from Africa and to and from northern South America and part of Central America, with origin or destination Europe and, in the case of Africa, also the North American Continent (although they are relevant flows, they were not taken considered in this analysis).

The existence of the identified market, associated with the location of Cape Verde, at an important air *crossing*, it is the condition so that the country aspires to be a distribution platform for passenger and cargo air traffic, thus articulating the contin-

Atlantic nents.

Other accumulated gains in this area must be associated with the aforementioned market conditions, namely: a) having category 1, which was assigned to it by the Federal Aviation Administration (Federal Aviation Administration – FAA), and that the country I knew how to protect, until now; b) hold a flag company with good technical reputation, holder of Long Range Operation in Twin Engines (*Extended Twin Engine*) certification (*Operations – ETOPS*), and which meets the technical conditions to fly to any destination; c) possess an international airport with the size and technical conditions to receive any type of aircraft, even in adverse conditions; d) have good, experienced and renowned service providers airport service, namely *handling*, fuel supply and *catering*

ring; e) have important agreements air tickets, signed with a number significant number of countries, from various continents, nents; f) be a member of ECOWAS, region of open airspace for Cape Verdean companies; g) have a notable hotel capacity, in conditions to be able to serve the platform aerial; h) have two airports classified as “*last point of departures*”; i) have a traffic control service

modern aerial fego, with radar coverage of about 80% of the Flight Information Region (*Flight Information Region – FIR*); to be recognized, namely by the Aviation Organization Civil Aviation Organization (ICAO), as a country that complies with international air safety standards.

No less important are the conditions exceptional climate conditions, which allow maintaining Sal Airport opened three hundred and sixty and five days a year, during the twenty-four Times of Day. This last aspect is relevant because it provides predictability and particular confidence, both to airlines and to passengers.

Taking the average of the estimated traffic values, international air traffic, in overflight operations, that is, 21,000 passengers/day (this average which excludes potential traffic to or from Africa) and assuming that the installation of a good and competitive air service in Cape Verde will allow, in the medium term

(five years), capture 5% of the share of this same market and, within a horizon of long-term (ten years) capture 10% of this quota, Cape Verde will have achieved an international market of around 2,400 passengers/day, in transit, equivalent to about 24 voos, perform-those using medium-sized aircraft size. To this flow of international passengers will be added those resulting of tourism, when the sector becomes mature, estimated at around 100 flights/day (50 arrivals and 50 departures), carried out with medium-sized aircraft. It is a potential market of 124 flights daily, totaling around 24,800 passengers/day. All these conditions and opportunities make Cape Verde's transformation into a platform international traffic distribution air in one of the most important projects

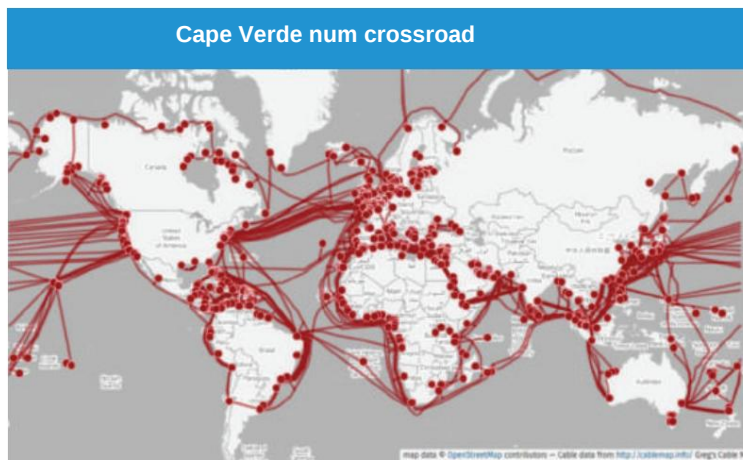
of the country, both due to its direct, indirect and induced effects on the economy, and due to the Atlantic centrality that gives the country a status necessary and sufficient to enable immense opportunities, in the most different sectors of activity and domains, and a significant factor in the economy's external competitiveness.

4.1.1.3 Commercial and industrial platform

Cape Verde has the basics to, if you want, be a highly-rated International Business Center competitive, and a privileged space for locating companies, corporate headquarters *holdings* and highly specialized independent professionals.

The country has a unique location, in the center from the Atlantic; has high standards of security, stability and social peace; the conditions





of mobility are good, and it is possible, in a Generally speaking, in less than twenty-four hours, leaving any of its islands, reach any destination; It is a well-structured country, especially in essential areas such as telecommunications and transport (air, sea and road); It is practically equidistant and close to the main capital cities

and economic poles of Europe, the Americas and from Africa, with flight times that vary between three o'clock and seven o'clock.

Cape Verde has qualified human resources prepared to acquire the appropriate skills for the development of any

type of activity; enjoys exchange rate stability, derived from the Exchange Cooperation Agreement that established the fixed parity of the ECV against the Euro and created a sustainability mechanism for this parity; has high health standards, particularly public health, with a lack of almost absolute number of endemic diseases (some diseases endemic in tropical countries, recently imported, such as Zika and Dengue were confirmed controlled, its incidence was confined and drastically reduced, and the country has conditions and is on the way to eradicating them); is a democratic country, where institutions function, namely the courts, and where the primacy of the Law is a principle observed; has a mild climate, stable and predictable; has privileged relationships with the EU, the USA, Africa and Brazil; and it's member of ECOWAS. All these conditions are

basic, necessary to be a registration and location platform for companies.

However, to meet the necessary and sufficient conditions, the country needs invest in three areas of competitiveness: trust; the costs of context; and sustainability.

The program to make Cape Verde a international business center has by object exactly the intervention

on the three domains mentioned, making the country an ideal space for locating companies and for business development.

Therefore, with regard to the reinforcement of standards of trust, it should give great emphasis and priority to improving the business environment, acting on the variables likely to improve the indicators of *doing business*, good governance, of economic freedom and sovereign risk.

It must also give specific content to the assumption of tax competitiveness, both from the point of view of view of predictability and differentiation, as from an incidence point of view. And make the country one territory where high standards of legal security prevail.

Regarding contextual costs, the program must cover specific areas, such as access and costs of transport and communications, energy, significantly improve the effectiveness in the provision of public services and create instruments and mechanisms to carry out a firm and effective fight against corruption.

4.1.1.4 Ethnic investment platform

Conditions must be created that can promote and increase the participation of Cape Verdeans residing abroad and also favor the ethnic component in the participation of the economic and social development. Understand-

by ethnic component, not just that which is intrinsically Cape Verdean, in constitutional terms (the

born and their descendants in emigration host countries Cape Verdean), but also those natives of the countries or members of ethnic nias or communities where the cabal-Verdians have their roots.

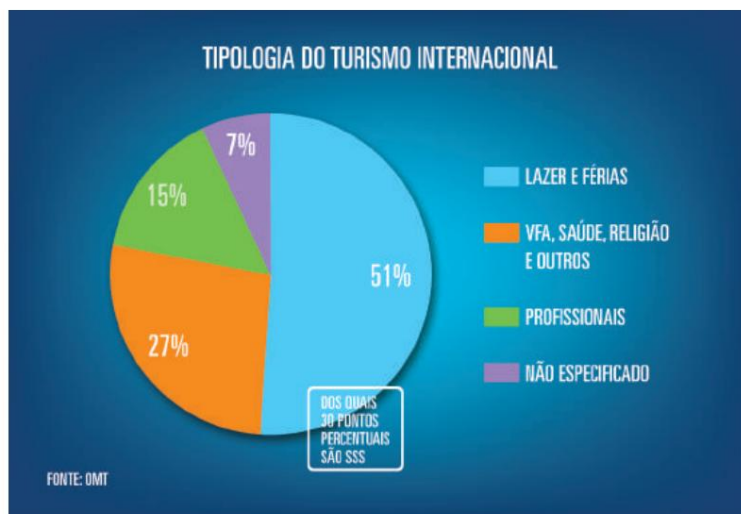
The Cape Verdean communities teeth on the outside represent a significant financing potential of the country, in its development effort, and a potential market, of relative

importance.

Nowadays, communities residing in abroad have, in *remittances*, their main contribution, with significance in the balance of payments. However, there is at least more two areas in which this contribution can assume significant dimensions in the short term: tourism and private investment.

Cape Verde is a country of multiethnic and multinational origin. ticultural, with roots on all continents of the Planet. From an anthropological point of view, it prefigures the Humanity of the future. Despite the cultural synthesis that was produced on the islands and gave rise to the cabo-greenness, it is possible to identify the different origins in both the relevant physical elements of Cape Verdean woman and man as in your culture and attitudes. Articulate the result of miscegenation with original sources may not only represent an important contribution to understanding of humanity and for the promotion of Peace, as well as for the economy of the Islands, particularly in the fields of tourism and private clothing, to which he introduces, as ele-differentiating and humanizing ment, emotion.

Visits to family and friends, as well as trips determined by religious motivations, represent around 27% of world tourism. It is a quality tourism, harmonized with culture,



respectful of the environment and whose proceeds directly feed families. These conditions tions and qualities make tourism "saudade" a product with an impact on the macroeconomy, namely on the Balance of Payments, and with strong and positive social effects, namely by contributing to employment, to improve the income of a significant number of families and combat poverty.

Cape Verde is far from taking full advantage of opportunities in this tourist segment - the second ethnic ment - which happens spontaneously and has not been induced by any policy public, explicitly addressed to him.

In recent years, of all exogenous factors that contribute to the balance of the Balance of Payments from the country, the only one that continues to showing strength of growth are the transfers of emigrants. This fact alone, itself, it demonstrates the potential of Cape Verdean communities residing abroad, co-mo source of development financing.

This potential source of financing must be turned into an effective source. And create opportunities for those who emigrated to take advantage of the opportunities that the land of origin offers.

With the aim of increasing participation of Cape Verdeans living abroad and ethnic communities of origin, in the development



tourist market. The diagram on the side demonstrates examples of some routes of History to be built.

B. The promotion of direct investment, by ethnic communities based abroad, in business initiatives.

w. The launch, on the market, of financial products, specifically created and aimed at Cape Verdean citizens residing abroad and to ethnic communities of origin, including differentiated financial securities.

4.1.1.5 Tourism platform

A development platform for tourism, particularly thanks to the consolidation and improvement of the existing, and the diversification of internal destinations and products, making tourism a phenomenon that generalizes to all islands and find

ment of the country, three sets of opportunities new ones must be created:

The. The promotion and attraction of ethnic tourism, both Cape Verdean communities residents abroad, as well as from ethnic communities of origin, namely through the creation of incentives and motivations, as well as marketing campaigns with the purpose of promoting the

significant growth in this segment of the tourist market. It is easily seen that the determining factors of this segment of the tourist market are essentially from the emotional and reside, first and foremost, in family reunion, in the unique experience of contact with the original physical and social reality of the country, History and Culture. The Routes of History, particularly understood as open or living museum spaces, capable of narrating and explaining, from a simple argument (like coffee, for example) the History of the World, with epicenter place in Cape Verde and in accordance with an ethnocentric reading, can be the element nuclear support for this segment of the

in the Environment, Culture and History the main ingredients in the formation of products.

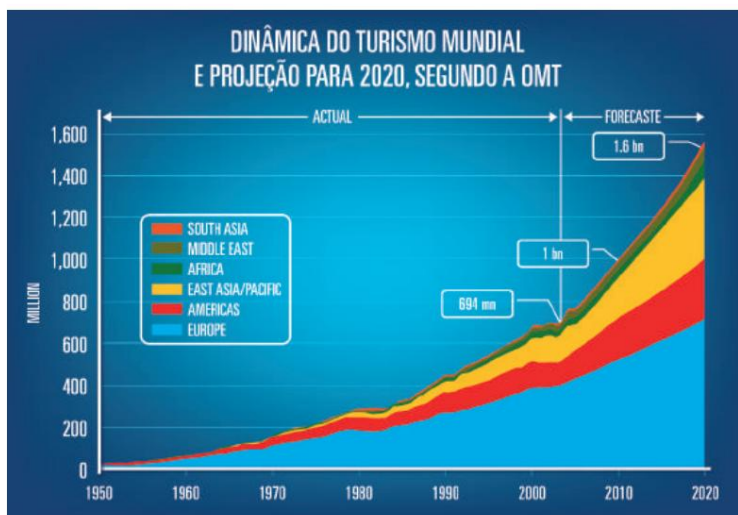
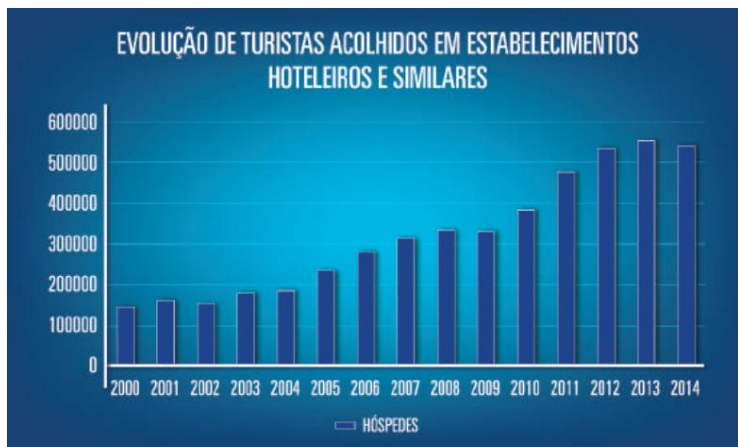
In a sustainable tourism logic and respecting accepted indicators, Cape Verde has capacity to welcome up to 3,000,000 tourists/year. It is a goal that is within reach of the country, once the elements of the current dynamics have been crossed, the reality of the main markets emitters and the general, current and potential conditions of Cape Verde as a tourist destination.

Sun-beach-sea tourism represents around 30% of world tourism. There is therefore no doubt about its importance for a country with the geographical characteristics of Cape Verde.

But the country, as a tourist destination, has recognized potential in other market segments, namely in the areas of tourism.

adventure, historical, mountain, rural tourism, urban, events, sports and health.

Tourism has been growing in the world since the fifties of the last century, at average annual rates, which are in the neighborhood of 4%, being,



today, the largest global business. In Cape Verde, since the second half of the nineties of last century, it grew at double-digit rates.

Today, it represents the main and indispensable segment of economic activity in the country, with strong growth dynamics, and contributes significantly for GDP (around 24%), for employment (by more than 20%) and for public revenues (20%, approximately). And the

main variable responsible for balance of external accounts, covering the *deficit* in the Balance of Goods in more than 60% (64.5%, in 2015). At the present context, Cape Verde does not can dispense with the contribution of tourism, without suffering serious erosion of survival conditions for your resident population.

In a context in which other variables, historically responsible for

pronounced and structural coverage *deficit* of the Balance of Goods, entered in a sustained decline, namely

ODA, tourism reinforces its importance decisive role in the Cape Verdean economy

Diana. It is therefore necessary to create all conditions to avoid any reduction in the current tourist flow, or to dampen the tendencies of your growth cement.

This objective implies and determines the consolidation of current sun-beach-sea destinations, which requires significant

investments in security, in the tri-sustainability angle (economic, social and environmental) and in marketing.

But also, in planning the development of destinations and in the monization of interventions by the State, municipalities and companies

(such requirement for planning and harmonizing the interventions, referred to, requires an institutional approach adequate, capable of guaranteeing the identification of actions and policy measures

appropriate ethics, as well as its execution and financing).

Cape Verde is no exception to the fate of almost everyone successful small island countries, in your development effort: to be a tourist country. Even a small island country like Singapore, which found alternative viability of its economy, through the

	2014	2015	2016	2016			4° Trim.
				1st quarter	2nd quarter	3rd quarter	
Sleeps by Country of Origin							
South Africa	1 653	658	1 082	441	251	128	262
Germany	511 329	575 541	529 586	136 586	121 700	129 574	141 726
Austria	13 172	13227	7 489	2 500	976	1 775	2 238
Belgium and Holland	385 717 458 957		478 660	143 283	100 169	86 631	148 577
Spain	37 905	42 311	43 356	8 431	7 525	14 018	13 382
USA	9 605	11 380	14 174	4 102	4 629	2 855	2 588
France	285 160	279 617	325 497	109 160	67 198	55 963	93 176
United Kingdom	839 485 1 148 335		1 225 913	305 492	298 874 289 490 332 057		
Italy	199 474 189 959		259 806	67 257	57 682	72 998	61 869
Portugal	316 365 322 948		318 095	56 530	80 175	112 683	68 707
Switzerland	28 319	27 559	35 989	11 503	5 317	5 519	13 650
Others	656 087 502 386		724 646	259 597	96 580	148 934	219 535
Sleeps (international) per island							
Saint Vincent	100 040 102 095		109 526	31 507	21 109	20 603	36 307
Shall	1 297 608 1 823 603 2 062 034			625 748	447 095 406 778		582 413
Good view	1 308 522 1 544 378 1 664 983			409 219	344 532	474 370	436 862
Santiago	181 394 143 786		150 830	39 283	33 142	33 296	45 109
Remaining islands	109 822	96 138	105 178	30 110	23 556	20 517	30 995
By memory:*							
Guests	529 741 569 387		644 429	190 653	132 443	138 539	182 794
Sleeps	3 381 962 3 710 000 4 092 551			1 135 867 869 434		955564 1 131 686	
Average stay (number of nights)	6,1	6,3	6,2	5,7	6,3	6,7	6,0
Occupancy rate (in %)	53	49	55	58	45	55	60

Table 9: Tourism Statistics (data from the latest INE report, referring to the year 2016 – report produced in 2017)

Source: National Statistics Institute. *includes domestic tourism.

rization of its geo-economic location, becoming a platform for the circulation of

people and goods, whether by sea

whether by air, in the development of the oil production industry and in the

development of a new financial center

stable, tourism is the determining element

of the economy, with a contribution to GDP

of around 50%. It sounds like fado, but

It is understood that this is the case.

As has already been demonstrated, the maritime economy and the airline economy are essential vectors of in-

dynamic role of Cape Verde in the World Economic System, with sufficient potential to

drag other sectors of activity, including

industrial. However, due to the characteristics of the country, the conclusion that the main axis of the economy

Cape Verdean tourism can be absolutely

coherence and is fully consistent with the

dynamics of this phenomenon, in universal terms.

The country specializes in sun-beach tourism.

-sea, *all inclusive* and with low added value.

It must be considered that a country with this type of

specialization, for different reasons, easily

understandable, it is a vulnerable country. This vulnerability is

reinforced by the various levels of

concentration that dominate the tourist market

Cape Verdean, current, namely: product (sol-praia-

-sea, *all inclusive*), source markets (Europe represents more than 90%), tourist operation

(few operators, with the two largest

concentrate more than 80% of the market), typology

of reception structures (almost

absolute of hotels). However, the concentration on

two islands (Sal and Boavista, which receive more than

80% of the tourist flow) is the one that implies the greatest

risks, including due to the demographic dynamics that This fact generates various tensions, particularly in the areas of sustainability and safety.

Another characteristic of the current tourist model, Cape Verde, is the tendency towards the increasing deepening of the effects of seasonality, with the destination increasingly becoming a winter destination, with all the negative effects resulting from a summer with significant idle capacity and with significant negative effects, particularly on employment, the flow of revenue generated by tourism, the profitability of companies and the transmission of the seasonal effect throughout the economy, as the table on the following page proves.

Govern and develop an archipelago in which each island has its own historical and cultural, despite the common matrix, and in which each island is, in essence, a true community unity, implies the perception of the importance of maintain regional balances. It's not just a purely economic or purely economic issue justice. It is also the understanding of the importance that the option for balanced development has for national cohesion.

Tourism meets basic requirements to be a important factor of national cohesion, since which it offers to all parts of the territory, without exception, a wide range of opportunities economic and, due to the specificity of each island, namely at the geographical level, the opportunity to explore what can best be offered to the market, while

destiny. This creates complementarities that, among other advantages, make the country more resilient in the face of to the occurrence of external shocks, diverse origin, including tourism.

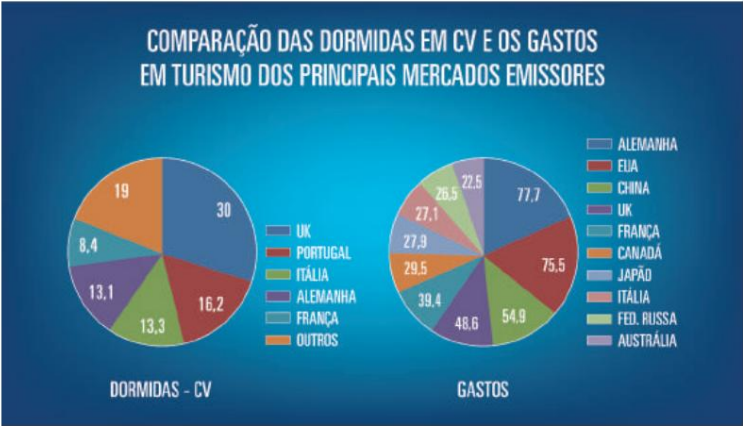
The promotion and development of tourism, as a vector-generator of dynamic insertion of Cape Verde in the

World Economic System, comprises two essential dimensions and to be carried out in parallel:

3. The first, whose objective is to continue to contribute to balancing the Balance of Payments, namely, as an almost single, in a medium-term logic, to the reduction of ODA flows. To achieve this objective, it is essential to act, immediately and with perseverance, to correct the undesirable effects of intense migratory flows to Sal and Boavista Islands, namely in the fields of employment, health, education, housing, water, energy, sanitation and urbanism. It's essential, also guarantee, in these two destinations, high tourist safety standards and minimize the negative environmental impacts resulting, in particular, from human action.
4. The second, aimed at acting as a Cape Verde a world reference destination for sustainable tourism, known to citizens of issuing markets, with diversified products based on the geography of each of the islands and in History, Culture and in Nature. Within the scope of this second dimension, the diversification of issuing markets, destinations, operators, products, reception infrastructures and reduction/elimination of seasonalities are essential objectives.

4.1.1.6 Financial platform

Cape Verde's degree of underdevelopment is also clearly expressed in the market



Aggregate balance sheet of the Banking Sector

	2012	2013	2014	2015	2016
Total Assets	171411,0	192902,3	197564,6	209263,0	227662,5
Total Liabilities			182367,0	193698,9	212023,5
Equity			13472,1	13251,2	13069,6
Capital Social			9804,3	10053,8	10053,8
ROE (Return on Equity) %	3,94	4,89	3,47	5,67	4,02
RL (Liquid Result)	348,6	511,3	467,5	751,3	525,4

Aggregate balance of the Insurance Sector

	2012	2013	2014	2015	2016
Total Assets	4649,3	4755,3	5081,5	5020	5120
Total Liabilities	2697,8	2722,2	3048,5	2896	2940
Equity	1951,5	2033,1	2033	2124	2189
Capital Social	800	800	800	800	800

Source: BCV
Millions of ECV

Cape Verde Stock Exchange

	2012	2013	2014	2015	2016
Number of listed companies (Shares) 44444					
Corporate Number (<i>Bonds</i>)	16	17	18	14	15
Municipal Number (<i>Bonds</i>) 22222					
Number of listed securities	68	244	247	236	230
Number of BT and OT titles	46	221	223	216	209
Average transaction number/day					55
Market Issuance Volume Primary	11482	9604	12878	14471	15804
Transaction Volume in Secondary Market	358	106	406	211	1382
Transaction Number in Secondary Market	65	55	78	75	44

Table 10: Financial System. Sectoral contribution to GVA

Fonte: BCV, BVC INE

financial. Six dominate the financial market

small banks, whose capacity to intervene in the economy is modest, given their

limited capital resources, whether taken separately or in a consolidated manner.

In addition to these six small banks, two small separate companies deserve mention.

insurance companies, which only intervene in the market

domestic, a small capital company risk and a modest stock exchange.

Basically, this is the cable financial market.

-Verdian, with few means to respond to

market needs, as can be inferred from the tables above.

It is clear that the limits of the financial system are even greater when considering:

- The. That most banks are owned by other banks with headquarters abroad, not yet completely recovered from the crisis;
- B. That the banking market is extremely imperfect, given the number of institutions and, above all, the high concentration.

To this reality we must also associate the dimension of the economy, unable to generate the necessary savings for its financing needs.

As a result, companies, in a are generally limited in their business. To the larger, which were previously financed in the market external, found themselves confronted with new demands agencies for these operations, in terms of guarantee, as a result of the degradation of sovereign risk, combined with the new rules of the external financial market, particularly of the European one, the most accessible to cable companies. -greens. These impossible demands comply with or, at the most, make the payment more expensive. financing, making it unfeasible.

For decades, the global financial market has become the most globalized on the planet. One of the proofs of this fact is in the dynamics of the foreign investment, which grows sustainably and proved to be relatively immune to the first global economic crisis.

The arguments presented and which demonstrate the opportunity and importance of transforming Cape Verde num International Business Center cios (CIN) are also valid with regard to the creation of an international financial market, on the Islands. More than that, the relevance and importance of this creation arise, automatically and necessarily from the CIN. In other words, the importance and urgency in transforming Cape Verde into a financial square arises from an opportunity added for international banks rm its international financial operations from Cape Verde, on the assumption of

competitiveness of the country, and also the need to support companies that are located in Cape Verde, within the scope of the CIN project.

The financial market is, therefore, a component essential to the CIN. The existence of this square determines a positive set of economic effects, direct, indirect and induced, called

particularly in the fields of business financing.

companies and projects, the contribution to the Balance of Payments, the circulation of capital, the internationalization of the Cape Verdean economy, the affirmation of the country's Atlantic centrality and the creation of qualified employment.

4.1.1.7 Digital and innovation platform

The concept of digital platform and innovation brings much more than the pure and necessary digitalization of the country, in the most different areas and, particularly, not economical. Transform Cape Verde on digital and innovation platform This means that the aim is to make the country not only a consumer of digital economy products, but also a researcher, investor, producer. tor and distributor.

It's a goal that requires a bold strategy and firm, with commitments to innovation and insertion in global research centers and networks and production of digital technology. And which presupposes the creation of conditions in basic support sectors, such as telecommunications, for example. This conclusion/statement allows us to infer that although the development of the digital platform is the work of private individuals and institutions, the State is the main leader and the main promoting agent. And partner. To assume this role (of promoter and partner) is a condition *sine qua non* of success. The role of the State is essential, especially in the articulation of private initiatives, in the creation of incentives, in the promotion of alliances, external partnerships and in the training. In other words, it is up to the State to assume co-leadership in the development of this platform, alongside the initiative

IDE, 2004-2013										
	2004	2005	2006	2007	2008	2009	2010	2011		2012
World	737 682 996 714 1 481 561 2 001 987 1 818 834 1 221 840 1 422 255 1 700 082 1 330 273 1 451 965									
Developing economies	284 619 341 428 432 869 591 161 668 758 532 580 648 208 724 840 729 449 778 372									
Transition economies	29 158 32 414 60 463 88 031 117 692 70 664 70 573 94 836 84 159 107 967									
Developed economies	423 905 622 872 988 229 1 322 795 1 032 385 618 596 703 474 880 406 516 664 565 626									
Developing economies: Africa	17 261	31 013 35	720 51 364	59 276 56 043	47 034 48 021	55 180 57	239			
Eastern Africa	2 152	2 579 3 285	6 054 6 241			5 789	7 564 9 174		13 429 14 592	
Middle Africa	3 477	1 703	2 734 4 663		6 594 8 114		6 119	5 393	2 845	3 763
Northern Africa	6 441	12 233 22	341 24 028	23 153 18 980	16 576 8 506	16 624 15 494				
Southern Africa	1 541	7 335	525	7 064 10 750	8 396 4 751			6 298	5 707	9 186
Western Africa	3 649 7 163		6 835 9 555		12 538 14 764	12 024 18 649	16 575 14 203			
Developing economies: America	96 475 78 257	98 876 172	796 211 138	150 913 189	513 243 914	255 864 292	081			
Cape Verde	68	82	131	190	264	174	158	153	57	19

Table 11: Dynamics of Foreign Investment

Source: UNCTAD, Uni: Millions of \$USD per person

80

FDI - Millions of dollars, pc							
	2008	2009	2010	2011	2012	2013	IDE pc (2013)
Singapore	12201	23821	55076	50368	61159	63772	0,0079
Cyprus	1414	3472	766	2384	1257	533	0.0014
Bahamas	1512	873	1148	1533	1073	1111	0.0036
Malta	943	412	924	276	4	-2100	0.0013
Trinity e Tobago	2801	709	549	1831	2453	1713	0.0011
Barbados	464	247	290	725	516	376th	0.0014
S. Cristóvão and Neves	184	136	119	112	94	112	0.0025
Ant. e Bar.	161	85	101	68	134	138	0.0015
Seychelles	130	171	211	207	166	178	0.0017
Mauritius	383	248	430	433	589	259	0.0025
Cape Verde	264	174	158	153	57	19	0.00026
World	2 002 695 1 818 398		1 216 475 1 408 537		1 651 511	1 350 926 0.00022	

Table 12: FDI (the TOP TEN PPI and Cape Verde

Source: UNCTAD (WIR)

duly organized private sector, dynamize and lead the creation of a strategy, promote digital culture and insert Cape Verde into the network worldwide ICT (companies, namely from *hardware*, research and content production and distribution centers, innovation and development) and, associated with idea of Cape Verde CIN, create incentives for development of the digital platform and innovation.

Being a human capital intensive domain, highly qualified and specialized, success of the platform depends largely on the quality age and the scope of the reform of the qualification of Human Resources, in particular home of educational system reform.

The fact that Cape Verde is located at a *cross-digital communication road* is an argument for weight to take into account in the operational options of platform development.

4.1.2 Foreign Direct Investment

In the field of creating the CIN and the platform international finance, attracting FDI is essential. The statistical table, on the next page, demonstrates the global dynamics of FDI, from 2004 to 2013 and compares it with that of Cape Verde.

Reading and interpreting it allows conclude that FDI, in Cape Verde, has responded unsatisfactorily, when compared with the reality of the World and different regions.

When taking Africa as a reference, West, the conclusion is that, in this domain, Cabo Verde has been going against the cycle, particularly with the slowdown in FDI, seen in country, from 2009 onwards. It was, certainly, the slowdown in FDI, from that year onwards, a of the causes also responsible for the slowdown in growth that the economy showed from that date onwards. The analysis of FDI behavior, explained above in the table

statistics, also makes it clear that one cannot correlate this slowdown with the context international, when taking into account the behavior of this variable in the world, in Africa and, in particular, in West Africa, as well as in the most dynamic PPIs. This fact suggests that the variables responsible for this slowdown must be sought internally and not in the exterior, extremely important conclusion when seeking appropriate therapy.

When analyzing the behavior of this phenomenon, in Cape Verde, in an international context closer to the Cape Verdean reality,

the context of PPI, ranking in the TOP TEN (evaluated by GDP *per capita*), some additional conclusions become evident, as explains the picture on the previous page.

The first conclusion is that Cape Verde stands out from the TOP TEN PPI in terms of behavior annual FDI. In Cape Verde, FDI registers a sustained decline after 2008, while in group of countries referred to, the trend is towards growth, in average terms.

The second conclusion, no less important, is that Cape Verde, compared to this group of countries, is not attractive for FDI. See if, for example, that FDI *per capita*, in Cape Verde, is, approximately, the tenth part of the same indicator for the TOP TEN (when the normal it would be the opposite, if the country were attractive, as it would add the *virginity* factor of the economy to the fact that it is competitive).

It is also worth mentioning the example of Singapore, which presents an indicator of FDI *per capita*, in 2013, of 0.0079, while Cape Verde presents a value of 0.00026, for the same indicator and year. This Singapore indicator is 30.38 times higher than the same indicator for Cape Verde.

The investigation into the foundations of the behavior so different from the aforementioned indi-

ctor, in Cape Verde and Singapore and, on the one hand, generally speaking, between Cape Verde and the TOP TEN PPI, allowed us to reach the conclusion that the reason is in the business environment and not in the lack of investment opportunities. Still, very least, in the absence of resources. To confirm, compare the indicators of *doing business*, *of good governance and economic freedom* between Cape Verde and Singapore and between Cape Verde and the other TOP TEN. The attempt to blame the 2008 crisis for the sustained decline of FDI, in Cape Verde, in the years in question, assumes the nature of *nonsense*, since that the crisis was not specific to Cape Verde, but, yes, universal and, if it were the responsible cause, it should have affected, equally, all countries, with a stronger incidence in those with the highest economic activity (however, the opposite is true). Accept this attempt at accountability of the 2008 crisis is to condemn the country to ostracism-motion and inertia, since the reasons are external to economy and based on variables that are completely beyond Cape Verde's control, the

The only coherent attitude is to let the crisis pass, instead of rolling up your sleeves and getting to work.

Better familiarity with the history and dynamics of the Cape Verdean economy in recent forty years makes it clear that, as a result of the reforms introduced in Cape Verde in the 1990s, FDI reacted

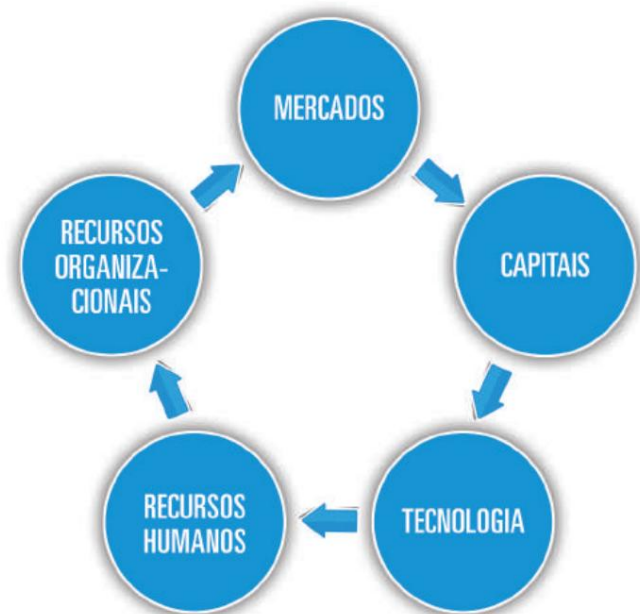
in coherence and continued to grow, until 2008. However, already in the first years of the first decade of this century, economic reforms of the nineties of the last century were exhausted, which meant that, in the absence of new reforms, the Cape Verdean economy became out of adjustment with the World Economic System, losing

dynamics. The logical consequence is the poor performance of economic and social indicators, in the imbalances that were installed or worsened, in the delay that Cape Verde accumulated and in the sustained fall, after 2008, in FDI. The attempt to replace FDI and ODA (and private investment, in general) with public investment, especially as a way of

offset the structural *deficit* in the Balance of goods, created the current public debt trap, and had opposing macroeconomic and social effects to those expected by political decision-makers. The debt affected, even more, negatively, the country's competitiveness in relation to the attraction of FDI, the structurally worsen sovereign risk. AND infected local companies, creating stagnation and, in general terms, a vicious cycle of underdevelopment. It is this cycle that is important to overcome.

Cape Verde's Dynamic Insertion strategy of no World Economic System emphasizes importance of FDI. In fact, the need for this This emphasis is not exclusive to Cape Verde. Good on the contrary, it is an attribute of all dynamic economies, whether large or small.

However, in the case of Cape Verde, this need ity becomes particularly acute, for the reasons that the following diagram demonstrates.



Resources conditioning Dynamic Insertion in SEM

Like the other PPIs, Cape Verde records an enormous shortage of capital, technology, of human resources (especially high-quality HR qualified), superior organizational capacity and markets. The IDE has

the power of bringing together this pentagon of resources and, in doing so, determines direct effects, indirect and induced effects on all sectors of the economic and social life, as well as improving of macroeconomic variables, namely GDP, the Balance of Payments, employment, income and public revenues.

This need, however, is in clear contradiction with the current context, which is effectively repulsive to FDI, especially when the country intends to become a circulation economy in the Middle Atlantic, through the development of the seven platforms.

The program to create conditions for change the current context, making Cape Verde in a country that is effectively competitive in attracting of FDI, aims to significantly reinforce confidence, minimize context and guarantee a sustainable economy.

To reinforce trust, the program will essentially act on three areas:

1. Strengthening stability (namely political, economic and social).
2. Reinforcement of the country's predictability (in particular in the exchange rate, tax and legal domains).
3. Strengthening economic freedom, thanks to improvement, in particular, of the performance of items considered in the freedom indicator economy, built by *The Heritage Foundation*. This indicator attributes to Cabo Verde is a *mostly un-free* country classification (116th position, in the world ranking). How can we conclude from the analysis of the table inserted, below, the only one of the TOP TEN PPI with this classification are Barbados, but position to which this country only fell in 2016.

4.1.3 Deepen economic relations multilateral and bilateral

Within the scope of the PEDS, the diplomatic agenda of Cape Verde will have as an essential assumption create the political and cooperation conditions that

enable the dynamic insertion of Cape Verde in the World Economic System. Consequently, It is a priority of diplomacy to deepen political and cooperation relations with the dynamic Atlantic spaces, in particular the EU and the Eurozone, the European countries non-EU members (including Russia), the NAFTA (in particular, the USA), the countries of West Africa, including this one, for the purposes of PEDS, Morocco, Mauritania and ECOWAS, and the Southern Africa, with emphasis on Angola and South Africa.

Outside the Atlantic Area, diplomacy (this topic will be presented in more detail in Objective 4 of the PEDS) will give special priority to deepening political relations

and cooperation with the Middle East (including in this concept, for the purposes of the PEDS, Turkey, Egypt and Israel), with the People's Republic of China and East Timor.

The general objectives are:

- e) Establish or deepen co-operation agreements that facilitate the freest movement of goods, capital, technologies and people between these countries or regions and Cape Verde.
- f) Establish or deepen cooperation agreements operation in the field of development of Human Capital, namely Re-Highly Qualified Human courses.
- g) Create conditions for the insertion of institutions Cape Verdean tions, namely health, scientific and technological research and production, training and development of Human Capital, in particular of Highly Qualified Human Resources in global knowledge production and innovation networks.
- h) Establish or deepen elimination agreements elimination of double taxation.

Below, some elements of the general objectives, to be achieved in the coming mos years:

a) With regard to the European Union and the Zone

Euro, using the instruments that are the Cotonou Agreement (including the Partnership Special, such as its development) and the Foreign Exchange Cooperation Agreement signed with Portugal, in 1998 and ratified by the ECOFIN after the creation of the Euro, aims to:

- i. Achieve progressive economic integration, through an agreement on the free movement of goods, capital and technology. This medium-long term objective

must be supported by a new approach to cooperation with the EU, based on the assumption of free movement, supported by structural aid programs capable of allowing the creation of appropriate legal, regulatory, technical and financial conditions,

and must include the particularization of the Macaronesian archipelagos, as a space free movement priority.

- ii. Improve integration tools

of Cape Verde in the Euro Zone, through the renegotiation of the Foreign Exchange Cooperation Agreement, or/and through the assumption of a more relevant and explicit use of the Euro in the economy from Cape Verde.

- iii. Trading with the largest number of countries of bilateral elimination agreements.

nation of double taxation and cooperation in scientific and technological fields gic.

b) Regarding NAFTA and, in particular, to the USA:

- i. Propose a preferential trade agreement, including transport, and positive differentiation of cooperation with Cabo Green, at the very least, convergent with the status of Caribbean countries in their relationship with the USA.

- ii. Propose a general agreement in the field of Human Capital Development and co-operation in scientific and technological areas.

- iii. Propose a specific agreement regarding security in the Mid-Atlantic, whose priorities

ities are to guarantee peace, security and freedom of movement in this region Atlantic, ensure assistance in the management environmental risks and, in the event of accidents and catastrophes, and combat crime, particularly piracy and trafficking International.

c) Regarding West Africa and, specifically you, ECOWAS:

- i. Develop intense and incisive diplomatic action, with a view to deepening the economic integration of member countries of this economic community, including everything that concerns normative convergence and regulation.

- ii. Commit to developing and improving basis of regional cooperation, in the areas of health, peace and security regional, environmental defense and protection, creation of capabilities to respond to natural challenges, namely, combating the effects of drought and

desertification, as well as the consequences of climate change.

- iii. Propose solutions to respond to regional challenges, in the fields of transport, communications and energy.

- iv. Develop intense and appropriate diplomatic activity, with the aim of mobilizing regional partnerships, namely,

institutional, business, technical and financial, to make Cape Verde a

maritime and air traffic distribution platform, at the service of integration and

regional development and insertion West-African Non-Economic System

Worldwide, as well as for the development of financial, digital and of tourism.

- v. Promote regional cooperation in the field of development of Human Capital, particularly Human Resources

Highly Qualified.

d) Regarding Mercosur, with emphasis on for Brazil:

- i. Deepen scientific and technical cooperation

technological, namely, by deepening cooperation relations with universities and research institutes and innovation.

- ii. Negotiate a cooperation agreement, in economic and financial area, which includes the principle of positive differentiation of economic and financial relations between two countries, taking into account, in particular, the seven platforms that aim to make Cabo Verde in a circulation economy Middle Atlantic, linked to the Brazilian economy. In this area, give particular pay attention to transport.
- iii. Develop the cooperation agreement existing in the area of Capital formation Human and institutional development tional.
- iv. Propose and negotiate a protection agreement reciprocal investment and disposal of double taxation, capable of safeguarding and promote the interests of both countries.

e) In relation to Southern Africa:

- i. Update cooperation instruments that sustain relations between Angola and Cape Verde, taking into account the objective of making Cape Verde an economy circulating in the Middle Atlantic, articulated with the Angolan economy.
- ii. Propose and negotiate a general agreement with the South Africa, with a focus on cooperation portion:
 1. Scientific and technological.
 2. Commercial.
 3. For the development of a strategic partnership between Cape Verde and South Africa, with the aim of valuing complementarities, particularly in the areas of maritime transport and air Transport. In this context to, propose and negotiate an agreement of reciprocal protection of investments and elimination of double taxation.

f) With regard to the People's Republic of China that:

- i. Update cooperation instruments between China and Cape Verde, taking into account the current context and the objective of making Cape Verde a circulation economy in the Mid-Atlantic.
- ii. Take advantage of the Macau Forum to skip economic, financial, scientific and technological between Cape Verde and the People's Republic of China.
- iii. Propose and negotiate the extension to Cantão (Guangzhou) and Hong Kong of the agreements specific existing between Cape Verde and Macau.

g) Regarding East Timor and São Tomé and Príncipe, CPLP8 countries:

- i. Update cooperation instruments, taking into account the strategic option of make Cape Verde a circular economy culation of the Mid-Atlantic.
- ii. Develop the financial aspect of the co-operation with these two countries.
- iii. Promote cooperation in the field of development of Human Capital.
- iv. Negotiate a free movement agreement for people, capital, goods and technology with the two aforementioned countries.
- v. Propose and sign, with them, agreements reciprocal protection of investments and elimination of double taxation. Especially with São Tomé, promote cooperation in the field of transport and communications.



4.2 Objective 2: Ensure Economic Sustainability and Environmental

4.2.1 Consolidation of current tourism and ensuring self-sustaining your growth

World tourism continues to grow at a stable despite relatively weak dynamics of the world economy, maintaining the trend of uninterrupted growth, which has been registered since 2009. The flow of tourists increased by 3.9% in 2016, reaching a total of 1.2 billion arrivals around the world, according to data from the World Tourism Organization (UNWTO). This growth represented an additional 46 million tourists.

At a regional level, the African market was one of the more dynamic, having registered growth of 8% in 2016, reaching 58 million tourists and recovering from the declines that occurred in two previous years. Most of the growth occurred in sub-Saharan Africa (11%), while North Africa is once again showing signs of

recovery, with a 3% growth in period. Increased investment in the sector of tourism across the continent, combined with the recovery of economic growth in some of the main issuing markets and the reduction of pockets of instability seem to be on the cards. origin of this robust growth in Africa. A The Asia-Pacific region also recorded notable growth (8%), supported by a strong demand dynamics, both intra-regionally and internationally.

The future evolution of tourism will depend on a set of key variables. Including, the evolution of the economy of the main markets of tourist senders (Europe, USA, China, etc.), the way negotiations will evolve for Brexit, the evolution of transport costs air transport, the pace of investment in the sector tor (especially in terms of hotel supply), among other factors. UNWTO projections indicate

for growth between 3% and 4% in 2017, and in Africa, growth is expected between 5% and 6%.

The flow of tourism to Cape Verde has been growing, notably, in the last 15 years, an average rate of 10% per year, from 2002 to 2016 – despite the drops in entries recorded in 2002 (-6%), 2009 (-1%) and 2014 (-2%). O

The number of tourists arriving in the country almost quadrupled in 15 years, rising from 162 thousand in 2001 to 644 thousand in 2016, with annual overnight stays increasing from 806 thousand to 4.1 million in the same period. The tourism sub-sector already represents around 21% of Cabo's GDP Green, according to INE data.

Accommodation capacity has evolved substantially. The number of beds almost quadrupled in the same period, from 4,628 in 2001

to 18,388, in 2016. In the same vein, the number of direct jobs generated by the sector has evolved at an average annual growth rate 10%, having gone from 2,048 in 2001 to 7,742 in 2016¹⁰. INE estimates indicate, however, the total number of jobs (direct and indirect) linked to tourism has exceeded the 36 thousand jobs in 2013, occupying around 20% of the total number of employees in the country¹¹.

Cape Verde tourism currently faces at least 4 major challenges: the challenge of competitiveness, the challenge of sustainability, the challenge of concentration and the challenge of maximizing the impact on wealth and well-being of Cape Verdeans.

These challenges will be addressed by the Platform of Tourism, described above, and tourism continues will be the main driver of economic activity of Cape Verde, functioning as a catalyst, to which other sectors must be linked, on the path to building a sustainable economy

¹⁰) Source: INE, Tourism Statistical Reports

¹¹) Source: INE, Tourism Satellite Accounts

national level, as announced by the Government Program: *Tourism is elected as one of the central pillars of the Cape Verdean economy, a key element in the relaunch of private investment, employment and economic growth. The policy for Tourism will be refocused in a new size and quality, which exceeds the sectoral concept and achieve the multi-specialization of the Cape Verdean economy.*

4.2.2 Promote internal production and exports

4.2.2.1 Fisheries

As Cape Verde is an island country, with an Exclusive Economic Zone (EEZ) estimated at 734,265 km², an extensive coastline and a privileged geoeconomic situation, the Sea is, certainly a considerable source of resources at the level of goods and services that can be associates.

Marine resources constitute one of the few natural resources in the country, representing the fishing sector an important vector for the economic development of Cape Verde, which plays a crucial role in the economy of the country, through the supply of proteins of animal origin to populations.

With a fisheries potential that is around the 36,000 tons, only a part of this potential has been explored by a national (craft and industrial) and foreign. To the The main species landed are tuna (albacore, skipjack, bigeye serra merma); the pe-coastal lagoons (charros and mackerel) and demersais (garoupa, goraz, sargos, moreias).

However, in recent years, acceptable development rates have been recorded, with a clear trend towards modernization, in towards semi-industrial fishing. Some indicate



pains show that the country is facing a sector with potential, but facing constraints of various kinds.

The capture of the national fleet, in 2014, was 14,255 tons, of which the industrial fishing sector contributed around 70%. Artisanal fishing, characterized by means of production unsophisticated and with a low volume of investment, it constitutes an important activity in the archipelago, involving a significant part of the active population.

The importance of artisanal fishing also lies in in supplying the local market with products for fresh consumption, or for processing into preserves. *Per capita* consumption , in 2014, it was 26.6 kg.

The sector is also an important source of employment and contributes to balancing the balance of payments through exports. The main ones exported products are frozen, followed by of preserves. According to data from INE, in 2015, the The sector's contribution to GDP was 1.18%.

The Government has a clear vision for the economy maritime, working so that it is founded in the contribution of the ocean, in our culture and identity, developed in a sustainable and that contributes to the development and growth sustainable and inclusive development, aiming to optimize economic and social benefits and minimize the gradation of marine and coastal ecosystems.

Thus, commitments are based

in a strategy to:

I. Promote sustainable management and exploration

level of fishery resources;

II. Promote investment in the fishing sector, within the

framework of export promotion, contributing to the balance of trade;

III. Modernize the marketing circuit

fishing and aquaculture products;

IV. Value fishing products;

V. Improve management and coordination with

other sectors, namely Tourism,

Spatial Planning and the Environment;

SAW. Contribute to improving human safety

increase of populations.

The implementation of this strategy will take into account

local disparities, the promotion of activities

income generating, and the organization of

fishing operators for greater participation in the management of

the sector.

Synergies will be established, between the power

central, local power, through local authorities and

fishing communities and the establishment

of public/private partnerships, for the management of

large infrastructures, and the administration must promote,

regulate and supervise, in a

more energetic, and provide an economic and financial

environment that enables business opportunities.

Within the framework of this new strategy, there will also be

reinforced synergies between institutions of

professional training and analyzed the possibilities of selective

decentralization of some

activities in the sector, such as inspection and surveillance of

beaches and coastal areas, and management

of infrastructures.

4.2.2.2 Agriculture

The strategic options recommended by the Government for the

agriculture sector aim to

transform it into:

I. An income-generating sector that brings

prosperity and social recognition, which

respect and protect the environment, which generates fair

income for farmers, who

generates surpluses and profitability;

II. A sector that goes beyond the subsistence perspective

cia for entrepreneurialization, which becomes

in a competitive agriculture and agroindustry, in the local

market and in niche international markets, which contributes

to the

food and nutritional security of the population and the

export capacity of the

country.

The biggest challenges in agriculture are, first and foremost,

Furthermore, the guarantee of product quality

and its certification, the organization of producers to respond to

effective and potential demand, the circulation of products and

competitiveness.

However, the sector faces other challenges of

base, including: i) need to increase the

production to respond to growing demand

of food, through the promotion of modern agricultural farms,

focused on income rather than subsistence, and ii) the need to

adapt to climate change,

with a view to increasing resilience and

risk reduction.

Finding solutions to these challenges

is perfectly aligned with the Objectives of

Sustainable Development which, among others, aim to end

poverty in all

its forms and everywhere, eradicate the

hunger, achieving food security and improving

of nutrition and promote sustainable agriculture, by 2030.

To overcome these challenges, the Government, within the

framework of agrarian policy measures, will prioritize the

development of production systems, such as family units,

production cooperatives or companies, that are technologically

modern, profitable and environmentally friendly. -

lly sustainable.

This is a strategy that implies the following objectives:

- **Agriculture** – implementation of policies and income-generating strategies, which boost the sector and move the economy forward, with the main target being, the tourist market, using techniques effective and efficient production, to the massification of protected crops, especially focused on horticultural, fruit and legume production, replacing corn, in sub-humid and semi-arid strata;
- **Forestry** - forests in protected areas and wooded perimeters for soil protection, which are part of fruit arboriculture on the slopes of the sub-humid stratum, date palms in the valleys of coastal and sub-coastal areas and improved pasture and as an anti-erosive measure;
- **Livestock** – priority for cycle species short – intensive poultry farming, small ruminants on a contingent basis (massification of pens!), pig farming and rabbit farming;
- **Agricultural transformation** - valorization and aggregation of values of agricultural and livestock products, with emphasis on greater production of cheeses, wines, dried fruits, jams and sweets, tomato pulp, coffee for special niches, charcuterie and other trans-products formed with added value.

To implement this strategy, the priority areas of action are:

- Research & Development, aiming to in- wear heavily in teaching, in the production of most appropriate technological packages, privileging the introduction of improved species, the best production techniques and the combating diseases and pests;
- Rural extension, aimed at disseminating effective provision of technical and practical knowledge among the productive class, taking into account with a view to increasing production and profitability dade - riverbanks as territorial units of assistance with permanent extension technicians, implementation of mobile schools, hiring of technical assistance
- private and paid for results, programs communication for changing attitudes and practices and for the dissemination of techniques for production in all available technological formats;
- Agricultural planning, aiming at distribution of cultures, according to the potential of the soils. To this end, the elaboration and participatory implementation of planning plans specific, by river basins, with clear standards and incentives;
- Agricultural credit, incentives and partnerships – re- strength of credit policy, with a view to speed, flexibility and adaptation of the system to the specificities of the agrarian sector; introduction of guarantee systems for enterprises with demonstrated viability; facilitating partnerships with investors
- external and specialized in the field;
- Resolution of land issues – attribution of property ownership to farmers on the land made available by the State, permanent technical assistance producers in resolving conflicts and other land disputes;
- Agricultural logistics and commercial assistance zation – promotion of logistics companies for the rental of equipment and implements agriculture, construction and management of post-harvest, technical assistance to producers and organization of trade in products, aiming at the quality and price stability of products;
- Assistance to the organization of the productive class – promotion of cooperatives and agricultural companies, through the production of the necessary legislation, incubation projects and useful partnerships with chambers of commerce, agriculture, industry and services and other organizations;
- Promotion of income activities – fi- financing and specific technical assistance for micro and small family projects and communities, included in the poverty reduction program (agricultural, livestock, processing and commercialization

tion of food products, production of coal, etc.) – POSER;

- Gradual decentralization of skills for municipalities – starting with municipalities without delegations from the Ministry of Agriculture and Environment and through protocols specific;
- Environment – the strategy is to guarantee sustainability and environmental quality, promoting ecological citizenship and reinforcing licensing systems and audits environmental issues and, creating the conditions for shared responsibility in environmental governance. It will also be sought to preserve and value marine and terrestrial biodiversity, based on ecosystem services, for the promotion of sectors of activity economy, namely tourism, agriculture, forestry and livestock farming and implement Management and conservation Plans of protected areas and species, contributing to sustainable development from the country;
- Water Resources - Water resources are considered, at all, relevant and crucial, so that we can reach a successful conclusion, level of the agricultural, environmental and sanitation. Thus, it is in this sense that the defined policy aims to guarantee universal and balanced access to drinking water for everyone and continue with reforms in the sector of water and sanitation, with a view to environmental sustainability and quality, the public health, improving the population's socioeconomic conditions and well-being of citizens;
- Sanitation – Promote sanitation systems adequate ment and means, which respond meet the demands of the modern world and provide a healthy and good environment quality for citizens, especially in terms of MSW management, drainage rainwater and slope protection, sewage and treatment systems of wastewater among other actions.

4.2.2.3 Light Industry

In its program, the Government announces the commitment in an economic specialization centered on a strategy, including, among others, the promotion of internal production, based on the cornerstones of Cape Verdean culture, highlighting the Culture, Agriculture, Fisheries and Industry Light Export.

As the basis of industrial development, the Governo elects light export industries, explaining all policy measures for the industrial sector and the actions necessary for its concretization.

These measures and actions impose the agglutination of various disciplines and specialties and the congregation tion of the commitment of the most diverse structures of the State for its implementation, since the amount, requires improvements through investment ments and measures, in the infrastructure sector, transport, energy, telecommunications tions, teaching and research, training professional to research and new technologies information, going through the bureaucracy cratization.

Particularly to reactivate the light industries sector, the Government adopted a new Industrial Promotion for Growth strategy

and Employment and boost the national industry, reinforcing its competitiveness and increasing the weight of the manufacturing industry in the economy national. To this end, the following policy measures will be implemented:

- Fully implement the Responsible Industry System, which allows full licensing of any establishment industrial *online* and in a very simplified way;
- Adopt the principle of a single fee for licensing and industrial operations;
- Strengthen Cape Verde's competitiveness in attracting investment, namely by changing the benefits code taxes, installation of a judicial system

read and credible and the creation of a mechanism of shareholder options, which encourages entry International Venture *Capital* ;

- Boost the creation of the value chain industrial, with effective representation and productive capacity, as a way of supporting internationalization and export, but also as a way of developing chains of value;
- Increase and qualify the supplier network;
- Invest in the creation of products with capabilities international competitiveness, products differentiated, with brand incorporation, perception of value, which allows increasing the international sales price;
- Take advantage of AGOA programs and facilities export data to Canada;
- Promote Cape Verde as a platform for export to ECOWAS and other destinations in Africa.

Given the substantial changes that have occurred, in recent years, in the world market, an analysis of the international market will need the place that Cape Verde could occupy, in the sector of light export industries.

Furthermore, the Government will negotiate, in conjunction with the financial system, Cabo Verde TradeInvest and the Local and Regional Power, the installation of a set of technological facilities, which promote the attraction and installation of companies in the sector, and that can qualify, through excellence, the light industry sector throughout the national territory.

In addition, the Government also intends to:

- Promote the creation of the necessary infrastructures for the installation of interested companies rained;
- Ensure supply of fundamental *inputs* , such as water, energy and telecommunications;
- Promote the creation of maritime connections and airlines that are essential for the smooth functioning of companies;

- Promote, with the most different institutions, adequate professional training and qualifications, so that, increasingly, the knowledge is a factor in improving the competitiveness of the sector;

A program to develop the competitiveness of the national industry must be developed, which includes short and medium measures

deadline, and which proposes a broad framework for interinstitutional reforms that aim at the following strategic objectives:

1. Strengthening the sector's production capacity Cape Verde industrial;
2. Reform of the operating environment of companies industries;

The cornerstones of the program for the industry tria must be based on:

• **Training and Technical Assistance to Operators**

Industrial speakers - The development of technical and technological capabilities of national operators for expansion in national market and internationalization proves to be strategic, so that companies national companies can competitively insert themselves into the most accessible parts of global value chains. E.g. Supply of fresh fruits, vegetables, fish and services technicians to tourist *resorts* .

• **Production Optimization** - Otherwise,

to sustain the participation of companies in global value chains, and reaching the most profitable parts of these, it is necessary to increase productivity levels, so it is urgent to adapt the

factor cost, integrate the internal market through maritime transport and ensure competitive service levels of base such as energy, water, telecommunications and economic infrastructures.

• **Financing of Industries** - Production

industrial sector requires adequate financing mechanisms for economic operation, which is why poor operationalization of the various existing mechanisms reveals

itself as a contradiction and a threat that it is urgent to correct, at the level of assessment risk and guarantees, credit, instruments alternative financing and microfinances. In addition to the capitalization of instruments, it is necessary to train institutions, which is why it is proposed to operationalize a development plan ment and alignment of the mechanisms of financing of the industrial sector.

- **Institutional Training** - Regarding reform of the operating environment of industrial companies, and taking into account the relationship with related policies, it is proposed develop the technical capabilities of public institutions in matters relating to the industry sector and involvement of representatives of the class, in the spaces of dialogue and formulation of existing policies, as well as the formalization of a interinstitutional development committee ment of the competitiveness of the national industry tional.

- **Ordering of Industrial Policy** - Having based on an in-depth sectoral diagnosis of the national industry, to be carried out, and the updating legal mechanisms for management, maintenance and generation of knowledge about the industry in Cape Verde, It is proposed to clarify the vision and role of industry in national development, through the design of a policy integrated and coherent.

- **Legislative Reforms** - A reform plan but of the relevant laws related to the sector of the industry must be implemented, to respond to the needs of the sector and to the national development.

4.2.2.4 Creative industries

Due to geographic location and conditions historical accounts of the country's constitution process, Cape Verde has a vast cultural diversity.

Cultural life and creativity must be preserved and developed through cultural policies.

coherent and efficient natural resources, in harmony with the development of regions and the country.

Cape Verde has a wide range of local creative resources, including heritage symbolic, which needs to be enhanced and valued, in a logic of strengthening the forces creatives in the country. However, there are also activities that need to be restructured and redirected, whether in terms of concepts, models that support them, whether in terms of consumer public (internal or external). We refer, for example, to the distance and some disarticulation between industrial sectors creative.

However, the impact of this sector on the economy national will only be meaningful if optimized within a structured strategy, such as a system to network or intertwine independent operating units.

For the internationalization of Cape Verde culture diana, the Government adopts the following strategy:

- Map and inventory creative products and cultural, with the potential to be internationalized tionalized;
- Design a macro strategy, in order to have a guiding guide for the actions required lying;
- Qualify the built heritage, so as to to be a tourist and cultural attraction that can enhance the country's development;
- The promotion of cultural tourism, based on valorization of itineraries, of the cultural heritage material and immaterial, in the promotion of products, goods and services *Made in Cape Verde*;
- Development of museum spaces, advance with city/island concepts museum;
- The preservation and rescue of traditional festivals tional and pilgrimage events, on the fair circuits and specific festivals;
- Guarantee tax benefits for the community creative entity, especially in the flow to/distribution of your products;

- Enhance cultural products, while income generators.

Thus, we intend to bring to our cities the concept of “Creative Cities”, as spaces where people connect, in constant innovation, express themselves and grow through their own creative processes. The environment of a creative city is characterized by continuous processes of innovation, and by a dynamic, based in connections at various levels and which has, in culture, the great source of creativity and differential social, economic and urban.

To make this concept viable, it is necessary to create the bases for appreciation and recognition between the most diverse creative areas, and move new forms of artistic connection; it's necessary to know well the specificities of the sector, who are the creators, promoters, financiers, get to know existing networks, established circuits, the goods, products and services services and distribution channels.

It is also necessary to create spaces for the dissemination and marketing of goods, products and services to other areas of the sector, similar to what is currently done with crafts and music, which already have fairs, forums and festivals, in all municipalities, Some events are national in scope. If, in the cities of Praia and Mindelo, the dynamics creativity is relatively consistent, existing infrastructures that can host cultural activities and fairs with large public attendance, In other municipalities this dynamic does not occur. There is a great lack in this matter, the which demands measures that enable creators and creative entrepreneurs to participate in initiatives closer to their places of production, thus reducing transport and participation costs.

From the point of view of organizations or creative entrepreneurs, it is necessary to bet on the organizational structure, greater disci-

internal plan, work on customer loyalty and strengthening the segment, with concrete actions at the level of product, price, distribution and communication policies, control of results, developing measures that enable

adaptation to market variations, permanent availability of products, sustaining a fair price/quality relationship.

Likewise, a strong investment will be made in the educational and training aspect, and for the State, the focus must be on the inclusion of creativity in the educational system, the creation of training offers targeted to the needs and specificities of the sector; and, for those creative entrepreneurs, the focus must be on constant improvement of techniques and practices, through training actions, using digital platforms to interact with other entrepreneurs, acquire knowledge, establish technical-commercial partnerships and promote goods, products and services developed.

4.2.3 Structural Reforms

4.2.3.1 State Reform

The Government of Cape Verde advocates a partner, regulatory, visionary, supplementary and with capacity and authority, as a promoter of private initiative and organizations of civil society, a more supervisory State and close to people, promoting decentralization and regionalization, a new model of State.

Regionalization

After the advent of the Constitution of the Republic of 1992 and the creation of Municipalities in 1992, regionalization is the second major State reform to be carried out in this cycle. It will result in more power and more resources for the islands (regions) and, consequently, it may even motivate reconfiguration of current institutions, such as the

Parliament and the Government. The regions will be supra-municipal authorities, aiming to make each island in an administrative region, with the exception of island of Santiago where two regions, namely Santiago Norte and Santiago Sul. This will bring power, decision and services closer together of the citizen, will value human resources, the local knowledge and, especially, economic potential and competitive advantages of each region. A broad consensus will be sought with other political forces, civil society institutions and associations defending regionalization. It will be decided, in

parliamentarian, in which case it should be engaged all political forces with parliamentary seats, or go through a referendum, if it is not decided in this instance of power.

The State reform also includes the decentralization of a set of responsibilities to municipalities/regions, in the areas

of government activity, accompanied by a new resource distribution strategy between central power and local and regional power.

Parliament reform

The reform of the Cape Verdean Parliament will prioritize the qualification of democracy, by consolidating the oversight and control function parliamentarians, by bringing parliament closer of the citizen, by improving the rights of democratic opposition, legislative transparency, parliamentary ethics and decorum. For in addition to the intensification of parliamentary work which will give more space to the democratic opposition and other parliamentary subjects, will be all functionalities were developed and open-parliament was promoted, within the scope of the *open-government* to which Cape Verde adhered. It will be reinforced the role of specialized committees, whose works may be public and transmitted by the media, with the promotion and implementation of mechanisms for direct legislative initiative by groups of citizens, of petition, but also a referendum. The government

is also committed to improving the government system within the framework of mitigated parliamentarism instituted, to improve the electoral system, evaluating the most diverse solutions, including mixed system, guaranteeing, in particular, and to the At the same time, the rapprochement between elected officials and voters, the participation of organized civil society, governability and representativeness of the islands.

Court of Auditors, Public Prosecutor's Office and Plural Social Communication

Reinforcing the balance of powers between the Tribunal de Contas, the Attorney General's Office of Republic and independent regulatory entities is another important measure of the reform of State. With the reinforcement of the Court of Auditors, this must begin to intervene directly and indirectly-mind, through supervisory bodies and external audit, in all institutions that receive or manage public resources and to Therefore, the range and levels of information will be redefined. intervention and approval of a new Court Law of Accounts, expanding its perimeter and scope intervention, direct and indirect, to all entities that receive or manage public resources cos.

Promoting plural social communication and independent and the functioning of the Council Economic, Social and Environmental, the Council for Regional Development and the Council of Communities, as well as the functioning of the Council for Social Coordination, on the basis of a medium-term agreement are, finally, other measures to reinforce the role of the State.

4.2.3.1.1 Public Administration

Public Administration reform will improve the effectiveness, efficiency and effectiveness of this, will create the operating conditions for regional institutions and will prioritize resizing and quality, simplification for

better serve, the reform of public finances, the

reform of the State's business sector, the strengthening and consolidation of the powers of Independent Administrative Authorities, the re-definition of the size of regulatory entities,

the reinforcement of limits to economic governance and strengthening the capacities of Municipalities to appropriation and effective participation in the execution of the Strategic Development Plan Sustainable 2017-2021, as an important mechanism for valuing islands and endogenous resources, which is also one of the important aspects of this reform.

By resizing the Public Administration, we will seek to optimize its performance and respond to citizens and organizations

from the private sector, quickly and with quality. The reduction in the number of ministries is the ground zero of this major reform, which will include the reduction of some organic structures and particularly aims to reinforce coordination and the level of efficiency of the Administration

public, reducing circuits, eliminating waste of resources and unnecessary procedures, with a view to promoting efficiency and promote the quality of services provided to society.

Reinforcing management skills and providing managers with management tools by objectives are fundamental aspects for ensure the good implementation of public policies and the good management of public services. For Therefore, the Government is working to introduce a culture of excellence and the principles of "Total Quality Management" in organizations public administration; guide organizations from the current "Plan-to-do" sequence of activities to a complete and developed PDCA «Plan-execute-review-adjust»; facilitate the self-evaluation of public organizations, with the aim of obtaining a diagnosis and improvement actions.

The House's scope of action will be expanded of the Citizen, aiming at the efficiency of procedures

services, through a single point of service and under the principle of rationalization of structures and dispersed services. It will therefore be a partner of entities that provide services to citizens, providing greater proximity and a more modernized service. By 2021, customer service services will be improved, throughout the national territory and in the diaspora, aiming for excellence. All citizens and agents economic communities, in Cape Verde and in the diaspora, will have access, through *web*, *mobile*, voice and kiosk, 24 hours a day and 7 days a week, offering services and information relevant to their lives and activities. The debureaucratization of services and the convenience of accessing them decentralized, will facilitate and enhance business and entrepreneurship, contributing to growth and development economic. Quality control mechanisms in customer service and consultation citizens and economic agents will allow the successive introduction of improvements throughout the system which, as it is integrated, will have repercussions immediate actions in all organizations covered through this service network. The aim is to develop a Public Administration, whose legitimacy is permanently measured by the logic of the usefulness of its services to citizens and companies, open and transparent, capable of transmitting trust, more than authority, concerned with the rights and legitimate interests of citizens and agents

The credibility and sustainability of finances public services are a pressing need, with taking into account the level and limits of public debt, dependence on external aid, major development challenges and the needs financing needs. The reform of the public finances will develop in three fronts, that is, improving the collection of tax and non-tax revenues to meet the financing needs of increasingly demanding public policies (i) to improve

quality of public expenditure, as a condition *sine qua non* to achieve the desired economy

city, efficiency and effectiveness in managing things
public (ii) and masterful management of the treasury and public
debt (iii).

To qualify public expenditure, it is essential to improve all phases
of planning and budgeting, from preparation to execution and

accountability, through the State Accounts, as well as the
monitoring/monitoring and evaluation system itself, as a process.
The qualification of public expenditure is a primary objective and
implies asset management

of quality, in a transversal way (i), quality treasury programming
and management

(ii); strengthening the role of the Public Acquisitions Regulatory
Authority (iii); the reinforcement of the

Finance Inspection service (iv); the reinforcement
control by the Court of Auditors (v); the reinforcement

of the National Statistical System, adapting the
production to management needs, with rigor

and quality (vi); management's focus

public in resolving problems, in a

quickly and with customer-oriented service

citizens and companies. A Plan will be adopted

of Public Finance Management Action, aimed at responding to the
challenges of improving

Tax and Customs Administration and Justice

(i); improvements in planning and budgeting, aligning strategic
plans with multi-annual estimates of current and

investment and expenditure tables

medium-term aggregates (MTQ and QDMP) (ii);

evaluation of the National Accounting Plan

Public with international accounting and financial reporting

standards (iii); of finalizing the quality management project of

investments, within the scope of the National System of

Investment (iv) Consolidation of the company's assets

Status, evaluation and reevaluation using the specific SIGPG

module, interconnected with SIGOF (v); introduction of

improvements in all types of

hiring, in addition to those directed to

large public acquisitions (vii); improvement in

monitoring of Public Companies and Autonomous Funds and

Services, through automatic consolidation

tomatize your accounts with the General Account

of the State and the strengthening of management capabilities
of State shares.

4.2.3.1.2 Independent Administrative Authorities

teeth

Public administration reform will be

important dimension, the reinforcement and consolidation

of the powers of the In-

dependents, namely the Central Bank

and the National Statistical System, namely

through the amendment of the Bank's organic law

Cape Verde Central (BCV), eliminating pos-

possibility of appeal, by the Treasury, to the

monetary financing, establishing

chanisms for appointing the Fiscal Council and

administrators, by the Government, after hearing

parliamentarian and by the appointment of the Governor of

BCV, by the President of the Republic, under the

of the Government, after a parliamentary hearing. O

BCV will perform the functions of the Board of

Public finances.

The Government will promote changes to the System

National Statistician, namely, by the respective statutes,

consolidating its autonomy, through the appointment of the Council

of

Administration, the Supervisory Board and employees

effective ment of the National Statistics Council

ethics. Members of the Board of Directors

of INE will be appointed, following a parliamentary hearing and will

not be able to perform functions,

in combination with other positions,

inside or outside the institution. The appointment of the

The Fiscal Council will be the responsibility of the

Government, after a parliamentary hearing.

The reform of public administration will also have

as an important component, the redefinition of

size of regulatory entities, taking into account

consideration of the size of the Cape Verdean market, the

reinforcement of the limits to economic governance, through legal

change, preventing the

public debt grows more than nominal GDP and

establishing respect for the budget's golden rule, i.e. that credit

operations do not

may be superior to capital operations.

4.2.3.1.3 Strengthening the planning and regionalization of the PEDS 2017-2021

As a mechanism for technical and political dialogue and development management, planning is also an essential mechanism for efficiency of the State and public administration, signaling economic opportunities, but also to direct State interventions and correct distortions, dysfunctions and asymmetries. Through planning, it is possible to promote better appropriation by development actors and better commitment and participation, favoring governance vernance.

Cape Verde is a country of regional asymmetries, arising from its insularity which imposes, in many cases, the creation of production units of basic services on all islands, not favoring economies of scale; but also of regional asymmetries resulting from policies public, which did not seek to mitigate the costs of insularity and bet on polarization and, furthermore, arising from the fact that the ordering of the territory has belatedly gained the deserved centrality, within the scope of development policies development.

Reducing inequalities and asymmetries regional decisions is a matter of consensus at the level of political decision-makers and constitutes a commitment of Cape Verde, as a country signatory of the Development Goals Sustainable, which advocates that no one stays back. In this context, it is necessary, for one on the other hand, that decentralization be promoted, bringing power and decision-making to proximity, to value development potential and generate, local level, more economic, political and social opportunities, and regionalization is next wave of decentralization that Cape Verdeans chose and the economy requires it. On the other hand, that decisions are made and mechanisms for convergence of all Municipalities and Islands to a minimum level of development and this

is only possible with positive discrimination. felt.

The sustainable development plans of Santo Antão à Brava, will carry out public policies and investments, aiming, especially, to improve the business environment on the islands, signal business opportunities and allow the due appropriation and better implication of the local government and other local development agents in the execution of national programs development.

The regionalization of PEDS 2017-2021 represents a greater commitment from the Government and Power Local, with the quality and transparency of public expenditure, financial decentralization This will translate into more resources and better intervention of local authorities in promoting local economy, in meeting social demand cial, this through the General State Budget, the main instrument for achieving development plans and management.

Social programs, from housing to social pensions, social inclusion income, scholarships of study for professional or higher training, as well as school transport, will meet the islands differently, according to criteria public, established in terms of discrimination positive.

A Development Society will be created Regional, constituted by the Government, Municipalities and by the Private Sector, with the aim of promoting productive investment in the regions and with the purpose of supporting local socio-economic development. The execution of the PEDS will contribute to the integration of the national market through improving the accessibility of the islands, will improve the impact of tourism on income families, access to information and knowledge and will reinforce the fight against digital exclusion. By focusing on territorialization, this plan will mark this cycle of governance, centered on sultans, valuing the islands and resources

endogenous resources, promoting island economies and a focus on public interventions on reduction of inequalities and growth inclusive economic.

4.2.3.2 Business Environment

The reform of the business environment will aim to provide companies with adequate conditions for the free development of its activities. Free does not mean without rules. These must be clear, fair, limited to what is strictly necessary, and applied in a transparent and effective way, and not must constitute or erect obstacles unnecessary for wealth creation by companies.

Improving the business environment

However, it does not end in existence, or no, with adjusted and strictly rules necessary, nor should it be considered from a reductionist perspective, of mere obstacle removal, but integrates a perspective of encouraging business activity.

The Government will encourage business action because it is convinced that development social and improving the living conditions of citizens depend, to a large extent, on the ability to create wealth on the part of companies, whatever their size and sphere of intervention.

It is not enough to have clear rules, incentives and a favorable view of business action. It is necessary that State institutions are imbued with this philosophy and are designed, structured, organized and qualified to put this philosophy into practice vision and provide the company and the entrepreneur with the appropriate conditions for its development ment.

The institutional framework for entrepreneurship is clearly negative in Cape Verde.

Recent studies carried out, aimed at small and medium-sized companies, show, through the indicators in the following figure, the determining factors of the business environment negative in the country. The score varies from 1 to 5 of the Likert scale, where the value 1 points to the lack of minimum conditions for business activity and the value 5 suggests the existence of an institutional environment that promotes entrepreneurship. Values greater than 3 are considered positive and values less than 3 are considered positive. indicate the prevalence of negative conditions.



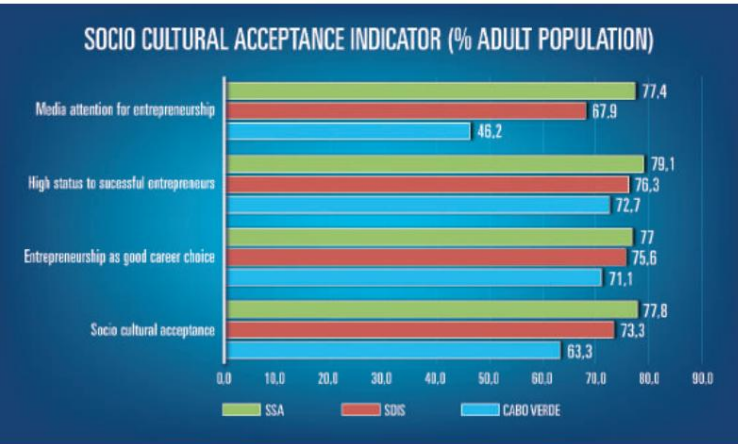
Graph 6: Survey of small and medium-sized companies on attitudes about entrepreneurship, 2014

Source: ADEI

The prevalence of negative institutional conditions clearly emerges from the previous figure and covers all indicators considered, from business financing to tax, commercial and professional infrastructures, passing through government programs support for entrepreneurship and policies governmental.

Going further, creating an environment of favorable business cannot be limited to action of state institutions and the elimination of institutional restrictions. It is necessary to change the public's perception of business activity. Studies reveal the prevalence of negative feelings towards entrepreneurship, in general, higher than SIDS and sub-Saharan African countries.

The following graph clearly shows that Cape Verde is at a lower level than sub-Saharan and island countries in terms of acceptance socio-cultural entrepreneurship.



Graph 7: Survey of small and medium-sized companies on attitudes about entrepreneurship, 2014

Source: ADEI

Business activity is perceived positively (perception measured by the three indicators status, career choice and media attention), by 63% of the adult population, compared to 73% in SIDS countries and 78% in SSA countries.

It is concluded that the “radical” improvement of the environment of business, intended by the Government, and enshrined in its Program, cannot be limited to the *Ease of Doing Business*, but must cover the entire institutional and cultural environment involving small and large companies, with particular emphasis on the reform of public administration and the financing of the economy.

4.2.3.2.1 Good Governance

The indicator of good governance, instead of continue to describe the positive trajectory, established during the nineties of the century past, has suffered negative developments in recent years, in general terms, as per the table below (fonte: *Worldwide Governance Indicators*).

Despite presenting a positive indicator of good governance, since the end of the 1990s

nineties, which qualifies it to be a country of good governance, Cape Verde is far from reaching the most dynamic PPI, as is the case, for example, from Singapore.

To make Cape Verde a highly competitive country, the PEDS establishes, as an objective, to act to reinforce, significantly: a) democracy and freedom of expression; b) political stability, the absence of violence and prevention against terrorism; c) the government effectiveness; of the system general regulation; e) the role and respect for the Law and, f) the control of corruption. The goal is to make the Cape Verde notation, for each of the items that make up the indicator of good governance, whether equal or

		Cable Green	Singapore
Governance Indicator	Year Value		Value
Voice and Accountability 2015	2000	72	54
		75	43
Political Stability and Absence of Violence/ Terrorism	2000	86	81
	2015	71	93
Government Effectiveness 2015	2000	65	100
		60	100
Regulatory Quality	2000	54	100
	2015	45	100
Rule of Law	2000	70	88
	2015	71	97
Control of Corruption	2000	63	97
	2015	79	97

Table 13: Comparison of performance indicators governance - Cape Verde and Singapore

2017 INDEX OF ECONOMIC FREEDOM				
Country	FREE (100 - 80)	MOSTLY FREE (79.9 - 70)	MODERATELY FREE (69.9 - 60)	MOSTLY UNFREE (59.9 - 50)
Singapore**	88.6			
Cyprus			67.9	
Bahamas			61.1	
Malta			67.7	
Trinidad and Tobago			61.2	
Barbados				54.5
S. Kitts and Nevis				
Ant. e Bar.				
Seychelles			61.8	
Mauritius		74.7		
Cape Verde				56.9

Table 14: Economic Freedom Index, 2017

4.2.3.2.2 Economic Freedom

The indicator of economic freedom, constructed por *The Heritage Foundation*, classifica Cabo Verde as a *mostly unfree country*. This indicator gives Cape Verde a coefficient of 56.9, which which determines the country's classification as *mostly unfree* (116th position, in the world ranking). As can be concluded from the analysis of the served, above, the only one of the TOP TEN PPI with this classification is Barbados, but position to which this country only fell in 2016.

To reinforce confidence and make the country competitive, particularly with regard to attracting FDI and construction of the seven platforms to make Cape Verde a circulation economy tion, the PEDS establishes as its objective improve the following variables, which constitute the indicator of freedom economic: a) protection of the right to property; b) efficiency of Justice; c) government and health integrity fiscal; d) freedom to make negative heats; e) freedom of trade and freedom

ability to carry out financial transactions; f) Law Labor. The goal, within the PEDS horizon, is to make Cape Verde transit from *most unfree* country to *moderately free* country (i.e., with a coefficient equal to or greater than 60).

4.2.3.2.3 Doing Business

Doing *Business* focuses its attention on the impact (effects) of government policies on everyday life of small and medium-sized companies national regulations, on the assumption that a regulation efficient, transparent and effectively implemented, favors the expansion of



economic activities and facilitates the initiative of who intend to enter the market and implement your business ideas.

Very important areas of the business environment, such as macroeconomic stability, the performance of the financial system, fiscal and monetary policies, among others, are not covered by DB.

4.2.3.2.3.1 Brief diagnosis of the position

Cabo Verde no *Doing Business*

Cape Verde's position in the *Ease of Doing Business* (EDB) has been deteriorating in the last 5 years, as shown in the first graphic I'm below.

In 2012, Cape Verde ranked 119th in the *ranking*, after a very positive evolution,

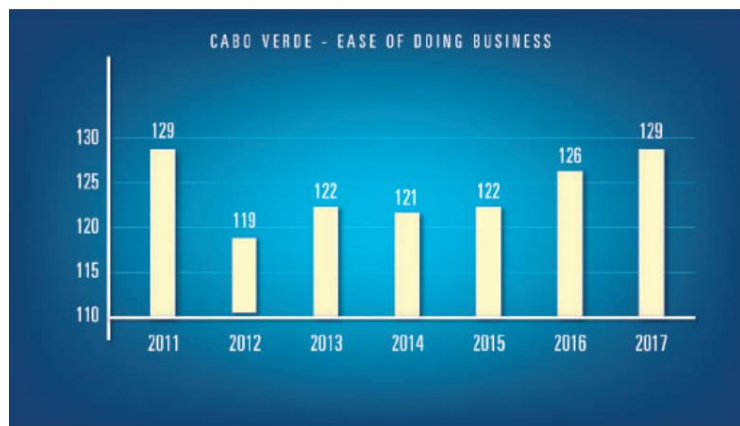


Chart 8: Cape Verde No Doing Business Ranking

Sources: *Doing Business* Reports 2012 to 2017, World Bank



Graph 9: Distance from Cape Verde to the Border

Sources: *Doing Business* Reports 2012 to 2017, World Bank

compared to 2011. From 2012 onwards, the trend is negative, reaching, in 2017, the same position occupied in 2011. In reality, the deterioration of relative position is less expressive than it seems at first glance, taking into account that, in 2012, the number of countries was 182, while currently is 190. What is important to remember is the fact that there is no There has been real progress over the last five years in *ranking* matter in the EDB.

On the other hand, evolution was markedly negative regarding the *Distance to indicator Frontier* (DTF). Cape Verde distanced itself from the best performance, with a reduction in the score global figure of 57.94, in 2015 (first year of compilation of this indicator in its current form) for 55.28, in 2017, as shown in the second graph.

The indicators with the greatest difficulties remain those of insolvency resolution, protection of

minority investors, access to credit, and obtaining electricity (see following Figure).

The opening indicator

of a company is what it records, in terms absolute, the best *score*, in terms of distance to the border, as a result of the implementation of the Citizen's House and the simplified company regime of the day.

Reach the goal established in the PEDS represents a great challenge today.

rizonte 2021, considering the big *gap* between the country's current performances and those of the countries that, in DB 2017, occupy a place in the vicinity of that goal.

Distance to *Frontier* (DTF) is the strategic variable that measures the country's global performance and serves to establish the *Ease of Doing ranking Busines* and which has been deteriorating in the last three years until 2016, as already referred to.

To reverse the situation it is necessary act on each of the 41 indicators



a favorable business environment is more than evident.

Determined to move forward with reforms but necessary to improve performance

Cape Verde's ranking in the DB *ranking*, the Government approved the creation of the Intersectoral Coordination of *Doing Business Policies and Measures*, headquartered in Prime Minister's Office, which must work in conjunction with sectoral co-ordinators and staff of

respective ministries, with responsibility in structural reforms in

which, grouped by areas/topics, determine the global DTF score (simple arithmetic mean of the DFTs of each indicator), and whose relative weight is identical.

Some areas of intervention are priorities because the actions carried out this year, for example, will only impact performance in DB 2021, particularly, the case of *Resolving insolvency*.

Other areas are important because the distance in relation to the reference country is very strong and it is important to reduce it to reach the desired parity da (ex: *Getting credit* ou *Protecting minority investor*)

In any case, and regardless of the desired parity, any improvement, in any indicator, has a direct favorable impact on the score Global DTF, which determines the positioning of the country in the *Ease of Doing Business*, since the Global DTF is the result of a simple average of the scores of all 41 indicators.

The path to a notable increase in your score overall of the DTF and the EDB necessarily passes by combined actions in several indicators.

The greater the progress, in the largest possible number of indicators, the better the score and, tending to, the final rank .

Some areas require profound reforms. O

The most paradigmatic example is the topic *Resolving insolvency*, referred to above, whose need to

cause. The "Action Plan for Competitiveness", prepared with the technical assistance of the Bank World Cup, has already been approved by the Council of Ministers and will serve as a working instrument for this Coordination, in the coming years, aiming to implement the objectives and goals of fiscal competitiveness, competitiveness of tourism and *Higher Education and Training Index*, em particular.

4.2.3.2.3.2 Tax Reform

The Government Program of the IX Legislature proposes placing the Country, in 10 years, in the *top 15* of the world, in terms of tax competitiveness.

In order to comply with this aim, and following up on the policies undertaken in 2016 and 2017, the Government establishes, as lines guiding its interventions, in the coming years, in tax matters, the following:

- Strengthening fiscal competitiveness in Cape Verde diana;
- Simplification of legislation, process and procedures;
- Improving efficiency and effectiveness levels of the Tax Administration.

4.2.3.2.3.2.1 Strengthening tax competitiveness Cape Verdean

The challenge of having a simple, modern, fair and efficient tax system that is competitive on a global scale (promoting direct investment

foreigner) and that improves living conditions of the population is a constant concern and must be present in all tax reforms. This is in line with what was established in the Government program of the current Legislature, when assuming a taxation friendly to investment and families, in order to attract investment and ensure a business environment that is conducive to to business and private sector development. In this sense, the Government is carrying out a study on tax competitiveness, in order to have a clear and objective perception of reality current situation and outline a strategy for action with a view to achieving this ambitious goal. With This study essentially aims to:

- I. Identify the main factors that have a direct impact on Cape Verde's fiscal competitiveness;
- II. Analyze the main inconsistencies, in matter of tax legislation, namely in terms of VAT, IRPC, IRPS, CBF and the IUP drafts, which condition the the country's fiscal competitiveness;
- III. Assess the level (burden) of cable taxation -Verdiana, for more expressive sectors;
- IV. Assess the suitability of the structure and mo-organizational model of the DNRE, as well as of the services provided, in view of the objectives and goals set by the Government and best international practices, in terms of tax competitiveness;
- V. Analyze the cost of complying with obligations tax gations;
- SAW. Evaluate the average time spent complying with tax obligations;
- VII. Compare the tax burden, the time spent fulfilling tax obligations and the number of payments with the

Cape Verde's main competitors.

The exhaustive survey and analysis of the main main constraints that prevail in com-Cape Verde's fiscal competitiveness, allow, in a strategic approach, the delineation of actions (both in legislative and organizational terms and in terms of services provided by

taxes and customs), based on the best international practices and appropriate to reality national level, with a view to placing the country in a high level of tax competitiveness, as follows:

- Implementation of the Arbitration Center Tax, as an alternative means of quickly and competently resolving conflicts in tax matters;
- Introduction of a special regime for incentives assets to the financial sector;
- Strengthening CEJFFA and expanding networks double taxation conventions negotiated and signed;
- Implementation of the reform, in terms of the placed on heritage;
- Approval of the status of the Issued Investor grants;
- Approval of a law on *holding* companies in order to attract the domicile of large international prey;
- Revision of stamp duty, in the sense of its progressive elimination;
- Review of the Customs Code and Tariff, as well as as well as the customs infringement regime;
- Strengthening of Tax and Customs Courts;

4.2.3.2.3.2.2 Simplification of Legislation, Process and Procedures

Simplification, however, is an element which integrates the two points of the guideline, deserves special attention, as it is an element preponderant role in promoting voluntary compliance with tax obligations, by facilitate not only understanding, but also reducing the cost of compliance.

Therefore, taking into account the deep commitment in the computerization of DNRE, the planned programs, namely, Integrated Management System Taxpayer Service; Management System so many Petitions; Tri-Justice Management System butary; Development of the DNRE *website* , among others, will be accompanied by indicators clear, objective and progressive reduction in response time, in order to provide greater convenience



compliance with tax obligations, credibility in procedures and speed procedural. This concern extends to the making of tax laws, as well as the development two declarative and payment models.

4.2.3.2.3.3 Improving efficiency levels and effectiveness of the Cape Verdean Tax Administration

Improve the levels of efficiency and effectiveness of tax administration, through coordinated actions ned and systematic, in essential areas of tax administration, with objective performance indicators and a monitoring system and evaluation, based on best international practices, will constitute the basis of action in DNRE, in the coming years. These actions pass, on the one hand, by consolidating the reform in course, internal appropriation of tax changes, recently introduced, and by focusing on a set of ongoing projects for the areas essential elements of Tax Administration (whose adoption of TADAT - *Tax Administration Diagnostic Assessment Tools* will make a fundamental contribution), namely:

- Database integrity of registered taxpayers;
- Risk management;
- Support for voluntary compliance;
- Tax declaration;
- Tax payment;
- Ensure the accuracy of information tions provided;
- Resolution of tax disputes.

4.2.3.3 Financing the Economy

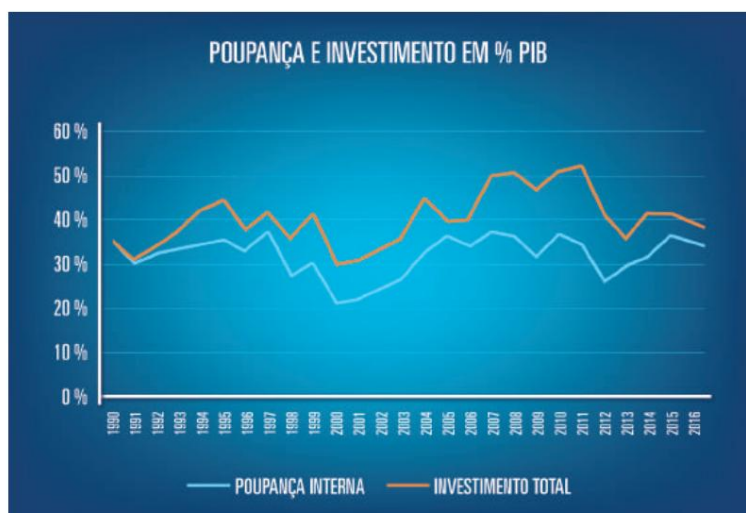
Cape Verde faces a high level of public debt. Although the structure of the debt stock is mostly concessional, the level current situation may make it difficult for the country to access to new financing via resources external, due to the worsening of sovereign risk, calling into question new investments aimed at relaunching the growth and development of the economy.

Therefore, it is urgent to define and implement a new strategy for financing the Cape Verdean economy. Furthermore,

the window of opportunities for concessional financing, with a clear limit to its duration in the coming years, will force the Government to seek financing at market prices.

Given this fact, Cape Verde must seek alternative forms and sources of financing its economy. The specificity of the Cape Verdean economy shows that financing is essential to the dynamics of economic growth of the country, which still appears below its potential. potential.

For the economy to grow, in a consistent and sustainable way, both the public sector and the private sector must have at their disposal verses instruments and financing mechanisms



Graph 10: Savings and Investment in % of GDP

ment, aiming to promote investment. In this aspect, financing the economy must focus on alternative financial products that the markets have been presenting and, above all, in new sources of financing, which are presented as sustainable for development, especially of the national business community and that do not contribute to excessive debt of agents (both private, as public). In other words, it becomes It is necessary to invest in a model that excels in sustainability, in the long term, with regard to financing the economy and which does not jeopardize access to it in the future.

Structurally, Cape Verde is a country that does not can cover its investments with the channeling internal savings. For others In other words, internal resources have been insufficient to meet investment needs in country's economy. The leverage of the economy is anchored in external resources. If, for one hand, the country must focus on the best way to make external debt profitable, seeking also cheaper sources, on the other hand, it is not must stop changing the dependency scenario external, currently very significant.

4.2.3.3.1 Access and Alternatives to Financing of the Cape Verdean Economy

The Government has the challenge of, in the coming years, markedly reduce dependence on debt to finance public expenditure.

To this end, one of the ways is the restructuring of tax administration, in order to increase the efficiency and effectiveness, in order to achieve collect more domestic revenue, without, however, therefore, increasing the tax burden on taxpayers. Still, work needs to be done to increase the formalization of the economy and reduce fraud. of and tax evasion.

Privatizations and concessions are instruments that allow the State to introduce new dynamics into its economy, through the creation of

new business opportunities and investments for the private sector, thus leveraging way, key sectors, while they make it possible to reduce the fiscal and budgetary risk that certain public companies represent.

The adoption of an agenda of privatizations, concessions and public-private partnerships represents the materialization of one of the main lines of economic policy, in this legislature, which will cause a change in the role of the State, as an economic agent, reducing its weight

and, consequently, the need for financing for sectors where it has operated extended form. In addition to an important fundraising for the State, we seek also the creation of conditions for the empowerment of the private sector, the consolidation of Cape Verde, as an open and competitive, with new investment opportunities development across several key sectors.

Without productive investment, there is no growth sustainable and unfunded economic development ment to companies, there are no conditions for these prosper. And without prosperous companies and in expansion, there will be no job creation.

One of the points of the financing strategy of the economy involves promoting improvement conditions for access to financing productive activity and a strong program of attracting Foreign Direct Investment (IDE). FDI has been one of the most important sources of financing the global economy, so you shouldn't stop paying attention to this fact. In a globalized world, with availability of resources, the country must focus on improvement of internal conditions, namely in the business environment, economic freedom, governance index, and competitiveness in the general, in order to promote greater attraction of external capital.

The new dynamic for the sustainable development of the national economy must also be guaranteed by the greater participation of the sector

private sector in promoting the economy. In this sense, the role of the State is fundamentally focused on improving conditions to facilitate investments by private parties, whether national or external, thus increasing the competitiveness of the economy.

For the Global Competitiveness Index, the reasons why the financial market

Cape Verdean has a bad performance are at the level of efficiency of this market and do not both in terms of its reliability and trust.

In this sense, the negative following aspects:

- Difficulty in accessing loans;
- Unavailability of Risk Capital;
- Little attractiveness in financing through the stock market;
- Reduced availability of financial services ceiros.

This situation needs to be reversed.

In this sense, financing the economy, in particular to the private sector, it constitutes a fundamental pillar in policies, and of effective empowerment of the Cape Verdean business fabric.

In this framework, the Government will move forward, within the scope of the PEDS, with concrete measures to encourage private sector, enabling and facilitating access financing, both through markets of capital, such as through the banking market, which will be reinforced with sharing measures of risks between the State and the private sector.

Market failures in guaranteeing financing to the private sector make it

State intervention is necessary. This intervention must aim to create conditions for the functioning of the market. It is guaranteed, in this way, the best allocation of resources and, Therefore, a positive contribution from financial system for the efficiency of the economy.

At the same time, risks are minimized and the costs of public intervention. The acting priority will be oriented towards the relaunch

and the development of banking intermediation.

As a way of promoting banking intermediation, the State will assume part of the risk, through of risk sharing mechanisms. The greatest difficulty in banking intermediation is related to the high level of risk of investment projects.

investment, in general, but, particularly, in some sectors (agriculture, fisheries) and in small and medium-sized companies.

By assuming part of the risk of investment projects, the State can leverage credit, increasing the quantity and reducing the

cost of bank credit. Guarantee schemes and subordinated loans are solutions successfully tried in several countries.

Another axis of the strategy should be the development development of alternative financing routes to the private sector. Capital markets can significantly contribute to increasing financing for the private sector, particularly larger companies.

With a view to facilitating companies' access to financing, the policy consists of:

- Promoting the restructuring of institutions of State intervention in the financial sector ro, with a view to creating a single Institution Development Finance. It is institution will serve to centralize the intervention of the State and development partners in the financial area, namely the management of guarantee schemes, the granting of subordinated loans, the purchase of securitized loans and participation in venture capital funds. Public intervention programs will be negotiated with the Treasury and financed by direct transfer of resources or by issuance of debt guaranteed by the Treasury.
- Promotion of incentives for development ment of operations in a banking syndicate (national and international), since the largest banks in the system can only leveraging, by itself, operations only up to the amount of 24 million euros.

- Adoption of measures aimed at developing the financial system, namely the:
 - Establishment of a co-registration system movable sides, an essential condition for the development of new products them;
 - Creation of conditions for the implementation of insolvency law, recently approved, with a view to promoting greater involvement of creditors in the resolution of problems of companies in difficulty and speeding up the return process assets used as collateral for their use productive tion;
 - Granting of tax incentives to the sition and the constitution of reserves for credit risk, and strengthening own funds of financial institutions;
 - Approval of equal conditions for the State and companies, in terms of taxation, in the capital market, adopting a tendency towards zero taxation;
 - Approval of an important legislative package which includes the law on "Projects of Differentiated Merit"; the law on the *Green Card* and the law on *Morabeza Bond*, instruments that aim to create specific opportunities and/or incentives and to promote private investment, including FDI, in municipalities with GDP pc below the average national. In this way, the regional balance tends to be restored in demographic dynamics, in the generation of GDP pc and at the job
 - Development of mechanisms for guarantee contractual certainty, through qualification of the judicial system, improvement of regulation and accounting and financial information produced by companies, as well as information about credit risk.
- Implementation of a facilitation project access to financing for Micro-Small and Medium Enterprises and a set of

measures aimed at stimulating financing to microcredit, thus promoting the financial inclusion of low-income segments of the population;

- Promotion of a Guarantee Fund for loan to Small and Medium Enterprises and a Sovereign Income Guarantee Fund Private clothing for Large Companies, as well as *Venture Capital*, in order to share the risk of loans between the State and the private sector;
- Mobilization of development banks, namely from regional banks;
- Stimulate the reorganization of companies and the adequacy of the governance model, tending to, together with the improvement of the business environment, positively impact about demand;
- Reinforcement of the role of instruments and incentives financial assets that allow improving companies' own capital, promoting namely a more robust capital market integrated;
- Promotion of a gradual reduction in taxation on savings, in line with the reduction of taxes on other income and the reinforcement of mechanisms for convergence, towards a treatment more balanced tax on debt and equity;
- Facilitating access to capital markets such international ones, preferably, through venture *capital*, particularly African, as well as the promotion of free movement of capital, when it comes to productive investments;
- Promotion, in conjunction with the private sector vado, the creation of a national platform specialized investment advice, with the support of the skills of Diaspora, to boost investment through International Financial Institutions, public and private, and with the international financial market, betting in external, multilateral and bilateral private financing for the private sector.

4.2.3.3.2 Reform of the Brazilian Business Sector

tado

The State's business sector is a powerful policy implementation instrument public and cannot continue to pose risks budgetary and fiscal issues, just as the State should avoid intervening in sectors in which the private sector can, with greater efficiency, provide goods and services to the economy and society. For Therefore, within the framework of the PEDS, it will be undertaken a profound reform in the business sector of the State, which includes strengthening monitoring and monitoring, but also privatizations and management restructuring, through partnerships public-private. Public managers appointed by the State must, from now on, comply with the law, but also and, above all, the mandates that assigned to them and achieve the *performance* levels established in the management contracts. The conditions have been created, either by reinforcing of capabilities, as well as the implementation of the observatory of the State business sector, IT platform that allows constant interaction with companies and subsidiaries of the State, which facilitates compliance with the reporting deadlines established by law, generates, in useful time, alerts and information for quick decision-making and realignment of strategies. The observatory will enable the State to assess and enforce legislation by State companies and subsidiaries, as well as to monitor the performance levels of companies and Boards of Directors and, in this way, play its role as shareholder and take corrective measures.

Privatizations and concessions are instruments that allow States to introduce new dynamics into their economies, through the creation of new business and investment opportunities for the private sector, as well as boosting of the capital market, thus leveraging key sectors, while enabling reducing the fiscal and budgetary risk that certain public companies represent.

In strict compliance with the existing legal framework, Priority will be given, within the scope of the modalities of privatization, concessions and public-private partnerships, the transfer of public assets and services to private companies, through tenders public, especially in the forms of offering in stock exchange and public subscription. It will be, also, made an appeal, with transparency and equity, the limited competition modality and to direct sales, whenever the selection of purchasers who comply with specific requirements are at stake. considered absolutely relevant to the company itself, based on business, market, technological or other development. The agenda will be implemented of privatizations, concessions and public-private partnerships already approved, which should result in the empowerment of the national private sector and abroad, in the consolidation of a small open and competitive economy, with new opportunities in key sectors for Cape Verde's development. The change of shape exercise by the State of the role of shareholder, with greater proximity, permanent monitoring and monitoring of the levels of achievement of goals will induce an effective turnaround in the *performance* of companies and shares of State, with new forms of governance, based on rigor and accountability. Through of this reform, the State will be giving up space for greater private sector intervention in key sectors of the economy, with a view to greater efficiency and a culture of competitiveness and private investment.

4.2.3.4 Infrastructure & Transport

The importance of road infrastructure is increasingly relevant in the development of eco-economy: good roads reduce the cost of transport shipping costs and, therefore, the final price of the products, making them more accessible to the consumer and more competitive in relation to competitors. Also, they allow each region to specialize in economic activities for which have a greater vocation (agriculture, livestock

ria, services, etc.), generating productivity and quality gains for the entire economy. Reducing travel time between cities

and/or clusters allows to increase bonds economic and social, which increases the universe consumer choice and competition between companies.

Investments in road infrastructure, particularly roads, may also have important impact on reducing poverty and improving the quality of life of the population of lower income.

Today, national and municipal roads add up a length of 1,650 km, of which 1,113 km are responding to national roads and 537 km of municipal roads. An important percentage of the national road network was subject to a broad rehabilitation and modernization program nization over the last 15 years, having been destroyed, rehabilitated and modernized more than 700 km of roads.

However, all these advantages of investing in roads can be lost if investments are commitments are poorly made, if the costs are overpriced, if the material used in the works is of poor quality, if the infrastructure built is not subject to periodic maintenance.

Thus, the Government of Cape Verde defined, as one of the priorities for the Transport sector and Road Infrastructures, the development of infrastructures and means of transport, of to ensure safety, efficiency and quality in the movement of people and goods.

The development of an integrated road network integrated, safe and that guarantees a good level of road service, as well as safety and comfort in the movement of people and goods constitutes a relevant aspect, in order to reduce the distance from each municipality, reduce the pressure for urban concentration in cities and improve the distribution of productive activity,

public services and income across the various localities, thus contributing

for national wealth, the balance of payments, employment and national mobility.

Thus, the Roads Institute, an institution created to manage, explore and conserve of road infrastructures has an important role in helping to materialize the above, so that public investments in roads realize their full beneficial potential for population, intervening in its role as manager and road authority, planning and monitoring investments.

Thus, the strategic lines for the Transport and Road Infrastructures sam por:

- The. Promote and ensure conservation, exploration and planning of the development of the National Road Network;
- B. Ensure the protection of road infrastructures and their functionality, particularly with regard to the occupation of surrounding areas;
- w. Keep the register of physical characteristics and diagnosis of the state of conservation of the national road heritage up to date;
- d. Increase the percentage of the road network those covered by road maintenance;
- It is. Have other ways of financing the maintenance of the National Road Network;
- f. Avail other forms of financing for emergency works;
- g. Ensure the implementation of the road infrastructure policy, from an integrated perspective of territorial planning and economic development;
- H. Define and promote, in conjunction with all interested entities, the standards regulations applicable to the sector and the performance levels of the road network, ensuring its quality, in terms of circulation, safety, comfort and safeguarding of heritage and environmental values;
- i. Contribute to the coordination between the network

road and other modes of transport;
 j. Promote the development of knowledge
 ment and studies that contribute to the
 technological and economic progress in the road sector;

k. Promote the expropriation of properties and
 rights essential to the conservation and exploitation of the
 road network;

l. Ensure participation and collaboration,
 relative to other national institutions
 and international, as well as in relation to
 central and local administration institutions;

m. Define and establish priorities, at the level of
 construction and execution of works;

n. Improve efficiency in construction management
 public, avoiding extra work and
 improving supervision;

O. Support municipalities in conservation,
 Network Development Planning
 of Municipal Roads;

P. Continue the unlocking process
 of locations;

q. Submit, appreciate and approve, in Parliament, the
 a Strategic Transport and Infrastructure Plan, after
 mandatory opinion from the
 Economic and Social Council and the Association
 National tion of Municipalities;

r. Adopt the public-public partnership modality
 -private for financing large
 construction;

s. Publicly discuss all public works;

t. Promote the national civil construction sector
 vile, due to the impact it has on employment, as well as
 such as the internationalization competitiveness of
 construction companies;

The implementation of these principles will allow,
 certainly, compliance with the regulatory standards applicable to
 the road sector and the
 performance levels of the road network, ensuring its quality, in
 terms of circulation, safety, comfort and safeguarding of

heritage and environmental values. Of the same
 In this way, they could translate into important gains and advances,
 contributing to greater
 rigor in resource management, greater capacity

response to intervention needs
 and permanent control of results, taking into account
 with a view to continually improving the quality of the service
 provided to citizens.

Furthermore, for the transport sector, the Government
 intends to build an Integrated System of
 Transport, competitive and safe, with a relevant contribution to
 national wealth, the balance of payments, employment and mobility

National and international.

With regard to transport systems

maritime and air freight and passenger transport,

The aim is to guarantee the unification of the market
 national market, its integration with the international market
 supported, above all, by the creation of

maritime and aerial platforms. In this context,

infrastructures and means of transport must be an integral part of
 the process of

transport, also guaranteeing safety, efficiency and quality in the
 movement of people and goods.

This strategic condition requires a profound restructuring of the
 sector, which includes strengthening the institutional organization
 and a strong

participation of the private sector, the creation of public service
 obligations, whether in transport

air, sea, and urban road

and interurban, prioritizing the public transport service concession
 regime, requiring the establishment of efficient regular lines

and at affordable costs between the islands, the privatization of
 port and airport services and the
 modernization of ship repair services.

Therefore, it is essential to develop
 an Integrated Strategic Transport Plan
 and Intermodality.

The geostrategic position of Cape Verde, in the
 intersection of routes with the highest internal traffic
 of ships in the mid-Atlantic, gives the

country has the privileged opportunity to transform itself into a
 major merchandise transshipment center, both for the West
 African region and

for the logistical interests of operators

maritime, as well as in a large center of fuel supply for navigation (*bunkering*). So these must be two of the main sustainability pillars of the maritime platform, which will also be a strong potential development enhancer of ship repair in Cape Verde.

At the level of Maritime Transport, and so that the platform is successful, it is crucial that Cabo Verde fulfills its commitments, while Coastal, flag and port state, in a sectoral sustainability framework. This will be achieved through participatory work by all sectoral *stakeholders*, with the regulation and operationalization of the Fund Autonomous Security and Development of Maritime Transport (FADSTM), and the creation of the maritime safety fee.

In terms of air transport, the location geostrategic strategy of the country generates favorable conditions and positive synergies for success, implementation and development of an air traffic distribution turntable (*Hub*), generating more revenue and more

jobs, improving the competitiveness of the transport and business tourism value chain. cios.

With this vision, and within the scope of the reorganization of management of the National Air Company – TACV, the Government is implementing a process of restructuring of the company that includes the financial stabilization and the privatization of same.

To enable the distribution platform traffic, the Government signed a contract for management with strategic partner *Icelandair Group* for the restructuring of TACV and creation of the conditions for the feasibility and operationalization of the Air *Hub* at the International Airport Amílcar Cabral, on the island of Sal.

To achieve this very important objective,

Therefore, in addition to an efficient airline, it is essential to improve the quality of visitor experience at entry/exit, with an efficient border service, work on the operational efficiency of the airport and ensure that the aircraft ground handling company is also efficient.

Within this context and with a focus on increasing competitiveness, each airport must be established as a business center, through concession contract, thus allowing the sub-concession of privately managed activities.

In defining a promotion and **diversification of businesses associated with the sector** air, it is considered necessary to promote *Low Cost* air transport policy, the promotion of the air cargo transport business, the implementation of a Marketing strategy Aviation and Promotional Events, as well as promoting the modernization of regulation and regulation of the airline sector.

These challenges are expected: the dynamization and the increase in air traffic, the opening of new destinations for Tourism and Commerce, destinations that will not be profitable just with local demand, but which can be done with the transfer traffic; the use of the fleet to develop new destinations and feed the Tourism sector; the construction of the open air transport sector with companies with good performance; an excellent airport product; and the generation of new qualified employment opportunities.

4.2.3.5 Energy

As established in the Government Program, the good performance of the Energy sector is of vital importance to ensure the development supported ment of Cape Verde. As guidance strategic actions of the aforementioned program for the energy sector choose energy security, price stability and bill reduction



In terms of the evolution of access to electricity, Cape Verde has registered important progress, approaching command of the 95% rate of co-opening, but the remaining 5%, which include the most disadvantaged social strata-city and the population of remote areas, remain excluded from the system. One of SDG 7 targets is to achieve 100% access by 2030, at global level and Cape Verde intends to achieve this goal already in 2020.

energy as central concerns, being in perfect alignment with the SDGs, specifically with objective 7 - Ensure the

universal access to reliable, sustainable, modern and affordable energy for all.

However, despite important investments already carried out, the challenge of sustainability of the energy sector has not yet been achieved. The country depends on imported fossil fuels, to satisfy more than 85% of needs energy sources, despite the existence of a significant potential for renewable resources and the fluctuation of oil prices has an impact directly into the economy.

The sector continues to struggle with the problem linked to the high level of distribution losses and commercialization of electricity and deficient operational *performance* of concessionary companies and the cost of energy is high, resulting in a substantial burden on utility expenses. companies and families.

On the institutional side, overlaps and regulatory gaps, lack of sectoral coordination and centralized information, institutional weaknesses and the lack of regulation constitute important barriers to

to surpass.

Cape Verde is also strongly committed to the global agenda on climate change, having already submitted the INDC and ratified it, in Parliament, the Paris Agreement, with long-term strategy the transition to a energy sector, safe, efficient and sustainable, reducing dependence on fossil fuels and ensuring universal access and energy security. But action needs to be taken

decisive to pass the study phase and "roadmaps", for tangible results on the ground.

It is in this context that the National Program for Energy Sustainability is inserted, having as the main axes of intervention: Reinforcement

Institutional and Environmental Improvement of business; Structure Reform Organizational of the Energy Market tico, Investment in Infrastructure Strategies, the Development of Renewable Energy and the Promotion of Energy Efficiency.

The Government's vision is to construction of a partner, regulatory, visionary, supplementary State capable of



city of authority and promoter of the initiative private sector and a new administration, aligned with economic and social development, ensuring environmental sustainability.

Therefore, to give a new impetus in this direction, the Government intends to create the Energy Institute and Industry (IE&I) to work in the areas of Technical Regulation, Planning, Research, Policy Formulation and Promotion of Innovation in the Energy and Industry Sectors. One attention special attention will be given to improving the planning, monitoring and evaluation system of the energy sector, to the development and adaptation of the legal and regulatory framework and strengthening regulation.

With the reform of the internal organizational structure, industrial sector, with the restructuring (*Unbundling*) of the Electrical Sector and the elimination of barriers to private initiative, the State assumes, in the new model, the role of promoter, dynamizer and regulator of a production market and sustainable, innovative and efficient energy supply, creating the conditions for private investment to replace public investment,

without giving up its role as coordinator of the development of infrastructures (physical, S,T&I and social), in synergy with the sector and continuing to invest in infrastructure of a strategic nature, aiming to guarantee the resilience of the system, promoting the integration of renewable energies and the promotion of research, innovation and technological development.

Taking advantage of the great potential of renewable endogenous resources, particularly in wind and solar aspects, is assumed as an instrument for reducing the cost of electricity and water, increasing energy security and competitiveness and diversity of the economy national. The Program recommends the use, to the extent is technically and economically possible, renewable and clean energy with a focus on large-scale use of wind energy, up to the maximum limit of the penetration rate, of photovoltaic solar energy for centralized production and distributed generation and of solar energy thermal for heating water. It is also intended to explore other renewable options, namely OTEC and Geothermal, without

neglect the concern of guaranteeing affordable prices for consumers and the production sector.

Another aim of the Government Program, consists of exploring the potential of the sector of services linked to renewable energy as a generator of jobs, both at the internally, as well as from an export perspective, particularly for ECOWAS countries. O

The biggest challenge will be to be able to direct resources available to unlock this potential, given a wide variety of choices in terms of technological options,

in order to maximize the multiplier effect for the economy.

The focus on energy efficiency is also a critical factor for economic competitiveness and the diversification of industrial activity, in particular the light export industry and the creation of

provision of services at regional level and international.

4.2.3.6 Spatial Planning

According to the Government Program, the territory is one of the main strategic assets that the country has fully available and Cape Verde must



make the most of all the potential of the islands. Spatial Planning constitutes a privileged instrument of organization and sustainable management of national space. O sustainable use of soil and water territorial, as environmental resources where infrastructures and activities are located economic-social, is decisive for the promotion of balanced, harmonious and ecologically sustainable economic development.

tempting.

To this end, the following are strategic precepts throughout the PEDS period:

- Achieve correct territorial ordering that allows the launch of intelligent, sustainable development strategies that promote the competitiveness of Islands;
- Raise awareness among all citizens about the rights and duties in relation to the territory and for the need for each person to contribute to reinforce the quality of the urban and rural environment;
- Protect the country from threats introduced by human activity, in all domains, namely agriculture, livestock, fishing, industry and tourism, as well as as well as concentration and development urban;
- Prevent natural phenomena that, Tentatively, they can bring new challenges environmental issues, namely those that result climate change and volcanism.
- Make environmental resources a separate source gure and perennial wealth for the community Cape Verde, taking effective advantages of Cape Verde's environmental resources, namely the climate, the sea, the landscapes and biodiversity;
- Create institutional conditions to guarantee the Regionalization and, together with the power regional and local, adopt a strategy for full employment, for quality health, excellent education for all and for internal and external mobility,

resulting from the use of potential local ages.

- Effectively implement national directives of territorial and urban planning, necessary for the sustainable management of the territorial development of the Islands;
- Simplify licensing processes for companies urban operations.
- Simplify the processes of elaboration, approval, publication and implementation of urban management and territorial planning instruments;
- Assign powers to municipalities for the preparation, approval and publication of urban planning instruments, as well as how to provide effective support with regard to training and technical qualification to assume the responsibilities arising therefrom;
- Implement land registration in all Islands;
- Create a territorial tracking and monitoring system that covers the coastline, special tourist areas, river basins, environmentally sensitive areas and risk areas;
- Promote the improvement of all cities des and towns, involving all municipalities, in an inclusive way, in the requalification of neighborhoods, in the rehabilitation of existing housing and in the excavation of localities;
- Reduce the quantitative housing *deficit* and quality, improve human settlements and promote the real estate sector, having with a view to the social inclusion of families, mobility, gender equity and the reduction of urban/rural poverty;
- Enhance the territory, with the promotion of Geographic Information System Technologies, Land Registry, Cartography, of Geodesy and toponymy, with a view to provide a modern, current and inclusive and accessible for all. With this objective, at the registration level, we intend to develop a large project, which can allow continue the project for the execution of the

land registry, on all islands that do not were the target of the project financed by compact II of the MCC, whose objective is to increase the investment, above all, through a transparent, effective and quickly.

The most efficient operation of the habitation is a fundamental condition, not only for the boosting the real estate sector, rehabilitation urban areas and cities, but also for the social inclusion of families and people's mobility, so its dynamization mechanisms must be progressively improved, as the accumulated deficiencies throughout these years, are incompatible with short-term solutions term. Under these terms, the Plan will be promoted

National Housing Authority with the following profile:

- Targeted at specific families, with objective criteria, depending on priorities properly defined;
- That responds to the needs and capabilities real financial data of families, and be mobilizing, led and implemented by counties;
- That includes the national business community and is creator of added value for sectors construction, real estate and employment;
- Grant interest subsidies to young women families.
- Stimulating the rental market, promoting the application of savings families, including the emigrant population.
- Promoter of housing rehabilitation existing areas, contributing to the urban requalification of neighborhoods and support for the most needy.

Urban requalification, Rehabilitation of houses of the poorest families, and accessibility with a view to promoting the unblocking of cities, are considered the key activities for the reconfiguration of urban design and promotion of quality of life for the population. In this way, the Government decided to create a vast Program with the three identified aspects,

with priority for tourist cities and areas of great degradation, with the aim of:

- Promote the rehabilitation of dilapidated buildings data and the reoccupation of buildings and dwellings vacant, through incentive mechanisms and tax benefits for rehabilitation;
- Support municipal rehabilitation plans urban, as a way of guaranteeing effective transformation in territories, reversing declining trends and promoting a sustained local development and the maintenance attention in the post-intervention phase;
- Promote the installation of public equipment that acts as an inducer and attraction for the requalification, reconversion of degraded areas and quality of life of citizens;
- Promote, in conjunction with the chambers municipalities, the consolidation of degraded areas, simplifying procedures leading to the carrying out of works and operations urban rehabilitation planning;
- Create a mechanism, at municipal level, that allow municipalities to use the fund of housing, replacing defaulting owners, to carry out works conditioned in degraded buildings or abandoned, providing a solution to compensation for works;

4.2.4 Adoption of an Agenda for preservation of the Environment and Biodiversity

The Government recognizes the need and high importance of adopting integrated policies in the main of the environment, to ensure the management sustainability of environmental resources, guarantee the enjoyment of environmental quality by society, enhance the appreciation of the environment as a asset and factor of economic competitiveness of the country, with a view to striking a balance between satisfying current needs and the fair expectations of future generations. To reach this aim, a con- together with commitments that translate into policy measures that should be capitalized on

into concrete actions, assuming the premise maximum of transforming words into results tangible.

Considering the reference situation and in a perspective of mitigating constraints, managing weaknesses and taking advantage of opportunities, institutional action, during the new governance cycle (2017-2021), should be conducted towards changing the existing scenario, aiming at the continuous improvement of trends in environmental quality indicators and taking into account the gradual qualification of the environment entity in Cape Verde.

Existing opportunities must be duly taken advantage of, leveraged and potentialized to achieve strategic objectives

strokes:

Ecological opportunities:

- Endogenous natural resources (soil, water underground and surface waters, marine waters; marine and terrestrial biodiversity, landscapes – landscape contrasts, coastline, renewable energy sources, ocean-graphic resources/EEZ, geological resources...);
- National Network of Protected Areas;

Economic opportunities:

- Strengthening Intersectoral Integration between the Environment and strategic sectors of activity economic (Tourism, Agriculture, Fisheries, Agroindustry, Maritime Economy, Agro-industry, Agribusiness, ...); Increment of

contribution of these sectors and subsectors for GDP;

- Leveraging the fiscal potential of the sector environment;
- Promotion of the Green Economy and Economy Blue (Incentivizing Green Investment and promoting the use of the economic potential of the oceans).

Social Opportunities:

- Increasing appreciation of the social function of environment for society as a whole, through improving the quality of the environment and adding value to ecosystem goods and services;
- Promoting employment and increasing income that of families;
- Improving levels of social equity and inclusion cial.

Legal Opportunities:

- Regulation and review of laws;
- Optimization of the implementation of Conventions tions and International Agreements, in the field of environment;
- Normative Convergence with the Euro-cast out;
- Gradual legal alignment with policies environmental public cass for the IX Legislature.

Institutional Opportunities:

- Progressive training of human resources existing hands;
- Using and valuing human capabilities and skills;
- Valorization and qualification of Memory Analog and Digital Institutional;
- Improvement and reinforcement of internal communication stitucional vertical e horizontal;
- Strengthening partnerships with governmental and non-governmental partners national and international mental health;
- Leveraging institutional potential, focusing on excellence and quality of service provision to citizens and companies.



For the environment sector, a set of measures and actions must be implemented, in different priority and transversal domains

(immediate and strategic challenges – measures to responses to pressures and safeguarding environmental systems in a preventive approach), namely:

- Strengthening the licensing system, installing environmental inspections and audits, promoting the institutional conditions for monitoring (post-evaluation) of the processes of Environmental Impact Assessment;
- Implement institutional measures to guarantee achieve zero bureaucracy, reduce time and cost of investments and improve the environment business environment, thus contributing to the promotion of foreign investment;
- Classification of bathing water beaches and water quality monitoring (increase from 6 beaches currently monitored, for 10 beaches, in 2021);
- Systematically assess the level of knowledge public opinion about the environment and biodiversity;
- Promote the conditions for the production and organization of environmental statistics, to enable the timely assessment of indicators and support, in a timely manner, the decision-making process;
- Ensure the disaggregation of statistics in the dimensions of gender and municipal development (geographical disaggregation by Municipality and by Sex);
- Create and ensure the maintenance of a digital platform for environmental information and interactive communication with citizens, global society and environmental partners such national and international;
- Creation of Databases and Information, enhancing Institutional Memory Analog and Digital, in different subjects, that shape the environmental sector;
- Promote the development of capabilities institutional des, from a perspective of their full alignment with public policies environmental issues and with the commitments made to the Legislature;
- Ensure the use of potential environmental characteristics of the islands, depending on the their vocations and specificities;
- Ensure full integration between Tourism and the Environment, safeguarding the limit of use and the carrying capacity of ecosystems;
- Promote institutional conditions for financial sustainability of at least 30% of Protected Areas;
- Guarantee, by 100%, by 2021, the preservation of priority species;
- Provide Land and Maritime Protected Areas with Management Plans;
- Recover 4 beaches, currently degraded, until 2021;
- Boost the Green Economy and Economy Blue;
- Promote institutional conditions to ensure the implementation of major international principles, conventions and agreements, in the mastery of the environment;
- Ensure Normative Convergence with the European Union;
- Continuously adapt Ambition to environmental public policies and sector governance commitments (drafting and approving laws, reviewing laws and regulation of standards);
- Implement measures aimed at enhancing economic zation of the environmental sector, through via taxation (potentiating opportunities in the field).

4.3 Objective 3: Ensure social inclusion and the reduction of inequalities and asymmetries social and regional

4.3.1 Living Conditions of Families and Social inclusion

Poverty and social inequalities have been reflected in the difficult living conditions of many families, who are still unable to satisfy their their basic subsistence needs. It is

pauperization of families passes through existence of low levels of education, with implications in the level of employment and living conditions, in general, namely poor housing conditions, poor access to basic social services and comfort goods.

Since the weakening of traditional forms of social protection, associated with the precarious living conditions of many families and to social phenomena has affected the aggregate Cape Verdean family, some of them reaching all social classes, only a small proportion of Cape Verdean families are in a position to purchase care services for dependents - children, elderly people, disabled people, therefore

We are witnessing the disruption of the traditional care network.

Unpaid work represents close to 70% of the total workload in the country, meaning that the effort and social contribution of families for well-being and social cohesion are very high, and falls, above all, on women you. More than half of children and adolescents

cents spend long periods of the day without super-adult vision.

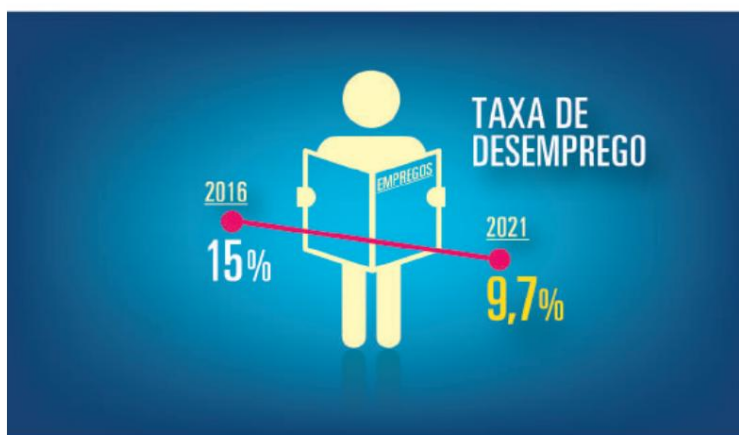
Another phenomenon that poses some challenges to country is immigration, as, in the last two decades, there has been a continuous increase of the number of foreigners and immigrants, posing challenges, not only in terms of flow management, but also regarding the integration of immigrants in Cape Verde, namely in regularization, regulation of the labor market, the social protection system and the areas of social inclusion.

Social inequalities exist as a result of gender, physical and/or mental condition, income, place of birth and age, with a considerable proportion of the population still without possibility of satisfying your needs basic subsistence through work paid, especially women.

The Government Program has a strong focus on social inclusion and assumes, as a commitment to governance, combating social inequalities,

focusing on a policy that will prioritize social inclusion and promote the dignity of the human person and his autonomy, with an inclusive country, through path to employment, income and education, in order to boost social mobility of the most disadvantaged, based on the access to work and consequent improvement much of their income conditions and quality of life.

Therefore, to overcome these challenges and mitigate the impacts of poverty and other social phenomena that affect Cape Verdean society, it will be adopted an integrative approach and inclusive, in which the well-being of people individuals and families is placed at the center of public policies, aiming to contribute to combat social inequalities and poverty and to increase the income of the most vulnerable, in a



to guarantee families access to basic social services (health, care and education), creating the minimum conditions that allow them to ensure the

well-being and quality of life of its members. Thus, the following lines of intervention:

Axes of intervention Actions and measures

Access to
Income and Services

Basic
Social

Implementation of the Social Inclusion Income (RSI): monetary benefit worth ½ monthly minimum wage for households with precarious links to the labor market; *Attribution of the Social Pension (PS)* to the elderly (60 or over) and to children with disabilities or health conditions that make them depend “on third parties to satisfy their basic needs”; *Guarantee of Access to Education*, a supplement to family income, paid to ensure access to services, specifically access to pre-school and vocational training; *Guarantee of Access to Health (Medical Medical Assistance and Evacuations) of the Non-Contributory Regime*, supplement to family income, which guarantees access to services, specifically medical and drug assistance and special attention to drug addicts with a view to their recovery and social reintegration; *Restructuring of the Service for internal and external evacuations of patients on the non-contributory regime.*

System
of Dependent Care

Creation and regulation of care services for dependents (children, the elderly and people with disabilities); *professionalization of the work of caregivers*, ensuring access to low-income people and families; *Implementation of daycare networks, in partnership with civil society and municipalities.*

Inclusion
Socioeconomics of
People with
Disabilities

Creation of the Rehabilitation Center for People with Disabilities; Expansion of Social Pension coverage to disabled children and disabled people; Technical and financial assistance to NGOs working in the area of disability; Guaranteeing access to health, education and professional training for people with disabilities.

Comprehensive
care for families
in vulnerable situations

Creation of favorable conditions for community development: implementation of monitoring methodologies for families benefiting from the Social Inclusion Income (RSI), through the Municipal Social Action Offices; *Implementation of Social Offices, in the urban settlements “Casa para Todos; Implementation of comprehensive Family Guidance Offices, in Health Centers, to guarantee sexual and reproductive health care to the population; Support for private institutions in the civil society, in the creation of social solidarity networks.*

Integration
of families
immigrants

Improving the reception and inclusion of immigrants: development of an integrated response from public services (central and local) and civil society; Strengthening immigration management and the social inclusion of immigrants; Facilitating access for immigrants to regularization and documentation and basic services and strengthening the immigrant associative movement; Protection of immigrants in vulnerable situations and combating discrimination and harmful practices (genital mutilation, early marriage);

Child protection
and the teenager
against situations
personal risk
e social

Strengthen ICCA's institutional capacity; Guarantee staff respect for the rights of children and adolescents: Monitoring and inspection of legal instruments; Implementation of support programs for children who are victims of abuse, arbitrariness, abuse, violence and exploitation by adults, including their own parents; Reinforcement the network of public and private institutions and civil society who work to ensure the necessary care for children inside and outside the family environment.

4.3.2 Education

The Government developed the Strategic Plan for Education (2017/2021), as the instrument of medium term for policy implementation for the Education and Higher Education sector.

This plan fits within the guidelines of the Government Program and is articulated with the Sustainable Development Goals-Agenda 2030, ensuring and incorporating the principles of respect for human rights, the environmental sustainability, inclusion, valuing diversity and education professionals. The following objectives are established:

1. Guarantee quality education for all the Cape Verdeans;
2. Reduce inequalities throughout the national territory, focusing on the specificities of each Municipality, identifying the potential and local dynamics.

There is also a prospect of a profound reform of the educational sector, with the introduction of a new curriculum proposal, which responds to the challenges to improve the functioning of the

education and training and the quality of services provided. In effect, these changes imply a set of strategies that

for the reorganization of the school network, of the entire administrative and pedagogical management process of schools, by reviewing manuals, expanding the participation of parents and guardians of education and community in school life, by strengthening the pedagogical dimension and participation policy, as well as promoting of the school's right to develop and apply a educational project, according to their identity and taking into account the social context in which they inserts.

- **At the level of Pre-school Education**, the great priority is to organize and implement a formal system, expanding and improving the quality of care, with the elaboration of an adequate regulatory framework, the design of a new curriculum, the organization periodic assessments and the development of School Social Action programs.
- **At the level of Basic Education**, the priority is to ensure equitable access to universal and free schooling up to the 8th year of education, implementing programs of

social action, especially for target groups priority (people living in situations of vulnerability), through: (i) implementation of a special education model, providing equitable access to educational opportunities for children with

special educational needs, (ii) the review of *curricula* and the introduction of measures to reinforce language areas,

including the approach to teaching Portuguese as a second language; and, from the 5th year, the introduction of the English language, the French language and information and communication technologies; the design of teaching

Mandatory Basics for Adults and the definition of the intercommunicability system with the Formal Mandatory Basic Education and with the professional and technical training.

- **At the Secondary Education level** (i) improve the equitable access, quality and their relevance

advantage, aiming to provide students with literacy, numeracy, skills and abilities necessary for continuing studies and active life and, (ii) expanding, modernizing and consolidating technical education; constitute the two main priorities.

• **Regarding Higher Education**, pre-

there is a tendency to promote knowledge as much as possible high level, which involves the qualification and regulation of HEIs and the development of good international partnerships. Higher Education constitutes a strategic axis for the development of the country, competitive in global context, based on the tripod of Excellence, Efficiency and Internationalization, whose priorities include regulation, indicative planning, supervision,

taking advantage of the resources available in the abroad, particularly in the Cape Verdean diaspora, and through investment in training

of university teachers and researchers residing in the country.

Strengthening the regulation of public and private higher education, through effective installation of the Higher Education Regulatory Agency, as well as of the implementation of the Office of Science, Technology and Innovation constitutes another priority.

- At management level, priorities include streamlining some issues, such as improving policy

of human resources management, the dynamization of a modern service

monitoring, evaluation and inspection that ensures strategic control of the educational system and the definition of an efficient model of administrative and pedagogical management of the Education System.

cola.

The implementation of these policies will require a profound review of the framework existing law, the overcoming of a set of constraints relating to central and local administration,



as a way of ensuring greater coverage, and the adequacy of the reform that is intended to be implemented during the legislature.

4.3.3 Access to Housing

The Government considers that a functioning more efficient housing sector is a condition fundamental, not only for social inclusion families and people's mobility, but also to boost the real estate sector, urban rehabilitation and cities, so its dynamization mechanisms must be progressively improved.

Access to housing constitutes one of the instruments of economic-social policy to promote the dignity of the human person and its autonomy

It is urgent to develop, in partnership with municipalities, an immediate action plan, aimed at to solve the most urgent problems in the tourist destinations of Sal and Boavista, namely in terms of housing, sanitation,

security, the elimination of illegal constructions and degraded neighborhoods, urban requalification, the regulation of informal commerce and the construction and recovery of roads.

access to hotels.

Housing policy is complex and interferes with other economic-social and environmental policies entails. Consequently, to respond to housing challenges, the Plan will be developed

National Housing Policy that will embody the Government's policy for Housing

with the following profile:

- Targeted at specific families, with objective criteria, depending on priorities properly defined;
- That responds to the real needs and financial capabilities of families, that is mobilizing, and led and implemented by the counties;
- That includes the national business community and is creator of added value for sectors construction, real estate and employment;
- That guarantees interest subsidies for young people come families.
- Reactivate the bonus, of up to 50% interest, on housing for young couples.
- That it stimulates the rental market, promoting the application of family savings, including the population emigrated;
- Promote the rehabilitation of existing housing, contributing to the urban requalification of neighborhoods and the support for those most in need.
- That approves a new social tax code about the heritage and evaluates the possibility introduction of the progressive IUP, establishing a maximum and minimum rate, giving greater flexibility to municipalities in managing the IUP, as an instrument of economic.

To ensure equity in the real estate market and separate what is social, the Government has, as an policy instrument, Real Estate, Land and Habitat (IFH). In this context, its objectives are:

- 1 - Refresh IFH and policies housing, aiming to change the situation current action, based on the guarantee of social sustainability and the situation specific economic situation of families:
 - Refresh IFH's competencies, becoming an instrument



privileged formulation and execution of public policies for the housing, no longer being a real estate agency with commercial functions.

- Transfer and delegate to municipalities, competencies and responsibilities, in the field of social housing and urban rehabilitation, under program contract and power supervision central;
- Clarify the functions of guardianship of the housing sector and unify the various existing programs into a single promotion program of housing for families.
- Create and operate a public fund unique for housing, urban rehabilitation and environment.
- Outsource the rent management process of houses from the Casa para Todos program, for municipalities and private real estate management companies, through a public tender;
- Outsource the contract management process domains of houses in the "Casa para All", for private condominium management companies, through a public tender. blico.

2 - Resume Urban Requalification, through a vast Program, with priority for tourist cities and areas of great degradation, with the aim of:

- Promote the rehabilitation of dilapidated buildings data and the reoccupation of buildings and dwellings vacant, through incentive mechanisms and tax benefits for rehabilitation;
- Support municipal rehabilitation plans urban, as a way of guaranteeing the effective transformation in the territories, reversing trends of decline and promoting a development sustained local development and maintenance in the post-interface phase vention;
- Promote the installation of equipment public ments that work as an inducer and attraction for re-qualification, the reconversion of

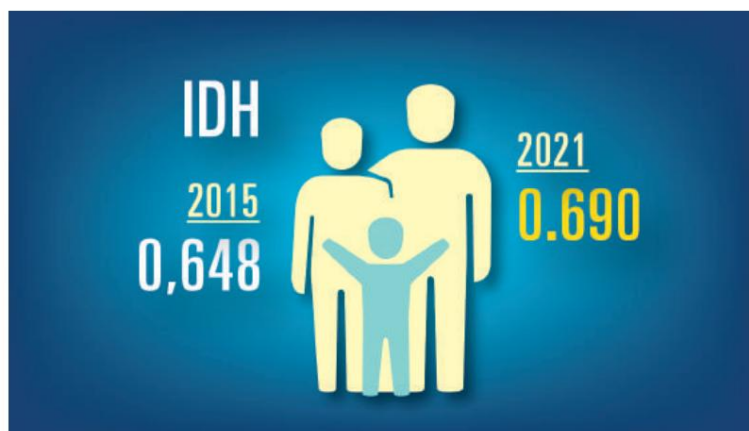
degraded areas and the quality of citizens' lives;

- Promote, in conjunction with the Chambers Municipalities, the consolidation of degraded areas, simplifying procedures leading to the carrying out of works and operations urban rehabilitation planning;
- Create a mechanism, at municipal level, that allow municipalities to use the fund of housing, replacing defaulting owners, to carry out works conditioned in degraded buildings or abandoned, providing a solution to compensation for works;
- Create and operationalize a good credit line nified and granting bank guarantees to municipal loans, for rehabilitation works and promotion of family housing.

3- Stimulate the Rental Market with

the following actions:

- Review, in an innovative way, relevant legislation about urban leasing.
- Implement an extrajudicial mechanism for eviction of the tenant, in case of non-compliance with the lease contract;
- Introduce a system update mechanism Income value;
- Strengthen contractual freedom between the parties when concluding lease contracts;
- Create and operationalize a guarantee system income aunts, intended for promoters of rental housing, against the risk of default;



- Establish rules for determining the base value of the sale of properties in the process of being finalized. financing and litigation.

4.3.4 Decent Employment and Training Professional

Employment and professional training are strongly related and contribute to achieving of the Vision of Building a developed Cape Verde inclusive, democratic, open to the world, mo- safe, safe environment, where full employment and full freedom. In this context, the quality of human resources, obtained through training professional, technical may dictate the capacity and boost the creation of jobs, through the mechanism supply and demand in the labor market.

The transformational and potential areas of economic growth already identified, namely mind sustainable ocean economy, agribusiness, renewable energy, tourism, co- mercium, industrial development, culture and creative industries are always sources of generation of qualified jobs.

In this sense, it is essential to raise the issue of employment and professional training, which requires a multisectoral approach, with the involvement of all public sector actors, private sector and NGOs, to create an environment favorable to economic growth and to leverage decent employment opportunities.

The Government will take advantage of the value of the position

Cape Verde's geostrategic

promote a business environment, around

Information and Communication Technologies (ICTs) and Research & Development (R&D),

in order to transform the country into a regional technological center of reference in Africa, attracting

and creating job opportunities and centers

skills, through (i) Creation of science and technology parks; (ii)

Reinforcement of

intellectual property rights, encouraging

the production and registration of patents; (iii) Increase

participation of the R&D System in international R&D networks,

supporting cable companies

-Verdians in the presentation of competitive proposals for advanced

technology; (iv) Incentive

to reinforce business investment in R&D,

with commercial applicability, as well as encouraging the employment

of researchers in the tissue

business; (v) Investing in R&D for the development

development of a Green Economy and a

mia Azul, stimulating multidisciplinary approaches to R&D&I and

innovative consortium projects between companies and R&D

institutions.

Two Scientific Parks will be developed and

Technological ICT, covering ICT and

creative economies, with the close involvement of national and

international higher education institutions, Local Government and

Regional, business associations and

companies whose main mission is to create

an ICT market in Cape Verde, dynamic

and with companies that provide solutions and services capable of

competing on an international scale

e regional.



Tourism is elected as one of the central homes of the Cape Verde economy

diana, a key piece for the

relaunch of private investment, employment and growth

economic. Therefore, taking into account the

follow-up of the catalyzing elements for generating

these results are Government commitments:

- (i) Promote positive externalities

vas of tourism, through the constellation tourism, covering agriculture, fisheries, culture and sport; (ii) Strengthen and consolidate the model dominant sector of Sun, Beach and Sea Tourism, in collaboration with operators in the sector.

The Government views the social economy as playing a decisive role in the expansion of employment, equal opportunities and promotion of social, environmental and historical assets that support local and regional development. Therefore, the Government's action will aim to stimulate employment through the following instruments: (i) Immediate elimination of the contribution

for Social Security, which falls on companies when they recruit young people, within the framework of the breeding program for at least 45,000

new stable jobs in a legislature; (ii)

Launching and co-financing of internships professionals, job generators and facilitators, in partnership with the private business sector and in conjunction with the education system;

(iii) Effective promotion of entrepreneurship -

Work for Yourself, from a perspective of establishing cementing international networks with the best

entrepreneurs from around the world and across the continent African and launch of the CVXL program; (iv)

Strengthening the skills of young graduates, through retraining programs

profile and qualification; (v) Launch of a

vast program to support the social economy and solidarity and promoting social innovation.

Considering that employment and professional training policies must be intrinsically related, and training programs must be linked to employment promotion programs, through a policy

coherent employment and professional training,

The following guidelines are considered when defining employment and training policies.

apple:

(i) Employability and Qualification;

(ii) Professional Training, to better adapt tation to the needs of the treatment market work and its financing;

(iii) Professional Card;

(iv) Professional Retraining of Young Diplomats unemployed;

(v) Professional Business Internship;

(vi) Young Entrepreneurship and Young Start -Up

he comes;

(vii) Viability of Business Units;

(viii) Access to Reserved Support and Incentives to Micro and Small Businesses;

(ix) Vocational and Professional Guidance;

(x) Promotion of qualified employment and hundred;

(xi) Decentralization of Active Development Initiatives Job Creation, at local and regional level;

(xii) Public-Private Partnerships;

(xiii) Strong commitment to Valuing Education

Technical and dualistic Professional Training System;

(xiv) Training Programs for sectors of low level of qualifications and inclusion;

(xv) Diversification of the training offer of Higher Professional Study Courses;

(xvi) Co-financing of Professional Training sional and Investment in Self-sustainability age of Training Institutions;

The Government will have the Employment and Professional Training Institute – IEPF, as an instrument to implement its policy, with the mission of guaranteeing, through its central structure and decentralized services, and in partnership with other public and private institutions, the promotion and execution of training actions professional, to satisfy the needs of the labor market, contributing to the promotion of decent employment, relevant qualifications and an entrepreneurial attitude, aiming at individual autonomy and collective prosperity.

4.3.5 Youth

The Government's vision and political guidelines defend a Youth prepared to be in the world, as authentic citizens, with full rights and bearers of values. In this regard,

Youth plays a fundamental role in Government Program, being considered a priority for the development of a sustainable and balanced society.

Being a transversal sector, the policies developed will be made through a dialogue between the Government and youth society, in promoting innovative measures that meet their needs and expectations, namely in the areas of employment, training, recreation and sport, associations and volunteering.

Taking into account the transversality of young people's problems, it becomes pertinent to develop policies, partnerships and structured dialogue, with the involvement of local authorities, in

promotion of leisure activities, in the private sector, with emphasis on companies, for the opportunities they generate, and communities, in their role of proximity development of their locations.

Among the main problems faced by young people, the lack of quality and the scarcity of social support in education, unemployment and precarious employment, insecurity and discrimination, leading them to situations of extreme vulnerability and compromising their autonomy and emancipation, with the lack of appreciation and training young professionals.

Having identified the main challenges that young people face, the Government points out a path

Of course, it prioritizes the fight against unemployment, and investment in qualified and employability-oriented training.

Therefore, the Government assumes the following commitments sent: promote o empresariado jovem com highlighting the Promotion of Young Micro Entrepreneurship, creating an Initial Professional Qualification and System Review Program Educational/Training, guarantee the Professional Internship, as part of the curriculum and experience professional, the Youth Employment Plan, the Quality of Life and Healthy Life, at the level of health, education, sport, culture and security.

The Government will combat youth unemployment, with better Education and Professional Training:

- (i) investing in technical-professional training with employability;
- (ii) adopting coordination measures between the professional training, professional internships and employability;
- (iii) structuring and providing secondary vocational education, with emphasis on sectors that contribute to the country's development;
- (iv) financing higher education and promoting seeing research and development;
- (v) co-financing professional internships generators and facilitators of jobs in partnership with the private business sector and in conjunction with the education system;
- (vi) promoting the creation of mechanisms for financing of MSMEs;
- (vii) creating tax incentives for companies that hire recent graduates and young people under 25 years (...)

Furthermore, the Government will guarantee the quality life and healthy life with health, housing, sport and culture, through the promotion of styles healthy lifestyle and awareness for the protection of the environment, a



program to combat drug consumption and of alcohol, aimed specifically at youth, and through access to culture and sport, creating more sports infrastructures,

improving its management, promoting school sports and encouraging participation in international competitions.

Other commitments made to young people involves creating a space for action and participation in the definition of policies, by youth civil society, through university and business exchanges, among others.

Measures relating to the national strategy for youth are proposed and coordinated by the Prime Minister and, in this sense, the execution of the projects will be the responsibility of each mandated entity. Thus, micro-entrepreneurship will be managed by Pró-Empresa, the educational/training system will be in charge of the

Higher Education and IEPF will be responsible for execution of the Professional Internship.

4.3.6 National Health System and access to Social Security

Despite the progress made, the National Health Service is still experiencing difficulties. culties, arising from the new challenges in relation to the changes recorded in the epidemiological profile and socio-demographic profile of the country, as well as insufficient resources to carry out given the demands of the sector and the growing citizens' health expectations.

The complexity of such challenges raises the pressing need for urgent measures, embodied in a

reform program, which allows improving the performance of the health, in order to reach a level quality and ensure the availability of healthcare for all of the. The meaning of this reform is guide the sector, so that it can overcome

current difficulties and continue to be an instrument of the development of Cape Verde, through the implementation of regulatory models that correspond to the size of the country and do not lose sight of common goals and essential to health policy.

The health policy will comply with the principles which governs the National Health System, namely, the universality of access to services, at all levels of health care; the solidarity of all, in guaranteeing the right to health and in contributing to the financing of health care; the defense of

equity, in the distribution of resources and the use of services; safeguarding dignity human health and the preservation of physical and morale of users and providers; the safeguard of professional ethics and deontology, in the provision of services.

To sustain the intended changes, the Government should, among other actions to be developed, prioritize openness to the private sector, through establishment of Public-Private Partnerships (PPP) in the health area, as an approach advanced and complex management and financing of the sector, with the dual objective of guaranteeing health gains for users, as well as value added to the public treasury, improve the health regulation and inspection policy; prepare a new Health Charter that takes into account consideration, not only the size of the population resident, but also tourist demand; adapt health infrastructures to the needs



current data, as well as strengthening and improving mechanisms for monitoring and implementing existing cooperation projects and programs.

The general objective of the Health sector is, among others, to guarantee the population's right to health supported by a National Health System, whose Specific, defined objectives are:

1. Value the citizen within the National Service health system, promoting access, quality of care and guaranteeing user satisfaction;
2. Prioritize your action, through promotion health and disease prevention, in the among the population, with particular attention for the most vulnerable groups;
3. Define a financing model for health costs, of a solidarity and sustainable and appropriate to the country's economic and financial realities;
4. Ensure system regulation, based on technical and normative precepts of services dependent on the Member of the Government responsible for the Health area;
5. Create and operate the necessary mechanisms necessary to ensure quality, safety, evidence-based practice and the effectiveness of care provision of health, as well as the professional performance of the respective agents, in a to achieve clinical excellence and humanization tion of health;
6. Promote effectiveness and efficiency in work creation of institutions providing health care, in terms of quality and humanization of the services provided;
7. Ensure adequate working conditions to health professionals and encourage their technical update, through programs continuous training;
8. Establish public-private partnerships that will allow the expansion of responses to needs of the population, in order to achieve the desired complementarity between the public and private sectors.

Among other objectives, the reform of the health, aims to promote equity in access to healthcare, improve performance structures and professionals, improve the human resources management, ensure financial sustainability, raise the level of humanization of services, with particular emphasis on service.

Taking into account the strategic challenges behind mentioned, it is intended, for the period 2017-2021, achieve the following results:

1. Strengthen and consolidate the infrastructure and equipment process for National Health System services;
2. Consolidate the modernization process technological services of the National Health System, with implementation of the SNS Equipment and Furniture Modernization Program;
3. Reduce the incidence and prevalence of diseases priority and non-communicable assets, with the implementation of the Improvement Program Quality of Health Care SNS;
4. Improve the capacity and performance of HRs of the SNS and reduce the SNS's dependence on cooperating experts, with the implementation of the Development Program SNS Human Resources;
5. Establish processes and procedures for the accreditation and certification of diagnostic services, with the creation and implementation of the Health Services Quality Certification Program of the SNS;
6. Reduce dependence on the outside, through of measures aimed at resolving the problem of evacuations;
7. Start creating mechanisms that allow limit the use of clean energy by health structures, contributing to the solving the country's energy problem, as well as reducing dependence on fossil fuels;
8. Promote (continuous) research in the field

of health, as support for evidence-based management, which allows knowing the real situation of the sector and, thus, predict priorities for sustained and targeted intervention;

9. Strengthen security control mechanisms health security at borders;
10. Strengthen the anti-vector fight for surveillance epidemiological analysis of arboviruses and eliminate the malaria, by the year 2020.

4.3.7 A Gender Equality

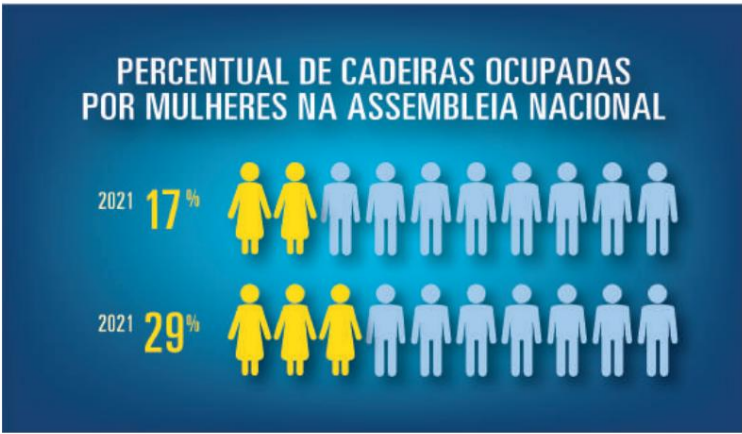
The Government has gender equality as a priority one of the central issues for inclusive development, being a precondition for achieve sustainable development. The country continues to face important challenges in achieving full gender equality, with emphasis on *women's economic autonomy*, their participation in politics and decision-making

decision, and Gender-Based Violence. In terms of policies, programs and institutional practices, despite progress, weaknesses persist in the *Transversalization of the Approach to Gender*, both at sectoral and municipal levels.

In terms of women's economic empowerment, the following are noted, in particular, obstacles:

- The lower participation of women in sectors- key economic areas (areas linked to the tourism, such as agribusiness, blue economy, green economy, creative industries go, etc.);
- The specific constraints of women them, in terms of entrepreneurship, that need to be taken into account in approaches to promoting entrepreneurship, with a focus on developing capabilities, better access conditions markets and credit, among others tros;
- Gender stereotypes that limit women's options in terms of areas of study and training, making it necessary to promote of their greater presence in technological areas, non-traditional and cutting-edge areas, capable of promoting employability;
- The strong presence of women in informal sector, advising its inclusion in the definition of policies and programs for transition to the formal sector, so that they benefit economically of the transition;
- The persistence of discrimination against gender, of various order, in the market labor, demanding measures to promote access, on an equal footing, to work, as well as in terms wages and promotion measures environments free from moral harassment and sexual, in workplaces, both in the public and private sectors;
- The overload of women with work





political structures that are not sensitive to gender;

- Demand-side barriers, such as as fewer opportunities for women with regard to the development of political capabilities and leadership, lack of co-responsibility in caring for family and home (men/women, State/families), insufficient understanding of barriers of gender and instruments to promote increased political participation of women, such as quotas, law of parity, etc.

The Special Law to combat GBV (Law 84/VII/11, of January 10) was a great gain for the country, however it implies profound changes in practices of the various internal, Justice, Health, Social Action and Education). Among the obstacles:

- The slowness of the judicial response;
- The still fragile institutionalization of victim support services, with a view to sustainability;
- Gender norms and roles that are not in line with women's sexual and reproductive rights;
- Deep roots of machismo in society city, dictating the need to promote see new forms of masculinity in the form how health and self-care, fatherhood, GBV, homophobia are viewed.

The mainstreaming of the gender approach needs consolidation, highlighting the following factors:

- Insufficient production, use and dissemination of disaggregated statistics and gender-specific indicators, especially in the economic domain (salaries/income, tourism, agriculture, informal sector);
- Gender integration, especially in the areas social groups, at first sight more prone to a gender analysis, with the need to

unpaid work, in a context of structuring of the traditional care network because only a small portion of the Cape Verdean families are in conditions of purchasing care service for support to dependents (children, disabled people, elderly people) sos);

- Difficulties in reconciling work life and familiar.

Progress in the representation of women decision-making positions are globally modest, particularly in the private sector¹² and political participation. Factors to take into account, for order of priority, include:

- An insufficient legal framework regarding the representation of women in politics and decision-making positions;
- Culture and institutional practices of structures

12) Most companies in Cape Verde are managed by men: 65% versus 35% for women, proportion decreasing to 18% in companies with organized accounting (INE, 2012, Business Census)

promote such integration across all sectors and thematic issues, including economic, competitiveness, finance issues, etc.

- Capabilities to ensure the approach of gender, still insufficient for all levels, sectoral and municipal, being a fundamental theme in the context of the process regionalization;
- Gender is still not taken into account, systematically, in mobilization efforts financing and partnerships, which requires project formulation capabilities investment with this approach.

Cape Verde has achieved important advances in terms of promoting equality and gender equity, particularly in terms of the legal framework and an institutional framework favorable to gender equality, in terms of good results obtained in the area of health and

education, as well as the production of information and analysis of quantitative and qualitative data and the installation of the Gender Observatory

of Cape Verde, which has allowed us to give a greater visibility to gender inequalities that still exist in the country, feed processes planning, and measure progress throughout of time. Gender-sensitive planning and budgeting are, on the other hand, instruments that is intended to be used to mainstream gender approach in all sectors, contributing to the more efficient use of public capabilities and resources.

To overcome the identified challenges, with special attention to eco-empowerment nomic and taking into account obstacles and opportunities identified, the following axes of intervention, during the period do PEDS:

Axes of intervention Actions and measures

131

Transversalization of the Approach of genre	Implementation of gender-sensitive budgeting, updating and monitoring the Gender Observatory as a tool of the mainstreaming process.
based violence no gender	Implementation of the comprehensive care program for victims of GBV, in the legal, psychological, medical context, protection measures (such as shelter homes, Victim Support Centers, in the assistance and security dimension).
Political participation and exercise of power	Preparation, approval and implementation of the Parity Law in political, economic and social context.
Empowerment economic (productive economy and reproductive)	Implementation of a programmatic approach that encompasses the various aspects, namely: training women and creating decent and permanent jobs, and guaranteeing access to credit; implementation of programs that allow the transition process from formal to informal, recognizing the informality as a strategy for accessing economic resources nomics; access to the labor market in an environment of no discrimination; valuing unpaid work and reconciling work and family life, with the creation of the Care, as a central axis.

Health
and sexual rights
and reproductive

Implementation of programs and measures that promote sexuality as a right, within the scope of sexual and reproductive rights, from a perspective of diversity and autonomy of the body, as well as promoting the physical autonomy of women you.

Education
and training
professional

Development and implementation of programs and measures to promote a culture of equality in education and training professional (curriculum, manuals, and teacher training), ensuring the mainstreaming of the gender approach in the sector.

4.3.8 A Culture

The Government understands that Culture is the safeguard of a people, its identity and charisma, its flag and guarantor of national unity. And, in this framework, the Government addresses culture first, as a fundamental factor in the development human and social ment, and second, recognizing as fundamental that the State assumes the role of facilitator and promoter of conditions that guarantee the development of personal, technical and environmental capabilities, aligned with issues relating to equality and equity gender and local development.

However, the path to follow, as well as the The challenges are enormous, considering the problems that the culture sector faces. Between the main weaknesses/problems stand out: low training offer at all levels (technical, professional and higher education); absence, insufficiency and outdated legal frameworks for the development of the creative sector; low availability and/or inadequacy of power lines credit; imbalance in access and distribution of cultural goods and services (at the level of gender, age group and by means of residence).

The sector presents the following challenges: forming managers and professionals for the creative sector, with a view to qualifying enterprises, assets and services; promote the sustainability of creative enterprises to strengthen their

competitiveness and the generation of jobs and income; create and adapt the existing legal framework to sector regulatory effects.

Based on the problems and challenges identified, the Government intends to incorporate a new paradigm and mentality for culture, aiming the following sectoral strategies:

1 - Expanding the cultural and artistic offer qualified: development of professional technical training for artistic sector, meeting the specific needs of local professional groups (with a strategic focus on specific niches of the

sector, young women, female heads of households, young artists), in rural, urban, and in all municipalities on the islands, in order to ensure the full inclusion of segments of the population that finds itself in a situation of social vulnerability, through professional training and qualifications, and the generation of opportunities work units.

The pursuit of this strategic objective is embodied in an integrated training program, with emphasis on the

Following:

- Training of sector agents, in the following areas: Cultures and New Technologies; small space programming cultural; Cape Verdean crafts; Tourism and professional training; focusing on em-

development, entrepreneurship and innovation;

- Training for appreciation and dissemination of historical, cultural and tourist heritage.
- The creation of instruments guiding the cultural policy: through updating, the regulation of tax incentive laws and sector regulation.
- The creation of financing mechanisms of culture: considering the need to consolidate, dynamize and develop, in a sustainable, cultural industries, ensuring facilitated access to project financing, creators and artists, with emphasis on for the following: Culture Access Grant (BA Cultura), Autonomous Fund for Culture and Creative Industries (FACIC), Project Grant financing line.

2 - The valorization of historical, cultural and tourist heritage: strategies for valuing the historical, cultural and tourist heritage, to in addition to manifesting themselves in interventions of preservation, conservation, study and transmission of values for future generations, encompass, increasingly, actions that allow us to understand and approach heritage as a product of marketing, engine of development, job creation, differentiation of territories, and promotion of regional identities and national.

Tourism, on the one hand, associated with heritage, enhances local cultures and its people, as instrument of development and, on the other hand, it constitutes an important means of attracting visitors, cultural exchanges, social insertion and generating equity of opportunities, considering tourist activity as a strategy modern way of adding value to all forms of cultural celebrations of a society.

Achieve the integrated vision of the Cultural sectors and Creative Industries, in the sense of ensure national development from the perspective of social inclusion, gender equity and reducing social inequalities, through

of the program in focus, demands strategies aligned with the Government Program and with the SDGs, aiming, firstly, to promote appreciation of heritage, through the heritage education, highlighting the establishment of partnerships and synergies with all institutions in society, whether public, private, individual or collective, with a view to democratize and expand knowledge about material and immaterial cultural heritage, the valorization of documentary collections and the universalization of access to the enjoyment of cultural assets, without any type of discrimination.

Effective strategic responses will be guided by instruments focused on continuity and in the consolidation of the general inventory of cultural, historical and tourist heritage, into instruments management of local and national potential, in archaeological parks, in redefining of museumization projects and programs, in temporary and itinerant exhibition of goods, collections and cultural and tourist assets, in the promotion of guided public visits, to memory institutions and their respective collections, and in continuous projects of dissemination, awareness, animation culture and cultural exchanges. Support programs official educational action, formal and non-formal, as well as as tourism programs will deserve integrated interventions from all cultural sectors.

4.3.9 Sport

Sport plays an extremely important role importance, as a regulatory and social balance of Cape Verdeans. From this perspective, Sport is considered as a factor of development, framed in its nature of transversality and interaction with the education, health and well-being of populations, tourism and the international projection of Cape Verde, the sports industry and the export of talents, as well as its important role as a social inclusion mechanism and civic participation of young people.

The Government will value national sport, re-defining its development model, in order to promote recognition and elevation of its importance, in the national context.

To this end, a medium and long term, with the ambition of building a **Integrated and integrated Cape Verdean Sports System** competitive, through medium and long-term, with priorities, objectives, goals and modalities, accompanied by the allocation of financial resources, will be defined by the Government for the period 2017-2021.

It is understood by the National Sports System, a set of laws, rules and regulations, the management, infrastructures, families, the Government Central and Local, sports agents, managers, technicians, associations, associative managers, local authorities, and the education, basic and higher.

The National Sports System must be trained in a school of values and citizenship, in the formation of a Cape Verdean with new attitudes and behaviors towards the country and in the its relationship with the World and a factor of development, and privileged instrument to project Cape Verde's international image. In this context, strong cooperation with the Olympic and Paralympic Committees must be developed and consolidated.

The National Sports System, as a framework for the development of Sport, can contribute, in a transversal and direct way, to the formulation of new complementary public policies, in line with other social and economic sectors to enhance new capabilities and quality in the training of young residents and the diaspora, in

line with their legitimate aspirations and ambitions to reach global heights.

All strategic actions will be aligned with the Strategic Plans of the COC and the COPAC, as important partners of the

ted, and must be subject to monitoring and permanent evaluation, within the normal and effective functioning of the National Council of Sport and carried out, within the framework of a close partnership and consultation, and guidelines clear and objective, in terms of the main instruments for promoting sport, namely in the areas of legislation, training, financing mechanisms and infrastructure sports food.

Within this framework, the Government will pursue the following objectives:

- Design a new cycle of Cape Sports – -verdiano, reinforcing its role and national importance, within the framework of partnerships with all public and private institutions.
- Build a partnership between powers public and sports agents, in a logic of complementarity and respect towards autonomy and levels of inter-victory of each one.
- Boost School Sports, Training in Clubs and Talent Development- through the Sports Excellence Program and the creation of Specialized Sports Centers.
- Promote the creation of institutional conditions for training sports agents and their respective institutions.
- Promote and strongly support sport female, in all modalities, in a gender promotion perspective.
- Review sports legislation and introduce new legislation that protects, on the one hand, Cape Verdean clubs, in the transfer of athletes, trained by them, for clubs foreigners and, on the other, encourage highly competitive Cape Verdean athletes.
- Create a fund to support and encourage startups tion and sports training and protect everyone sporting rights.
- Adapt and reformat the Institutional Framework and Legal, after institutional assessment, in terms of governmental structure and

alternative institutional relationship between public authorities and sports agents, among them, the feasibility of creation of a Sports Institute.

- Strengthen the decentralization of powers to Municipal Councils, due to the important role they already play in the development of sport, especially

at the level of infrastructure and direct support to clubs.

- Promote the qualification and training of Sports Institutions.
- Strengthen the training and qualifications of Federations and Sports Associations.
- Design a «House of Federations», which may include the use of existing spaces in the National Stadium and which will serve, at the same time, for better use and profitability of this important infrastructure, around which a “Sports Campus” could be built.
- Promote the appreciation of Sports Agents, by granting sports managers, coaches and athletes a

status consistent with the important role that they play in the development of national sport.

- Create a legal framework to enable the professionalization of Presidents or senior managers of some sports federations, within a contractual framework of sporting results and clear rules and transparent.
- Debureaucratize processes, within the scope of Patronage Law, whether through standardization and exploitation of the rights to the “Tubarões” brand Blues.”
- Invest in the training of national technicians nationals and all those who dedicate themselves to sports practice, through better taking advantage of international cooperation and Physical Education Teachers, in a logic that “The development of sport is measured by the investment made in people”.
- Support Training and Initiation Schools

Sports, through a rigorous certification process and accreditation of the respective monitors, with the aim of creating a “professional card”.

- Invest in sports training and initiation vas, anchored in School Sports, with the reformatting of the curricular activities of the mentioned discipline, with the introduction of new modalities, such as swimming, and the its mandatory extension to Basic Education sico.
- Work with Higher Education Institutions to promote sport and university competitions.
- Promote targeted public policies for water sports, aligned with the tourism development, promotion of the country and the sustainable preservation of the environment, particularly our beaches.
- Incorporate the Diaspora in development of National Sports, valuing our vocation of country of emigration

4.4 Objective 4: Strengthen sovereignty, valuing the democracy and guiding diplomacy for the challenges of country development

4.4.1 A Democracy

Cape Verde's democratic path has become reference and central element of credibility from the country. The realization of the constitutional regime of mitigated parliamentarism created the foundations of the state of Democratic Law, instituted and cultivated fundamental freedoms, allowed structural reforms and the implementation of the private-based market economy. Allowed the real separation of powers with the creation of a independent judicial power that effectively monitors compliance with laws and guarantees respect for individual rights and freedoms legally enshrined. Consecrated a community



free and plural social communication and provided the emergence, development and consolidation of the private press, which coexists alongside the public, present in the audiovisual sectors. It also allowed the emergence of a local power legitimized by direct and secret voting which is, by excellence, an irreplaceable space for sharing and balance of powers, accountability of political parties, promoting local leaders, valuing the people's vote.

The current constitutional regime has also proven by the emergence of an efficient and independent electoral system, which provided, in these 26 years, regular and periodic carrying out of several municipal and presidential legislative elections, in which alternations occurred that cemented the confidence of Cape Verdeans in instruments of democracy and reinforced Cape Verde's image in the world.

However, the increase in abstention may indicate some exhaustion, if not a growth crisis, of the classic exercise mechanisms

of power, especially representation. In this context, sovereign bodies assume carry out, during the PEDS period, profound reforms aimed at creating investigative mechanisms scientific dissemination and international promotion of Cape Verdean democracy and, in particular, its good practices.

A second reform of the Cape Verde parliament diano will be implemented, during the PEDS period, and, in this context, priority will be given to the qualification of

democracy, by consolidating the function of parliamentary oversight and control, by bringing Parliament closer to the citizen, by improving the rights of the democratic opposition, by legislative transparency,

for parliamentary ethics and decorum.

In addition to the intensification of parliamentary work, which will provide more space for democratic opposition and other parliamentary subjects, will be

all functionalities were developed and open-parliament was promoted, within the scope of the open-government to which Cape Verde adhered.

The role of Specialized Committees will be reinforced, whose work may be public and transmitted by social media, with the promotion and implementation of direct legislative initiative mechanisms by groups of citizens, of petition, but also of the referendum.

The reforms to be undertaken will also deepen respect for the rights of the opposition, at a political level, in general and at a parliamentary level, particularly regarding oversight instruments of governmental action, valuing the Commissions Parliamentary Inquiry, the potestative right of minorities in parliamentary hearings and creating the conditions, through constitutional review, so that a Parliamentary Group can

be made up of a minimum of three Deputies, instead of five, as currently in force.

Research and training will be promoted policies, as well as assessing the impact of legislative and parliamentary oversight measures, but also the dissemination of good practices of Cape Verdean democracy, namely through international conferences final on democracy and development and specialized training in the field of science policy, combined with Cape Verdean practice.

Consolidating democracy effectively presupposes ensuring the irreversibility of gains,

from the electoral process to the exercise of the power of representation. Therefore, within the scope of this PEDS, the revision of the Code will be promoted election, after a broad debate, covering emerging themes such as the circle system electoral processes, the number of deputies and local elected officials, the system of incompatibilities, the computerization of the electoral process, from registration to voting and prior inspection, the organization and reinforcement of the independence of the electoral administration and the electoral justice system, to ensure the material truth of

election results.

To consolidate democracy, a review of the Constitution of the

Republic, particularly in aspects relating to fiscal control, public accounts and organization of the State, enshrining regionalization among other aspects.

It will also be promoted, within the scope of PEDS, actions aimed, in particular, at promoting freedom, independence, objectivity and social and political pluralism of content and the independence of journalists in Communication Public social.

Political and party participation being intense of citizens, it is necessary to recognize the risks of partiality in the actions of public administration agents, which must be guided by the practice of public service, discarding the defense of any interest outside the purposes pursued by law or any form of discrimination and favoritism.

Within this framework, the Government will endeavor, in scope of the PEDS, in creating conditions for separation between the exercise of party positions and in public administration. Democracy presupposes the primacy of the law, as a reference greater for everyone, so the Government promotes will see the implementation of a broad regime of incompatibilities for political office holders and senior public positions, aiming to ensure that

decision-makers act motivated by interests protected by law, combating the mechanisms that they discredit public administration and can deconstruct legitimacy. The reforms to undertake will promote a clear separation between the State and the Party and non-partisanship of Public Administration, through the focus of State agents in public service and public administration in providing a quality service to citizens, organizations and to companies, oriented to serve, facilitate and regulate the self-organization of individuals and groups, in economic and social terms, for the development and personal prosperity of all the Cape Verdeans. In order to consolidate the democracy, the Government will promote, within the scope of the PEDS, the conditions for us to have public institutions, directed and led by people with a high ethical sense, entrepreneurs, technically well prepared in the fields of knowledge and technology, but

also, which guarantee neutrality and impartiality of the institutions and administration of the State in relation to the preferences, sympathies or political or partisan militancy of citizens.

The new framework of relationships between power central and local, the modernization of administration municipal level and capacity building at local government will provide local government with more resources, greater capacity to respond to social demand and meeting the basic needs of citizens, the decentralization of Municipal Councils to community organizations and, therefore, This way, the credibility and consolidation of democracy. Furthermore, regionalization will more powers, more resources and better responses to the proximity of citizens, contributing also to materialize the value of democracy and the respective institutions.

4.4.2 The Culture of Peace, Rights and Justice

Social peace is one of the most important conditions for ensuring an environment of growth. ment of the economy and development



sustained, based on predictability and the existence and compliance with clear and objective rules of social relationships. Social peace is inseparable from speedy justice and legal security, not compatible with the current situation of slowness of justice.

They are determinants of justice problems, the weakness of political dialogue resulting from high level and scrutiny from civil society, the insufficient legal information of Cape Verdean society, the relative inadequacy of the system legal assistance and even organic judiciary, the weak specialization of the different branches of justice, the relative delay in penetration information and communication technologies, but also, admittedly, the insufficiency of Judges, aggravated by their dedication to court administration tasks, the poor access of Magistrates to information specialist, the need to reform the procedures to speed up the procedural process and also the processes, the lack of effective and consequential demands on the performance of Magistrates, the recognized inadequacy of the sentence execution system and the non-recognition and non-adoption and application of mediation and voluntary arbitration.

It is on these determinants that the Government of Cape Verde will act, prioritizing:

1. Combating slowness in judicial decisions further, promoting mechanisms to bring justice at the center of policy debate public events in which the debate about the state of

justice has consequences and parliament monitors justice in a permanent.

2. Promote broad and effective legal information, relevant to citizens, through the school system, of social communication, especially the public service, social networks, universities and other institutions vocations.

3. Reform the assistance system

judiciary, in order to ensure, with timeliness, effectiveness and quality, free legal sponsorship and exemption or

reduction of preparation and costs for those who do not have the resources to cover the costs corresponding

4. Adapt the judicial structure to the needs data already felt and envisaged in the medium term, taking the courts to an infra-municipal level, facilitating effective justice, faster and closer to people, fairer and more equitable and with the involvement of the community itself, through institution and the gradual, but effective, implementation of bodies for the rapid resolution of small conflicts and the sanctioning of incivilities and administrative offenses.
5. Specialization of the different branches of justice title, namely: commercial justice and economic, aiming at greater speed and opportunity for the effective resolution of disputes gios, between or with companies, in the districts greater procedural movement; of justice administrative/fiscal, with a view to greater speed and opportunity in the effective resolution of disputes, within the scope of relations between citizens and companies with the administration, in the busiest districts, but also, bring tax justice closer to taxpayers and facilitate access to it of individual taxpayers; of executive justice in the busiest districts, in order to speed up the executive process, aware of its impact on the economy and society. ciety.

6. Promote Information Technologies and Communication within the scope of justice, contributing to greater speed in procedural processing with the operation of the system computerized criminal procedure (SIPP) and of the computerized civil process system (SIPC); Interconnect, on the same platform IT, Courts, Public Prosecutor's Office, Lawyers and Registries, Notary and Civil Identification, in all parts of the country.
7. Devote special attention to training employees Courts and the Ministry, by strengthening the human resources, implementing and enforcing the rule of effective merit, proven in a public competition, for the entry and access to all careers magistrates; Increase, progressively te, the number of Judges and prosecutors, so that this number approaches, increasingly, from an average ratio of 20 Magistrates per 100,000 inhabitants; increase, proportionally, the body of Justice officers, supporting the activity of Magistrates; establish models of recruitment that allow scrutinizing, beyond academic training, factors psychological and personality factors, susceptible to influence, affect or condition the demanding, socially pedagogical and really independent of its function; ensure the training, qualification and specialization of Magistrates and Police Officers Justice, within the scope of a national program of regular and permanent training of Magistrates and Court Officials. Promote and stimulate training initiatives specialization of Magistrates in areas that satisfy the needs of the system judiciary.
8. The full functioning of the justice is, in this context, broadly guaranteeing to Magistrates, easy access to sources legislative and specialized information; confer upon the Magistrates, within a framework of reasonableness and balance, material conditions for effective independence; to guarantee

- the functioning of all departments of the Attorney General's Office, provided for in its organic Law; effectively constitute the pool of Judges to respond the accumulation of processes; provide the Courts with greater movement, with administrators, freeing the Magistrates to jurisdictional function, which falls exclusively to them; ensure financial autonomy of the Judiciary, reforming the system of General Vault of Justice, placing it under the jurisdiction and joint administration of Superior Councils of Judiciary and of the independent administrative authority of Records, Notary and Identification, the institute.
9. Adopt procedures that speed up the procedural process, with speedy judicial procedures and priority for defense rapid and timely access to rights, freedoms and fundamental guarantees for individuals, especially vis-a-vis the State and Public Administration; with procedures and more flexible solutions for resolving criminal cases, already tested in other latitudes, such as, for example, the possibility of accusation by senior police officers criminal with legal training, subject to complaint to the Public Prosecutor's Office, or transaction on the penalty, even in the case of more serious crimes and, even though, at the beginning of the instruction subject to judicial approval, restricting the secrecy of justice for the defendant, in order to reinforce his right to defense and to allow you to make an informed decision within the scope of the transaction.
 10. Reform processes, namely the common civil procedure, imposing the obligation of an initial judicial investigation of conciliation, encouraging it and, when not possible, shortening and facilitating the arrival of the procedure to the judgment phase, namely, simplifying procedures, eliminating much of the current preparatory hearing phase and all acts without special relevance in the fair

composition of disputes, and, on the other hand, favoring decisions on the merits that give material solution to disputes, to the detriment of purely formal decisions, when formal principles of guarantee of fair and equitable process, such as the contradictory and public hearing, or other fundamental rights. Reform special processes relating to leasing, inventory and bankruptcies, aiming to its simplification and acceleration. Institute a special commercial process marked by urgency, speed and simplicity; Reform the executive civil process, so as to ensure rapid processing, aimed at effective payment in the short term, especially when there is no opposition to the

credit given in execution, as well as in order to remove privileges granted to the State, which penalize the defendant and are contrary to the principles of fair and equitable, as well as allowing the extinction execution, at the request of the creditor, by supervening impossibility of the dispute, when no seizable assets are found. Reform administrative justice, namely, in cases that ensure effective judicial protection of the protected rights and interests of individuals vis-à-vis the Administration and the legality of its action, in accordance with article 245 e) and f) of the Constitution; Re-form labor justice, in the sense of a greater equity and effectiveness. To establish by law and enforce productivity criteria for Magistrates and Court Officials, with quantitative goals. Establish by law and apply opportunity criteria in the processing and decision of legal cases authorities and the Public Prosecutor's Office.

11. Promote the performance of Magistrates and Justice Officers and high levels of productivity, getting it up and running quickly and effectively, as independent services, Judicial and Public Prosecution inspections, in the manner in which they are understood.

against established. Holding magistrates and police officers accountable in disciplinary terms Justice for unjustified procedural inactivity. Encourage, in terms of career and training, the Magistrates and Court Officials who prove to be more productive, according to parameters established by law, upon proposal from the Government and the judiciary; on the other hand, also penalize in terms of career, those who reveal lower productivity.

12. Reform the sentence execution system, creating a sentence execution court, nationwide and provide it with mechanisms and resources that allow the monitoring of execution, in all phases (with emphasis on situations of freedom parole and resocialization of delinquents, especially young people). Create conditions for the institution and application of a wide range of alternative sentences to imprisonment in correctional establishment, such as prison home, with or without an electronic bracelet, weekend prison and working favor of the community. Place the resocialization and reinsertion of inmates into the center of the sentence execution system.
13. Promote mediation and arbitration voluntary, as alternative mechanisms of dispute resolution, within the scope of relations administrative and defense of interests and spindles, institutionalize these mechanisms, imposing on the State the initiative to propose to the counterparty the use of such mechanisms, as the first option in resolving disputes and, when the initiative comes from the counterpart, participate interestedly not arbitration procedure but also encourage the institutionalization of such mechanisms by other public entities.

4.4.3 Security

Consubstantiating itself as one of the most elementary substrates of the construction of societies democratic values, Security is,

definitely, an unquestionable factor of Development and a strategic political, social and economic asset.

It constitutes a real and legitimate priority of Cape Verdean society, towards which the Government is committed to working hard

and actively, in favor of maintaining a safe State, in order to promote and guarantee the security of resident citizens and to increase Cape Verde as a country so much more attractive and safe for tourism, as the main axis of economic activity.

Recognizing its existence and its impact potential, prevention and repression of risks and external threats, such as terrorism and international organized crime, demand the reinforcement of international cooperation and, therefore, way, they imply active and convinced participation

of Cape Verde in the management of regional conflicts, as well as in the fight against trans-national level, namely through the identification, mobilization, organization and provision of resources with effective deterrent potential. In this context, strengthening of alliances for security, within the framework of the deepening the strategic partnership with European Union and cooperative security with the USA, will continue to be privileged.

Specifically, with regard to the promotion of internal security, within the PEDS horizon, the Government of Cape Verde assumes the goal of reducing criminal occurrences by at least 40% and recognizes the need to overcome the dimension strictly police and the merely reactive and repressive logic that has guided the fight against crime in Cape Verde and, therefore, therefore, affirms the imperative of developing

"a framework of intervention measures, of an immediate nature and extended over time, that can affect, not only in criminal phenomena that affect the country, but in its most "found causes."

In this follow-up, we saw the adoption of the National Security Program ternity and Citizenship (PNSIC) – initiative agonal which, assuming that that violence and crime are broad, multidimensional and complex, enshrines an approach structured, coherent and multisectoral concerted that I can try to be more efficient and effective in the contexts i) of violence prevention and containment of the crime, ii) the exercise of authority and strengthening citizenship and, also, iii) the improving cohesion and coexistence social.

Articulating the dimensions of Security, Development and Citizenship, the PNSIC implements a policy



integrated public service that frames the national strategy for local promotion of Citizen Security assumed by the Government, to be developed with base and from the citizen and the specific realities in which they are inserted and/or move ask.

Due to the scope of the issues it addresses and due to the correlation of factors that it proposes to establish, the PNSIC constitutes a program of the Strategic Plan for Sustainable Development and, therefore, asserts itself as a lever for effective integration and

harmonization of different sectoral policies that contribute to better functioning efficient and articulated social, police and jurisdiction, with a view to more optimized management of available resources and to a more articulated and fruitful maximization of the different results and impacts achieved.

Thus, they will contribute to the good execution of the PNSIC and the objectives recommended by it, a wide myriad of programs, projects and sectoral actions that integrate the most different areas of governance: from Education to Ordinance ment of Territory, Family and Social Inclusion to Economy and Employment, from Culture and Sport to Internal Administration and Justice, from Health to Environment.

Within the scope of PNSIC, and complementing the strong socioeconomic component that the Program concludes, the challenge of restructuring and training security forces is seen as a of the fundamental vectors of intervention, which should materialize, namely:

- The. in stabilizing the legal-institutional architecture sector, embodied i) in the dynamization of a legislative agenda that understand the review of structuring laws and respective complementary diplomas and ii) in the creation and/or organic restructuring of the different entities and structures that make up the institutional framework: Cabinet of National Security, National Police,

Judiciary Police, Municipal Police, National Civil Protection Service and Firefighters and Armed Forces;

- B. in consolidating the management strategy of human resources, particularly through the improvement of processes recruitment and selection of new agents, strengthening initial and ongoing training programs, as well as deepening measures that contribute for the professional valorization and dignification and for the improvement of communication internal;
- w. in strengthening the installed capacities of police and criminal response and reaction, which will *itself* be the result of the implementation of a vast set of programs and emblematic projects such as example:
 - i. those of "Strengthening Airport and Border Security" and "Strengthening Document Security",
 - ii. the "Integrated Urban Security Project", which comprises the execution of the "Safe City" and "Número Único" projects National Emergency Communication – 112",
 - iii. the operationalization of the Integrated Model of Proximity Policing,
 - iv. promoting the security of tourist areas, with the aim of reinforcing Cape Verde's competitiveness as a destination safe tourism and, therefore, continue to increase the number of visitors and tourist revenue.

4.4.4 Defense of the Territory

Community defense has become a function very specialized, largely assumed by the State. However, it does not exempt the contribution of citizens and other agents not state-owned companies, with the Government being responsible for implementing sector policy and control of the materialization of measures aimed at ensuring the execution of this function.

In this regard, the concept of national defense is so comprehensive that in the Constitution of the Republic, it is presented as: *"(...) the disposition, integration and coordinated action of all energies and forces of the Nation, in the face of any form of threat or aggression, with the aim of permanently guarantee the unity, sovereignty, territorial integrity and independence of Cape Verde, the freedom and security of its population as well as the cons-democratically established institutional framework.*

Along these lines, the Government Program establishes the theme *"Defense - Ensuring national defense in a broader concept of territory, the commitments of the current executive in terms of defense, assuming for this purpose the fundamental and constitutional principles mentioned above and highlights that the territorial space whose sovereignty, unity and integrity must be ensured, it is, in its largest part, constituted by our Zone Exclusive Economy and the air space to it underlying".*

Furthermore, it becomes clear that the location geostrategic structure of the country appears as a capital to be valued, resulting in the need to protect the country's economic interests, especially at sea, and security.

On the one hand, this situation results in the need to reevaluate, redefine and better adapt the role of the Armed Forces, taking into consideration its current situation, Cape Verde's development prospects proclaimed in the Program and, finally, the international context, where, in In terms of security, the challenges and threats take on worrying contours and are becoming less and less predictable, jeopardizing the stability, security and progress of countries and, consequently, the well-being of their populations.

In this particular and despite the constant changes in the evolution of the international strategic context and its consequences, particularly in our sub-region, it is possible to highlight

identify some factors that influence the situation and which are duly defined in the Strategic Concept for Defense and National Security, approved in 2011.

In view of each of the identified threats, in the under the PEDS, the Government will develop actions that aim to nullify or mitigate its effects, Below is indicated:

- Aggression - guarantee the functionality of the systems vital national security issues.
- Drug, weapons and human trafficking and organized crime - give priority to inspection, detection and tracking actions trafficking in drugs, small arms and light weapons, and people and immigration clandestine in maritime and air spaces under national jurisdiction, and guarantee the participation of the Armed Forces in prevention and inspection actions of the activities of drug trafficking and crime networks related, in collaboration with the authorities competent.
- Terrorism - develop all measures political, diplomatic, economic, financial and judicial that help in combating it, commit to strengthening the sharing of information of a strategic and operational nature and in providing prevention and defense against their vectors, improve the civil emergency planning and foresee a crisis management system, in order to allow sovereign bodies to mobilize reserves and the institutions necessary to face the consequences of terrorism.
- Maritime piracy and illicit activities at sea - prevent and make every effort to combat illegal activities, throughout their coasts and in the sub-region, through the development of Coast Guard capabilities and partnerships with friendly countries, along with greater engagement of the country relatively to the various initiatives to promote co-operation and security in the Atlantic Ocean.
- Catastrophes and calamities - develop civil protection pacts.

- Proliferation of nuclear and other weapons weapons of mass destruction - support the international efforts to respond adequate, particularly in terms of monitoring the production and proliferation of these weapons, as well as providing means for information to the population, for civil protection and for the development of capabilities defense, in this matter, with the help of the international community.

On the other hand, the focus on promoting the insertion of Cape Verde into collective systems of defense, at a sub-regional, regional or international level, seems to be unavoidable, aware that the challenges and threats mentioned are trans-national, not knowing or respecting any borders, so any solution will always involve synergy between States, particularly those targeted.

In addition to all this, it will be of capital importance to promote a culture of national defense in Cape Verdean society, aiming at

their commitment and engagement in these issues, which can only constitute an added value and be consequential, if it is conscious and active, result of knowledge of objectives of the sector and the assumption of the citizen's duties and responsibilities towards the collective.

Therefore, strategic objectives of the Government are ver for the PEDS period:

- Include, within the scope of education programs for citizenship, the promotion of the culture of national festivity and the promotion of the Armed Forces as a republican institution and bribed given to legitimate sovereign bodies.
- Promote, among Cape Verdean society, diana, the Armed Forces as an institution foundation of the democratic rule of law cratic and reference organization, disciplined, effective and efficient.
- Reevaluate and, if necessary, review the service mandatory military, in its content, are and comprehensive.

- Reevaluate and, if necessary, revise the Concept National Defense Strategic focusing the mission of the Armed Forces in:
 - Preparation for prevention and mitigating reaction fight against possible external threats or attacks from terrorist groups.
 - Surveillance, inspection and defense of space national maritime, namely in the which refers to the use of archipelagic waters, the territorial sea and the ecological zone. exclusive nomic.
 - Search and rescue operations.
 - Collaboration with law enforcement authorities and other components in protecting the environment and marine archaeological heritage, in prevention and repression maritime pollution, trafficking and other forms of organized crime and, as well, in situations of replacement of public order that require exceptional means and exceed the intervention capacity of the police authorities.
 - Participation in the civil protection system.
 - Collaboration on tasks related to meeting needs and improving the living conditions of the populations.
 - Defense of the constitutional order and institutions democratic tutions.
- Adapt defense force devices, organizing them around a unit of Marines, an engineering unit military and a paramilitary national guard, and equipped with access to maritime and air resources prisoners.
- Promote the insertion of Cape Verde in sub-regional, regional and international defense and security systems, ensuring a broad political and social consensus, admitting referendums in specific cases.
- Reevaluate the relevance of the existence and composition of the Military Court of Instance.

4.4.5 Foreign Policy, Mobilization of Strategic Partnerships and the Diaspora

The emerging new order of internal changes

national is the bearer of benefits capable of exploitation and appropriation. Cape Verde must prepare to absorb the immense opportunities that existing global networks provide, particularly in crucial areas such as

tourism, the environment, the production and development of knowledge, technologies, international trade, telecommunications,

financial services, energy and transport.

Cape Verde must reinforce and consolidate its place as a credible and respectable country, based in seriousness and conviction, in light of the principles and objectives that inform national designs.

We aim to participate in the global economy, for the production of tradable goods and services, in the areas of tourism, the sea economy,

air transport, financial services

and diverse specialized services, supported

by a strong commitment to innovation and

knowledge. Our bet tends to insert

Cape Verde in dynamic economic spaces,

that allow the country to attract investments and access to markets, technology, knowledge and security, and should allow for

accelerating the

economic growth, export, reduce

external vulnerabilities and ensure the sustainability tempting.

To this end, we will continue to invest in education

tion and institutional and infrastructure reforms

to improve competitiveness and reduce

context costs and improve the environment

business. Cape Verde's foreign policy is based on the assumption that the country has favorable conditions for a good insertion in

dynamic economic spaces, namely through the valorization of our location,

stability and low political, health risks

and insurance, positioning itself as a platform

form of economic circulation in the Atlantic

Medium and a credible ally for co-operative security.

We aim to make Cape Verde a country with

relevance in the Mid-Atlantic, in eco-

economics, security and diplomacy for

peace and promotion of freedom and democracy

and thus ensure accelerated development,

self-sustaining and sustainable. In eco-

nomics, position Cape Verde as a circulation platform in the Mid-Atlantic in the

tourism, air transport (international passenger and cargo distribution logistics),

in port operations (supply logistics)

ments of ships in the international fleet and

transshipment, international bunkering), in financial and investment operations (square

finance), in the location of companies and business development

(International Center for

Business), in the Digital and Nano-technological Economy (Digital

and Innovation platform) and in

attracting investments, skills and developing diaspora markets.

In terms of security, Cape Verde will promote a positive insertion

in collective and cooperative security systems. The nature

transnational crime and the physical reality

physical and geographic nature of the country require a policy

that prioritizes alliances and partnerships, always with the objective

of keeping the country on the path

of peace and social cohesion and as a useful subject,

reliable and participative in the configuration of a

climate of international stability and security.

Have a relevant presence in international and regional

organizations, attracting events, insertion in international and

regional networks of

knowledge, science, technology, environment is

part of this concept for foreign policy, with diplomacy increasing

the notoriety of the

country, valuing prestige capital, trust and international credibility,

with our

diaspora at the forefront.

Cape Verde's foreign policy should, with the

United Nations System, promote the path towards the Development Goals

Sustainable. Within the framework of the African Union and the

ECOWAS, invest in participation, regularly and at the highest level,

in the

struction of regional solutions that provide a greater economic integration and regional security, safeguarding the country's specificities and maximizing our comparative advantages and competitiveness of the only ECOWAS island country which must have specific treatment, that is, have special status for Cape Verde in ECOWAS. Cape Verde defends effective institutional reform of ECOWAS, as an organization and a leadership that promotes an institutional environment national and economic environment favorable to inclusive growth of the Community's economies, driven by the insertion of these economies into the World Economic System, making ECOWAS

an Economic Community open to the world trade, investment, knowledge, of science and technology. The market for ECOWAS is an opportunity for companies Cape Verdean countries, but, globally, an opportunity for Cape Verde to play a role economic and financial intermediation asset from the rest of the world with West Africa.

146 Cape Verde is a country whose tourism relations, investments, trade, technology and diaspora are strongly linked to countries in the European Union and the latter is the developed economic, technological and scientific space closest to Cape Verde, in terms of location and intensity of economic relations. The strategic partnership with the EU, based on fixed parity of the escudo against the euro and privileged bilateral relations with several countries Europeans, in terms of development cooperation, should reach new heights, as we aim to achieve «quasi-economic integration» in the Euro zone, anchoring

Cape Verde, as a small economy, at a dynamic economic zone. We aim to re-force relations with the OECD, with a view to integration into this organization, but also the bilateral level and will deserve special attention, in the framework of development cooperation policy, the countries with which Cape Verde has indicative or strategic programs for cooperation, such as Luxembourg and Portugal,

this without prejudice to traditional partners, and that houses important cabo communities -verdians, such as France, the Netherlands and Spain, and emerging partners such as Hungary, the Czech Republic, Estonia.

Portugal is a privileged partner of Cabo Green for the ties of history and relationships of shared coexistence between people, namely through emigrated Cape Verdean communities who live and work in

Portugal. Cape Verdean foreign policy must cultivate this special relationship, at the level of institutional, economic and cultural co-operation, to level of relations with the European Union, with the Macaronesia and the Outermost Regions of Europe and in terms of attracting investments private.

Cape Verde is a nation with secondary relations homes with the United States of America, where the largest Cape Verdean community in diaspora. The mobilization of skills, the influence of the diaspora in favor of Cape Verde, attracting investment, tourism, knowledge ment and technology are priorities. The cooperative tion with the United States of America should also focus on defending national interests. strategic and common, namely, alliances for Security, aiming to reduce Cape Verde's vulnerabilities (drug trafficking, soas, cybercrime, financial crimes and taxes, terrorism), reinforce the country's usefulness in cooperative security and protecting the country's economy (surveillance and inspection of the ZEE).

Export to the USA, under the initiative AGOA and political dialogue with states that are home to the largest Cape Verdean communities in the USA, such as Massachusetts and Rhode Island and other States where interest in Cape Verde can be developed will be the focus of a active diplomacy that involves political actors, business organizations, universities and groups of influence. Economic and business cooperation at state level should be oriented towards

attract tourists, investors and greater knowledge and notoriety of Cape Verde.

Cape Verde has long-standing relations with the People's Republic of China, based on stability, predictability and respect for the principle of one China and we intend to play a relevant role in the one lane, one route to Africa, in line with Cabo's positioning Verde as an inter-national reference platform for the provision of specialized goods and services with high added value in Africa,

through the attraction and diversification of Chinese investment. The Forum for Trade Cooperation between China and Chinese-Speaking Countries Portuguese for attracting Chinese investment, but especially the implementation of the Special Economic Zone program

Marítima de São Vicente (ZEEEM), as a cutting-edge initiative in cooperation relations e of investments between Cape Verde and the People's Republic of China são prime priorities ra line.

As an island country, Cape Verde is part of the group of Small Island Developing States (SIDS) that share the same

threats and challenges to achieve development sustainable development, in environments of strong economic and environmental vulnerability. The state of Cape Verde will make its active contribution to the legitimization of real differentiated treatment of SIDS, in terms of financing the development, trade and debt, namely particularly, with regard to Middle Income Countries along the lines of the "Samoa Pathway".

We aim, with our action, to contribute so that the CPLP (Community of Portuguese Speaking Countries) is a space for the free movement of people, investments and trade,

complementing integration spaces economic situation to which the various CPLP countries belong. The free movement of Citizens of the Community, the enhancement of the economic value of the Portuguese language, from a perspective

strategic, with expansion intention

long-term, the development of CPLP

as a space of shared values of freedom, respect for human rights, the primacy of law and social cohesion and an agenda

for trade and investment, based on

conditions of stability and confidence in institutional, economic and business relationships

and in commercial agreements and advantages, as well as as greater penetration of the Portuguese language

in other countries, through dynamics that

boost greater notoriety, cultural discoveries and economic and business relations, are placed at the top of the priority list.

We aim to streamline production processes

attracting investment, knowledge and

technology, involving governments, universities, professional orders and companies,

but also stability, predictability,

legal security and compliance with contracts in institutional and business relationships,

as basic conditions for sustaining economic and business relations.

Macaronesia shares, with the outermost regions of the European Union and Macaronesia,

a vast set of historical and

geographical areas, marked by insularity, peripherality, small size and location in the

Middle Atlantic. We envisage a Macaronesia that is an area of peace, security and development in the Atlantic

Medium, of knowledge, with a development

ment of high scientific and technological intensity

logic articulating the academic and

research and the business sector, leveraging trade and investment between the archipelagos.

Cape Verdean communities living in

exterior are an extension of the islands, from the point of identity, cultural, economic and knowledge

cement and represent a significant potential

of financing for the country, in its effort to

development, and a potential market, of

relative importance.

At the economic level, in addition to of the important contribution of remittances to the Balance of Payments balance, policies public policies to promote and attract ethnic tourism, direct investment by emigrants in business initiatives and financial products specifically created and aimed at citizens Cape Verdeans residing abroad and to ethnic communities of origin, including titles differentiated finances.

It is also a priority for the Government to successful elites, represented by Cape Verdeans from different generations and different professions (politicians, academics, scientists, businesspeople, sportsmen, artists, etc.) who must be

motivated and interested to influence positively the image and notoriety of Cape Verde in the countries where they live and work and to visit the islands. We also envisage the use of cable skills -Verdians residing abroad, in areas and domains that can support development of the country, as specialists in senior management, medicine, engineering, ICT, university teaching.

The Jewish presence in Cape Verde is ancient and, Even today, there are traces of this cultural matrix in several islands in the country. It is in the country's interest to strengthen political-diplomatic and economic relations. nomics with Israel.

Brazil is at the confluence of positioning of Cape Verde, as a circulation platform in the Middle Atlantic, particularly in the air and sea transport. Brazil integrates to Mercosur. In this context, relations with the Brazil should evolve to a strategic level, based on the perspectives and opportunities

market data that the positioning of Cape Verde, between the Americas, Africa and Europe, can contribute.

- Operationality of the Foreign Ca-
bo Green

In this cycle, our diplomacy must carry out, in extensive and creative way to foreign policy, in absolute consonance with the program and vision government strategy, from a global perspective, crossed and integrated. It owes our diplomacy dare to go beyond the real and natural limits of country, with a view to achieving gains that substantiate a new start and a new ambition, in a world where there are strong threats, but important opportunities that globalization provides, at the level of the economy, knowledge, science, technology, mobility, particularly for a small country with the characteristics and specificities of Cape Verde. A small country, which positions itself global, can only gain from globalization.

To this end, the Government of Cape Verde will guarantee the ongoing training of diplomats and the promoting its specialization in priority areas such as economy, security and the environment. Along this path, the (re)dimensioning and modernization of the diplomatic coverage network is redirected towards strategic objectives and government operations.

A common agenda between the Ministry of Foreign Affairs and the Ministry of Economy, especially with Cabo Verde TradeInvest, will be defined, and regularly revisited, to enable structured information sharing relevant to economic diplomacy.



5.

OPERACIONALIZAÇÃO DO PEDS

5.1 The Rationale and the Framework

PEDS logic

PEDS will be implemented through a programmatic approach, where programs sectoral and transversal, were designed to the achievement of the recommended objectives, within the 2017-2021 time horizon. The achievement of these objectives will contribute to the materialization of the Government's VISION for the future from Cape Verde.



In the PEDS matrix, the programs identified are grouped into pillars (Economic, Social and Sovereignty), to achieve the objectives prescribed. The sectoral programs are distributed by the pillars, according to their nature and location. zed in the matrix, according to the objectives for the which contribute. Two questions guided the definition of programs:

1. The first issue was the identification and de-
defining the "what" and "how" of ensuring the sustainable economic growth in
strategic areas and the way in which
of this growth would be shared
of the;
2. The second issue was the identification and de-

definition of specific programs for
complement those segments of the population that are
likely to be excluded from the process of inclusive growth
and
sustainable.

Gender equality is one of the founding pillars
mental aspects of sustainable development and aims to
ensure that women and girls, as well as
like men and boys, have the same
opportunities for participation, access and benefit from the
development process. The idea
underlying principle is that it is not possible to achieve the
sustainable development of Cape Verde
without considering the needs, experiences and
specific expectations of women and men
in program planning.

Gender mainstreaming in PEDS guarantees
the adoption of measures to correct gender inequalities, at the
level of different sectors,
thus promoting justice and social inclusion and
sustainable development of the country. This principle allows the
integration of concerns and experiences
ences of men and women from Cape Verde in
Strategic Plan for Sustainable Development in its design,
implementation, monitoring and evaluation in all pillars, whether

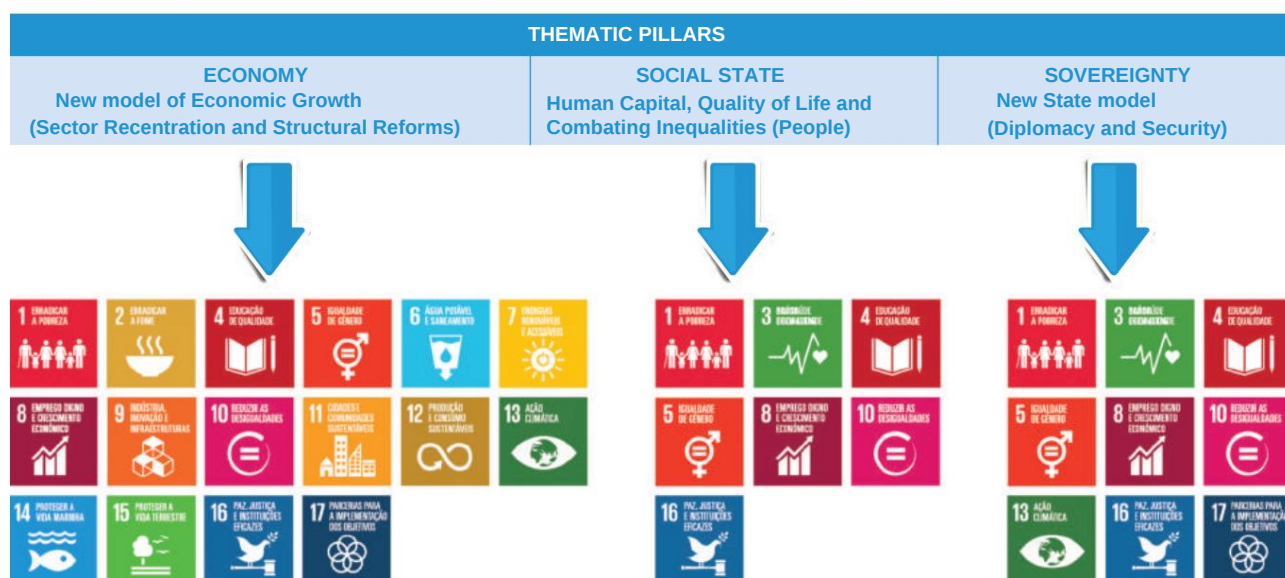
economic, social or sovereignty, so that
inequalities between women and men, in
country, are eliminated and development is
inclusive.

A summary of the PEDS Matrix, including the 35
identified programs, distributed across the 3 pillars, (with the
General Management and Administration Program being
transversal to the Pillars) and identifying the objectives to which
they contribute,
is shown in the figure on the next page.

Goals PEDS		THEMATIC PILLARS		
		ECONOMY New model of Economic Growth (Sector Reorientation and Structural Reforms)	SOCIAL STATE Human Capital, Quality of Life and Combating Inequalities (People)	SOVEREIGNTY New State model (Diplomacy and Security)
		SOFTWARE		
	Objective 1. Make Cape Verde a Circulation Economy located in the Mid-Atlantic.	• Cape Verde Tourism platform; • Cape Verde aerial platform; • Cape Verde maritime platform; • Cape Verde financial platform; • Cape Verde commercial and industrial platform; • Cape Verde digital and innovation platform; • Cape Verde ethnic investment platform; • Improvement of the business environment; • National Program for Energy Sustainability; • Cape Verde accessible; • Modern and safe infrastructures; • State Reform; • Improving the quality of statistical production and dissemination; • Promotion of Culture and Creative Industries; • National Research Program.	• Excellent Education; • Promotion of Gender Equality; • Integrated Health Development; • Health export service; • Promotion of Sport.	• Flexible and inclusive labor market; • Security Reinforcement National; • Justice and Social Peace; • Democracy consolidated and modern; • Diaspora, the 11th island; • Cape Verdean diplomacy – new paradigm.
	Objective 2. Ensure Economic and Environmental Sustainability .	• Cape Verde Tourism platform; • Cape Verde aerial platform; • Cape Verde maritime platform; • Cape Verde financial platform; • Cape Verde commercial and industrial platform; • Cape Verde digital and innovation platform; • Cape Verde ethnic investment platform; • Improvement of the business environment; • Valorization of islands and endogenous resources; • National Program for Energy Sustainability; • Cape Verde accessible; • Modern and safe infrastructures; • Transformation of Agriculture; • Water and sanitation; • Conservation of biodiversity; • Management of environmental, climatic and geological risks; • State Reform; • Improving the quality of statistical production and dissemination; • Promotion of Culture and Creative Industries; • National Research Program.	• Excellent Education; • Promotion of decent and qualified employment; • Promotion of Gender Equality; • Integrated Health Development; • Health export service; • Guarantee of access to Income, Education, Care and Health.	• Flexible and inclusive labor market; • Security Reinforcement National; • Justice and Social Peace; • Democracy consolidated and modern; • Diaspora, the 11th island; • Cape Verdean diplomacy – new paradigm.

Goals PEDS		THEMATIC PILLARS		
		ECONOMY New model of Economic Growth (Sector Reorientation and Structural Reforms)	SOCIAL STATE Human Capital, Quality of Life and Combating Inequalities (People)	SOVEREIGNTY New State model (Diplomacy and Security)
		SOFTWARE		
	Objective 3. Ensure social inclusion and the reduction of social and regional inequalities and asymmetries	• Cape Verde Tourism platform; • Cape Verde commercial and industrial platform; • Cape Verde digital and innovation platform; • Cape Verde ethnic investment platform; • Valorization of islands and endogenous resources; • National Program for Energy Sustainability; • Promotion of Culture and Creative Industries; • Cape Verde accessible; • Modern and safe infrastructures; • Transformation of agriculture; • Water and sanitation; • Conservation of biodiversity; • Management of environmental, climatic and geological risks; • State Reform; • Improving the quality of statistical production and dissemination; • National Research Program.	• Excellent Education; • Labor market • Promotion of decent, flexible and inclusive employment; qualified; • Reinforcement of Security • Promotion of gender equality; • Integrated development of • Social Justice and Peace; Health; • Democracy • Guarantee of access to income, education, Care and Health; • Guarantee of the rights and protection of children and adolescents; • promotion of Sport.	• National; • Security • Guarantee of access to consolidated and modern; • Diaspora, the 11th island; • Cape Verdean diplomacy – new paradigm.
	Objective 4. Strengthen sovereignty, valuing democracy and guiding diplomacy for the country's development challenges.	• Cape Verde accessible; • State Reform; • Improving the quality of statistical production and dissemination; • Promotion of Culture and Creative Industries;	• Promotion of Gender Equality.	• Flexible and inclusive labor market; • Strengthening National Security; • Justice and Social Peace; • Consolidated and modern democracy; • Diaspora, the 11th island; • Cape Verdean diplomacy – new paradigm.

Alignment/contribution of Pillars to the SDGs



Aiming at harmonization, alignment and effectiveness, both in implementation and follow-up and evaluation of the PEDS, and following the principles of Results-Based Management, it is important that both the actors responsible for implementing the PEDS, and the development partners, have adequate appropriation of the performance indicators and goals of the strategic plan.

Monitoring and evaluating health indicators impact of the strategic plan are anchored in the Statistical Agenda and guaranteed by INE and will follow an agenda stipulated by the System National Planning, described in point 6.2. The logical framework, summarizing the indicators and The PEDS goals are presented in the table Following.

Aim	Indicators Impact	Value Base Year 2016	Goals				
			2017	2018	2019	2020	2021
Objective 1: To do from Cape Verde an Economy of Circulation localized in the Atlantic Average	Direct Investment Foreign (% of GDP)	7.3	8	9.5	11.2	11.9	12.4
	Current Account Deficit (% of GDP)	2.8	9.0	8.7	8.2	7.4	6.5
	Cargo volume busy in ports in the country (Kg)	2.078.706 2.345.256	2.786.754	2.965.742	3.130.280	3.445.322	
	Boarded passengers and landed at the country's airports	2.215.892	2.585.533	2.900.839	3.287.048	3.785.659	4.170.621
	Direct contribution from tourism to GDP pm (%)	19	21.4	23.6	26.2	29	32.4
Objective 2: Ensure Sustainability Economic and Environmental	Growth rate of Domestic Product Gross (%)	3.8	4.5	5.3	5.9	6.3	7
	Unemployment rate (%)	15.0	15.8	15.1	13.8	12.1	9.7
	GDP at par purchasing power (PPP) per capita (USD)	6702	6809	7185	7589	8027	8524

Aim	Indicators Impact	Value Base Year 2016	Goals				
			2017	2018	2019	2020	2021
Objective 2: Ensure Sustainability Economic and Environmental	Number of Units of Informal Production	33.288	32.733	32.178	31.624	31.069	29.959
	Position in the <i>Ranking Doing Business</i>	129	127	118	109	100	91
	Position in the <i>Ranking</i> of Competitiveness Tour	86	80	75	65	50	45
	Tourist tickets	644.429	728.204	832.489	954.032	1.093.321	1.249.666
	Population with access to international broadband (1000)	17	20	50	200	350	500
	Weight of energies renewables in consumption of electrical energy (%)	20.0	19.0	35.0	35.0	50.0	50.0
	Growth rate from Credit to Economy	3.6	5.7	5.9	5.6	5.0	5.8
	Public debt in percentage of GDP pm	129.6	132.0	132.2	128.8	122.5	113.2
	Debt Service in percentage of exports (%)	16.6	17.1	18.6	16.5	16.9	16.4
	Forest cover (ha)	90	90.5	93	98.5	108	121.5
	% marine areas protected	1.6	1.6	1.6	1.6	1.6	2.2
Objective 3: Assure the inclusion social her reduction of inequalities and asymmetries social and regional	Incidence rate of poverty (%)	35 (2015)	32.7	31.5	30.3	29.3	28.2
	Growth rate of Domestic Product Brutus per capita (%)	1.7	2.8	5.6	5.6	6.2	7.1
	IDH	0,648 (2015) 0.660		0.666	0.674	0.681	0.690
	Gini coefficient (Unit)	0.46 (2015)	0.454	0.450	0.459	0.442	0.438
	Families at risk of food and nutritional insecurity (%)	12.8	12.2	11.6	11	10.4	9.8
	Linked population to the public water distribution network (%)	66.4	71.1	75.8	80.6	85.3	90.0
	Population with access to electricity (%)	90.1	92.1	94.1	96.0	98.0	100.0
	Children aged 5 to 17 that work (%)	8.0	7.0	6.0	5.0	3.1	2.0

Aim	Indicators Impact	Value Base Year 2016	Goals				
			2017	2018	2019	2020	2021
Objective 3: Assure the inclusion social her reduction of inequalities and asymmetries social and regional	Mortality rate infant per 1,000 births	15.3	15.0	14.5	14.0	13.5	13.0
	Mortality rate maternal (/100,000 births)	47.0	39.0	29.0	21.0	12.0	9.0
	Coverage rate essential health services (%)	60.0	61.0	62.0	63.0	64.0	65.0
	Security coverage social do regime contributory (Insured /Employees) (%)	40.0	40.0	45.0	50.0	55.0	60.0
	Net rate of schooling 9th to 12th grade (%)	52.1	52.0	53.0	55.0	57.0	60.0
	Unemployment rate young	42.9	38.6	34.6	30.1	25.8	21.5
	Housing deficit elongated (%)	40.0	36.0	32.0	28.0	24.0	20.0
Objective 4: Reinforce sovereignty, valuing to democracy and guiding to diplomacy To the challenges of development from the country.	Participation rate of citizens in local elections (%)	58.4				83.4	
	Percentage of chairs occupied by women in the National Assembly	17.0	17.0	17.0	17.0	17.0	29.0
	Resolution rate of court cases (%)	50.0	54.0	58.0	62.0	66.0	70.0
	Emigrant remittances as a percentage of GDP p.m	11.1	11.5	12.2	13.0	13.7	14.3
	Women's weight Armed forces (%)		15.0	17.0	20.0	22.5	25.0

Table 15: PEDS Logical Framework: Indicators and Targets

5.2 The Programmatic Pillars of PEDS

PEDS has a programmatic structure distributed across 3 pillars, with a total of 35 programs, including a "Management and General Administration" - comprising aspects administrative functions of the entire state machine and a

estimated budget of ECV 389,838,559,283, to respond to your 4 macro objectives.

This section presents a description of each of the three pillars, with brief information on each program and the relationship and contribution of each pillar and each program to achieve the PEDS objectives. Also, from the perspective of

international development, the pillars and programs are linked to the Sustainable Development Goals to which they contribute.

Economy, Finance, Agriculture and Environment, Culture and Infrastructure.

5.2.1 Pillar 1 - Economy: A New Model of Economic growth

Contributing, essentially, to objectives 1, 2 and 3 of the PEDS and, marginally, to objective 4, this pillar has an indicative budget, for the period 2017 – 2021, of ECV 133,013,916,004.

The Economy Pillar comprises 20 programs.

The sectors responsible for these programs are

The programs in this pillar are as follows:

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
CAPE VERDE PLATFORM TOURISM	Strengthen the role of tourism as a driver of Cape Verde's inclusive growth, through the creation of decent jobs, economic diversification and social and environmental sustainability – with private investment as its central vector.	MEE/MF	1, 2, 3, 4 1, 8, 9, 12, 5		3.881.591.228
CAPE VERDE PLATFORM AIR	Develop a logistics airport for the international distribution of passengers and cargo that connects the continents and countries bordering the Atlantic.	MEE/MF	1, 2	1, 8, 9, 10, 12, 17	110.000.000
CAPE VERDE PLATFORM SEA	Develop a logistics port for supplying ships to the international fleet that passes or if approaches Cape Verde on its routes, and <i>transshipment</i> . Develop quality, reliable, sustainable, resilient transport to support economic development and human well-being.	MEE/MF	1, 2	1, 8, 9, 10, 12, 14, 18	2.898.107.574

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
CAPE VERDE PLATFORM FINANCIAL	Transformation of Cape Verde into an International Business Center, including the creation of an international financial center.	MF	1, 2	1, 5, 8, 12, 17	1.108.702.500
CAPE VERDE PLATFORM COMMERCIAL AND INDUSTRIAL	Develop a location tracking platform companies and transformation of Cape Verde into an International Business Center and attracting FDI and promoting the Endogenous Business Initiative.	MEE/MF	1, 2, 3 1, 5, 8, 9, 10, 12, 17		1.140.920.725
CAPE VERDE PLATFORM DIGITAL AND DA INNOVATION	Transform Cape Green in an economic development center Digital and Nano-technology, positioning the country as a reference in Africa in terms of innovation and knowledge. Develop human skills and promote a business environment around ICT and R&D.	MEE/MF	1, 2, 3	1, 4, 5, 8, 9, 10, 11, 12, 17	3.376.151.664
CAPE VERDE PLATFORM DO ETHNIC INVESTMENT	Develop conditions capable of promoting and increasing the participation of Cape Verdeans living abroad and also favoring the ethnic component in participating in the country's economic and social development.	MEE/MF	1, 2, 3	1, 4, 5, 8, 10, 17	40.000.000

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
IMPROVEMENT OF ENVIRONMENT OF BUSINESS	Reform of policies, legislation and Law Suit administrative processes that influence the business environment. Contribute to economic growth and the creation of more employment opportunities, through improving competitiveness and the business environment and boosting private investment and growing the (weight) of the private sector in the Cape Verdean economy.	MEE/CHEGOV 1, 2		1, 5, 8, 9, 10, 11, 14, 16, 17	652.887.835
VALUATION OF THE ISLANDS AND RESOURCES ENDOGENOUS	Promote balanced, harmonious and ecologically sustainable economic development, transforming each island into an economy based on its vocation.	CHEGOV	1, 2, 3	1, 8, 11, 12, 5	26.495.800.693
PROGRAM NATIONAL TO THE SUPPORT-BILITY ENERGY	Make the transition to a safe, efficient and sustainable energy sector, reducing dependence on fossil fuels and ensuring universal access and energy security.	ALONG	1, 2, 3	1, 4, 7, 8, 5	3.254.752.002
CAPE VERDE ACCESSIBLE	Develop quality, reliable, sustainable, resilient and equitable transport to support economic development and human well-being.	ALONG	1, 2, 3, 4	17	158.100.000

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
INFRASTRUC- TRIP MODERN AND SAFE	To develop Resilient, quality, reliable and sustainable infrastructures and ensure the conservation, exploitation and maintenance of the public infrastructure network in accordance with sectoral priorities to support economic and social development, with a focus on equitable access and affordable prices for all. Implementation, in partnership with the authorities, of urban equipment programs with a positive impact on women's lives;	MIOTH	1, 2, 3, 4	9	22.349.544.728
TRANSFORM- MATION OF AGRICULTURE	Creation and innovation of logistical and technological conditions to increase production and income on agricultural farms. Contribute efficiently to the balanced and participatory management of forested lands, in order to guarantee the resilience of ecosystems and rural populations in the face of climate change and land degradation. Promote sustainable, inclusive, modern, competitive, income-generating and socially recognized agriculture and agroindustry.	DONT	2, 3	1, 2, 12, 5	10.900.377.943

Program	The objective Program	S come	Goal P E D S	ODS	T o t a l E C V
Á GUAE SANITATION	A ssegurarodireito à aguasaneamentogarant iroacessoaaacessibili dadeaservi ç os (á guasaneamento) deboqualidadevistaq I will tend ualidadeambientaligua ldadedeg é neroeinclus ã osociala S a ú dep ú blicaeprioritariament eamelhoriadascondç õ essocioecon ó micaseobemestardaspop ula ç ã esemtodooterrit ó rionacional .	DONT	2 , 3	6 , 12	42.878.124.350
C O N S E R - VA Ç Ã ODA BIODIVERSITY - D A D E EQUALITY ENVIRONMENTAL	Promote and preserve diversity based on environmental resources to promote sectors of economic activity, namely tourism agriculture silviculture , cattle á riapescaeimplementaro s P lanosde G est ã odas á reasprotegidas . Guarantee environmental quality, promote ecological citizenship and strengthen environmental licensing and audit systems.	DONT	2 , 3	1 , 13 , 12 , 14 , 15	2.327.054.544
G E S T Ã O I'll make fun of you ENVIRONMENTAL CLIMATE TICOSIS GEOL OGICS	D store so otarainstitutionoftechnologiesmodernsecapacityoperation alparamediredissemina rsystematicsmeteorologicalclimatologicalseismologicalseoceanographicinformation. controlode d o m a r Monitoringandsurveillancemeteorologicalgeophysicsqualityanddisseminationofimportantdata/informationconcerningthestateoftheweatherandthequalityofthearedoclimate	DONT	2 , 3	13	2.338.324.482

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
REMODELING OF STATE	Guarantee a transparent, efficient and innovative Public Administration, committed to quality and aligned with the user's time and stability, credibility and monetary and budgetary/ fiscal predictability, aiming for macroeconomic confidence.	MF	1, 2, 3, 4	16, 17	4.503.354.857
IMPROVEMENT QUALITY OF PRODUCTION AND DIFFUSION STATISTIC	Strengthen institutional capacity and the quality of statistical data production	MF	1, 2, 3, 4	17	2.191.972.842
PROMOTION OF CULTURE AND OF INDUSTRIES CREATIVE	Promote research and professionalization of the cultural and creative sector, for development, strengthening the country brand "Cabo Verde Criativo" and citizenship, through historical cultural heritage, the incubation of MSMEs, as a tourist attraction, ensuring sustainable development from the allocation of investments that enhance the creation of decent employment, generating income, valorization of human capital and social well-being, thus correcting regional asymmetries and social and cultural imbalances.	MCIC	1, 2, 3	1, 4, 5, 11, 16	709.815.663
PROGRAM NATIONAL OF INVESTIGATION	Contribute to sustainable development through scientific research in the economic, social and environmental fields.	MEE/MAA	1, 2, 3	2, 12	1.698.332.374

5.2.2 Pillar 2 - Social State: Human Capital, Quality of Life and Combating Inequalities

The Social Pillar comprises 8 programs. The sectors responsible for these programs are the Head of Government, Agriculture and Environment, Sports, Education, Family and Social Inclusion, Infrastructure, Territorial Planning and Housing.

housing, and Health and Social Security.

Essentially contributing to objectives 1, 2 and 3 of the PEDS, this pillar has an indicative budget, for the period 2017 – 2021, of ECV 118.804.460.324.

The programs in this pillar are as follows:

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
EDUCATION OF EXCELLENCE	Organize and implement a formal system of universal, quality Preschool Education. Ensure access equitable to universal and free schooling up to the 8th year of schooling. Improving equitable access, quality and relevance of Secondary Education (general), aiming to equip students with essential skills, values and capabilities for continuing their studies and active life. Develop a quality Higher Education system, in tune and coherent with the SDGs and the Government Program that is inclusive, interventionist and promotes entrepreneurship and citizenship for sustainable development.	ME	1, 2, 3	1, 4, 5, 10	49.449.241.251
PROMOTION OF JOB WORTHY AND QUALIFIED	Guarantee the qualification of the workforce in connection with strategic areas of the economy, contributing to the mass employment of young people and women, by boosting the labor market.	ALONG	2, 3	1, 4, 8, 5	1.292.783.778

Program	The objective Program	S come	Goal P E D S	ODS	T o t a l E C V
PROMO Ç Ã O AND EQUALITY OF GENDER	C ontributeforequality from all sides , guaranteeing effective participation in all social lives with effective policies and translating these approaches to social processes	M F I S	1 , 2 , 3 , 4	1 , 5	276.153.256
SA Ú DE SERVI Ç O EXPORTER	P romove the environmentfavo r á velao investment privatenationaleestra ngeironosectordoturis modasa ú de .	MSSS	2 , 3	3 , 5	44.000.000
DEVELOPED - MENT INTEGRATED OF HEALTH	Strengthening the provision of health care by ensuring accessibility and efficiency, equity and humanization of services. Strengthenhealthpromotionandcontributeactions fordevelopmentofhealthresearch. Guaranteeing access to medicines essentialea health technologies suited to the needs of the population and particular groups (children, in adolescents, men and women) women LGBTI is disabled people) .	MSSS	1 , 2 , 3	1 , 3 , 5	18.981.459.913

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
GUARANTEE ACCESS TO THE INCOME, EDUCATION, TO THE CARE AND HEALTH	Contribute to combating social inequalities and poverty and contribute to increasing income for the most vulnerable, guaranteeing these families access to basic social services (health, care and education) and creating the minimum conditions that allow them to ensure the well-being and quality of life of its members.	MFIS	2, 3	1, 10, 5	46.574.168.308
GUARANTEE OF RIGHTS AND PROTECTION THE CHILDREN E ADOLES-HUNDREDS	Contribute to the protection of children and adolescents against situations of personal and social risk, ensuring adequate well-being conditions for them, guaranteeing effective respect for the rights of children and adolescents.	MFIS	3	16, 5	964.307.109
PROMOTION DO SPORT	Generalize the practice of sports, boosting the involvement of civil society around the structures of the sports hierarchy, promoting social inclusion, the creation of wealth and the image of Cape Verde in the world.	MDESP	1, 3	1, 3, 5	1.222.346.710

5.2.3 Pillar 3 - Sovereignty: A new model of state

The Sovereignty Pillar comprises 6 programs. The sectors responsible for these programs are Internal Administration, Defense, Justice and Labor, and Foreign Affairs and Communities.

Contributing essentially to objectives 1, 2, 3 and 4 of the PEDS, this pillar has an indicative budget, for the period 2017 – 2021, of ECV

43.693.590.676.

The programs in this pillar are as follows:

Program	Purpose of Program	Sector	Aim PEDS	ODS	Total CVD
TRADE MARKET FLEXIBLE WORK AND INCLUSIVE	Promote a more favorable and flexible working environment	MJT	1, 2, 3, 4	1, 8, 5	206.141.698
REINFORCEMENT OF SECURITY NATIONAL	Ensure national defense and security, aiming to guarantee the democratically established constitutional order.	MAI/MDN	1, 2, 3, 4 4, 16, 10, 5, 17, 8	20.989.706.597	
JUSTICE AND PEACE SOCIAL	Promote a culture of peace, knowledge and defense of citizens' rights and observance of citizens' duties and effective, inclusive and gender-sensitive justice.	MJT	1, 2, 3, 4 1, 4, 10, 16, 5		8.636.764.777
DEMOCRACY CONSOLIDATED AND MODERN	Ensure a more participatory democracy, aiming to protect and promote citizens' rights and the effective functioning of the Democratic rule of law, while active for development	MJT	1, 2, 3, 4 1, 4, 10, 16, 5		8.636.764.777
DIASPORA THE 11TH ISLAND	Provide integration, well-being and empowerment of Cape Verdeans and their descendants in host countries, in social, economic and political terms.	MNEC	1, 2, 3, 4	1, 8, 17	613.623.602
DIPLOMACY CABLE- -VERDIANA - NEW PARADIGM	Cape Verde inserted in a safe and advantageous way in the World, with a view to sustainable and inclusive development, well-being, human dignity, peace, social justice and security on a global scale.	MNEC	1, 2, 3, 4 1, 4, 8, 16, 17, 3		5.362.256.266

The PEDS also comprises a transversal administrative program for all ministries.

Program	Program Objective	Total CVD
MANAGEMENT AND GENERAL ADMINISTRATION	Management and support programs for all ministries. Includes regional delegations.	94.326.592.279

5.3 Regionalization of PEDS

Cape Verde is a country of regional asymmetries, arising from its insularity which imposes, in

In many cases, the creation of basic service production units on all islands, not favoring economies of scale, but also resulting from public policies that did not seek to mitigate the costs of insularity and invested in polarization, causing the

territorial planning has gained, belatedly, mind, the deserved centrality, within the scope of development policies.

Young people from Boa Vista, Maio or São Nicolau do not have the same access opportunities training, knowledge and, consequently, employment, than those in Praia or São Vicente. Of the 17,869 people with higher education,

74.4% were born in Santiago and São Vicente, but 90.8% of them reside on these two islands. About 11.8% of people were born in Santo Antão, but only 2.8% live there, while 5.2% of them were born in Fogo and only 1.5% live there.

By offering health care services health of first reference, both in the sector public, as well as the private sector, residents of Santiago or São Vicente have a great advantage over residents of other islands.

Regarding tourism services, 74.3% of tourist accommodation capacity and 77.9% of tourist arrivals are concentrated only in the Salt and Boa Vista. The islands' GDP per capita varies between 6,342 dollars, in Boa Vista and 2,277 dollars, in the fire. The value of the average annual con-

individual juice in Boa Vista is 290,934 ECV, 2 times more than in Santo Antão (142,713 ECV) and 2.3 times more than in Fogo (124,165 ECV).

Furthermore, despite the expansion of supply of basic goods and services and the inclusion and social cohesion policies already implemented, income and consumption inequalities are very pronounced, to the point where consumers of the 5th quintile have an annual consumption above 10 times higher than those in the first quintile.

Reducing inequalities and asymmetries regional decisions is a matter of consensus among political decision-makers and constitutes a commitment international association of Cape Verde, as a country signatory of the 2030 Agenda, which advocates that no one will be left behind. In a country with such deep regional inequalities and asymmetries, for that no one is left behind, it is necessary for a hand, that decentralization be promoted by taking power, services and decision-making nearby, to value the development potential and generate, at a local level, more economic, political and social opportunities and regionalization is the next wave of decentralization that the -Verdians chose it and the economy requires it.

The regionalization of the Strategic Development Plan Sustainable development 2017-2021 and the firm Government's commitment to territorialization offer an excellent opportunity to prepare economies, administration and society of regions for regionalization, but also will provide the Government and local authorities with mechanisms for technical and political dialogue and consented positive discrimination, aiming to re-

reduce asymmetries, value potential of the islands, but, above all, the local vision of development and endogenous capabilities.

The sustainable development plans of Santo Antão, São Vicente, São Nicolau, Sal, Boa Vista, Maio, Santiago Norte, Santiago Sul, Fogo and Brava will carry out public policies and investments, especially aiming to improve the environment of business on the islands, will signal opportunities of business and will allow the due appropriation and better involvement of local authorities and others local development agents in execution of national development programs.

These plans will facilitate the implementation of programs such as *Start-up Jovem*, but also will create conditions for the Government and Municipalities to agree on a level of convergence, in terms of social, economic opportunities and well-being. On this basis, the Government and Municipalities will agree to implement the PEDS 2017-2021, positive discrimination measures consent for the progressive and programmed correction of regional inequalities and asymmetries.

The regionalization of the PEDS represents a greater commitment of these, for the quality and transparency of public expenses, of decentralization. financialization, and will translate into more resources and better intervention by local authorities in the movement of the local economy, in response to the social demand, this through the Budget General State, the main instrument for implementing plans and managing development. Social, housing,

social inclusion income, scholarships study for professional or higher training, or school transport services will serve, in a differentiated, the islands, according to public criteria set out in terms of positive discrimination.

The Government and Municipalities will commit, within the scope of implementing the PEDS 2017-2021, the best efforts to prepare the islands for regionalization. To this end, the General Budget of the State for 2018 will begin a broad program

but to strengthen the capacities of Municipalities, to increase the effectiveness of municipal attributions and, in this way, the effectiveness of decentralization. Capacity building includes modernization of municipal administration, through via the rationalization of structures, the development of skills through mobility, training and creation of skills centers in the Municipal Chambers, for the modernization of tax administration, knowledge management, the preparation of development plans municipalities, the implementation of instruments forecast management, that is, the Medium-Term Expenditure Framework, management based on results in the Municipalities and the reinforcement of the technical and financial autonomy of local authorities.

Inter municipality solutions will be valued, particularly in the operation of services water and sanitation, solid waste, environment, territorial planning, health, civil protection and tourism development.

Executed via the General Budgets of the State from 2017 to 2021, PEDS will contribute to the integration of the national market through the improving the accessibility of the islands will improve the tourism pact on family income, the access to information and knowledge and re-will force the fight against digital exclusion. Thanks to regionalization, PEDS will mark a new cycle of governance, focused on results, valuing islands and endogenous resources, promoting island economies and a focus on international public interventions to reduce inequalities and promote inclusive economic growth.

A region-by-region approach, a synthesis of ongoing regionalization work, which will result in regional plans for the 10 future regions of Cape Verde is presented in the Annexes chapter. In terms of regional plans, it will be the methodology in detail, and, in fact, these be subjected to the scrutiny of power and other development agents relevant in each region.

5.3.1 Regional Goals

Region	2016	2017	2018	2019	2020	2021
Santo Antão	8.2	11.9	10.8	9.5	7.7	5.3
Saint Vincent	16.2	15.1	14.7	13.7	12.3	10.3
Saint Nicholas	11.3	14.9	13.8	12.3	10.4	8.0
Shall	8.3	7.2	7.2	6.5	5.9	4.5
Good view	7.9	4.1	5.0	5.0	4.0	2.1
May	8.0	7.9	7.7	7.2	6.4	5.2
North Santiago	12.9	20.4	18.8	16.7	14.1	10.7
Santiago Sul	20.8	18.9	18.0	17.0	15.3	13.0
Fire	8.9	11.8	11.2	10.3	8.9	7.0
Brava	4.6	6.5	6.4	6.0	5.2	4.1
Cape Verde	15.0	15.8	15.1	13.8	12.1	9.7

Table 16: Evolution of the unemployment rate by region

Region	2016	2017	2018	2019	2020	2021
Santo Antão	5395	5548	5924	6330	6774	7275
Saint Vincent	6941	7106	7556	8041	8571	9171
Saint Nicholas	6174	6224	6516	6826	7161	7540
Shall	10499	10355	10630	10944	11305	11743
Good view	11414	10970	10993	11069	11197	11406
May	5315	5406	5689	5967	6237	6506
North Santiago	4590	4555	4949	5380	5853	6389
Santiago Sul	11326	11807	12514	13273	14094	15020
Santiago	6423	6523	6880	7265	7682	8157
Fire	4818	4954	5290	5653	6048	6496
Brava	5304	5512	5948	6424	6947	7542
Cape Verde	6702	6809	7185	7589	8027	8524

Table 17: Evolution of GDP/capita in PPP dollars by region

	2016	2017	2018	2019	2020	2021
Cape Verde	2.215.892	2.585.533	2.900.839	3.287.048	3.785.659	4.170.621
Saint Vincent	219.422	256.025	287.247	325.490	374.863	412.983
Saint Nicholas	26.476	30.893	34.660	39.274	45.232	49.832
Shall	914.696	1.067.280	1.197.435	1.356.857	1.562.679	1.721.587
Good view	465.049	542.626	608.799	689.852	794.496	875.288
May	12.497	14.582	16.360	18.538	21.350	23.521
Santiago Sul	522.584	609.758	684.118	775.200	892.789	983.577
Fire	55.168	64.371	72.221	81.836	94.250	103.834

Table 18: Evolution of the movement of passengers boarding and disembarking in airports in the country by region

	2016	2017	2018	2019	2020	2021
Direct contribution of tourism to (GDP%)	19	21.4	23.6	26.2	29	32.4
Recipes of Tourism (millions of escudos)	31042	36391	42880	50867	60469	73203
Santo Antão	468	549	647	767	912	1104
Saint Vincent	833	976	1151	1365	1622	1964
Saint Nicholas	53	63	74	87	104	126
Shall	15681	18383	21661	25696	30546	36979
Good view	12662	14843	17490	20748	24664	29858
May	51	60	71	84	100	121
Santiago	1147	1345	1584	1880	2234	2705
Fire	95	111	131	156	185	224
Brava	52	61	71	85	101	122

Table 19: Evolution of the Direct Contribution of Tourism to GDP by region

Region	2016	2017	2018	2019	2020	2021
Cape Verde	12.8	12.2	11.6	11	10.4	9.8
Santo Antão	11.1	10.5	9.9	9.3	8.7	8.1
Saint Vincent						
Saint Nicholas	8.6	8	7.4	6.8	6.2	5.6
Good view	10.5	9.9	9.3	8.7	8.1	7.5
May	5.8	5.2	4.6	4	3.4	2.8
Santiago	11.7	11.1	10.5	9.9	9.3	8.7
Fire	13.7	13.1	12.5	11.9	11.3	10.7
Brava	6.8	6.2	5.6	5	4.4	3.8

Table 20: Evolution of the percentage of families at risk of food insecurity by region

Region	2016	2017	2018	2019	2020	2021
Cape Verde	33.288	32.733	32.178	31.624	31.069	29.959
Santo Antão	1.753	1.727	1.698	1.668	1.639	1.581
Saint Vincent	8.507	8.381	8.239	8.096	7.954	7.670
Saint Nicholas	557	549	539	530	521	502
Shall	1.040	1.024	1.007	990	972	938
Good view	498	491	482	474	466	449
May	450	443	436	428	421	406
North Santiago	6.300	6.206	6.101	5.996	5.891	5.680
Santiago Sul	12.451	12.266	12.058	11.850	11.642	11.226
Fire	1.422	1.401	1.377	1.354	1.330	1.282
Brava	249	245	241	237	233	224

Table 21: Evolution of informal production units by region

Region	2016	2017	2018	2019	2020	2021
Cape Verde	34	32.7	31.5	30.3	29.3	28.2
Santo Antão	45.9	45.1	44.6	44.0	43.7	43.1
Saint Vincent	27.4	25.6	24.7	23.8	23.1	22.3
Saint Nicholas	33.5	32.3	31.7	31.1	30.6	30.0
Shall	19.0	16.6	15.6	14.6	13.8	13.0
Good view	8.3	6.9	6.3	5.8	5.3	4.9
May	31.7	29.6	28.5	27.2	26.0	24.6
North Santiago	48.0	45.7	44.5	43.3	42.3	41.2
Santiago Sul	29.8	27.2	26.0	24.8	23.8	22.7
Fire	49.6	47.8	46.8	45.8	45.1	44.1
Brava	43.5	42.3	41.7	41.0	40.5	39.9
Total poor	180,621	175,815	171,386	166,796	163,159	158,822

Table 22: Evolution of the incidence of poverty by region

Region	2016	2017	2018	2019	2020	2021
Cape Verde	66.4	71.1	75.8	80.6	85.3	90.0
Santo Antão	80.1	82.1	84.1	86.0	88.0	90.0
Saint Vincent	65.4	70.3	75.2	80.2	85.1	90.0
Saint Nicholas	89.7	89.7	89.8	89.9	89.9	90.0
Shall	70.1	74.1	78.1	82.0	86.0	90.0
Good view	36.0	46.8	57.6	68.4	79.2	90.0
May	77.8	80.2	82.7	85.1	87.6	90.0
North Santiago	65.1	70.1	75.1	80.1	85.0	90.0
Santiago Sul	63.3	68.6	74.0	79.3	84.7	90.0
Fire	67.5	72.0	76.5	81.0	85.5	90.0
Brava	89.7	89.8	89.8	89.9	89.9	90.0

Table 23: Percentage of the population with access to the public water network by region

	2016	2017	2018	2019	2020	2021
Cape Verde	90.1	92.1	94.1	96.0	98.0	100
Santo Antão	87.8	90.2	92.7	95.1	97.6	100
Saint Vincent	94.2	95.4	96.5	97.7	98.8	100
Saint Nicholas	94.0	95.2	96.4	97.6	98.8	100
Shall	94.2	95.4	96.5	97.7	98.8	100
Good view	89.9	91.9	93.9	96.0	98.0	100
May	86.4	89.1	91.8	94.6	97.3	100
North Santiago	82.0	85.6	89.2	92.8	96.4	100
Santiago Sul	92.9	94.3	95.7	97.1	98.6	100
Fire	80.9	84.7	88.5	92.3	96.2	100
Brava	95.1	96.1	97.1	98.0	99.0	100

Table 24: Percentage of population with access to electricity by region

	2016	2017	2018	2019	2020	2021
Total remittances/GDP	11.1	11.5	12.2	13	13.7	14.3
GDP	163,381	170,053	181,695	194,149	208,515	225,938
Cape Verde. Shipments 18,135 of emigrants		19,556	22,167	25,239	28,567	32,309
Santo Antão	1,109	1,196	1,356	1,544	1,748	1,977
Saint Vincent	3,166	3,413	3,869	4,405	4,986	5,640
Saint Nicholas	604	651	738	841	952	1,076
Shall	727	784	889	1,012	1,145	1,295
Good view	566	609	691	787	891	1,007
May	398	429	486	554	627	709
North Santiago	4,138	4,462	5,057	5,759	6,518	7,371
Santiago Sul	6,337	6,833	7,745	8,819	9,981	11,288
Fire	853	920	1,043	1,187	1,344	1,520
Brava	238	258	292	332	376	425

Table 25: Evolution of emigrant remittances by region. In millions of shields

Region	2016	2017	2018	2019	2020	2021
Cape Verde	39.8	40.0	45.0	50.0	55.0	60.0
Santo Antão	34.8	38.1	42.9	47.8	52.5	57.3
Saint Vincent	52.0	52.6	59.9	67.3	75.0	82.8
Saint Nicholas	42.4	41.9	46.5	50.8	55.3	59.9
Shall	63.5	62.7	69.9	77.2	84.4	91.5
Good view	56.2	54.1	59.2	63.9	68.6	73.2
May	30.4	29.9	34.1	38.1	41.9	45.5
North Santiago	18.3	18.6	21.2	23.9	26.6	29.3
Santiago Sul	43.2	42.9	48.0	53.0	58.1	63.2
Fire	24.4	24.5	27.5	30.6	33.6	36.6
Brava	50.5	43.9	43.8	44.1	44.6	45.2

(*) Insured/Employees

Table 26: Evolution of the social security coverage rate of the contributory regime (*) by region

Regions	2016	2020
Cape Verde	58.2	83.4
Santo Antão	69.6	83.4
Saint Vincent	52.7	83.4
Saint Nicholas	69.6	83.4
Shall	57.5	83.4
Good view	63.5	83.4
May	72.6	83.4
North Santiago	65.7	83.4
Santiago Sul	47.2	83.4

Table 27: Participation in local elections by region

Stabilization of the activity rate at the 2016 level													
Region	Reduction in the youth unemployment rate for half						Evolution of youth employment						Generation liquid of job young
	2016	2017	2018	2019	2020	2021	2016	2017	2018	2019	2020	2021	2016-2021
Santo Antão 21.4	19.2	17.1	15.0	12.8	10.7	2001	1937	1895	1848	1839	1842		-159
Saint Vincent 43.3	39.0	34.6	30.3	26.0	21.6	3596	3775	3954	4134	4316	4526		930
Saint Nicholas 36.2	32.6	29.0	25.3	21.7	18.1	492	517	527	542	560	572		79
Shall	22.8	20.5	18.2	15.9	13.7	11.4	2505	2721	2839	2951	3082	3250	746
Good view	22.6	20.3	18.1	15.8	13.5	11.3	1072	1195	1261	1347	1425	1518	447
May	12.9	11.6	10.3	9.0	7.7	6.5	309	338	337	333	335	336	27
St. North 33.2	29.8	26.5	23.2	19.9	16.6	7999	7973	7995	7967	7933	7993		-6
Santiago Sul 58.5	52.6	46.8	40.9	35.1	29.2	6335	7219	8026	8815	9516	10333	3998	
Fire	22.8	20.5	18.3	16.0	13.7	11.4	1581	1559	1555	1549	1536	1559	-22
Brava	18.2	16.3	14.5	12.7	10.9	9.1	91	83	83	83	82	83	-9
Cape Verde 42.9	38.6	34.3	30.1	25.8	21.5	25980	27317	28471	29569	30624	32012	6032	

Table 28: Projection of youth employment by region

Region	2016	2017	2018	2019	2020	2021
Santo Antão	0.618	0.624	0.632	0.640	0.648	0.657
Saint Vincent	0.656	0.662	0.670	0.677	0.685	0.694
Saint Nicholas	0.645	0.651	0.659	0.668	0.676	0.685
Shall	0.690	0.694	0.699	0.704	0.710	0.717
Good view	0.703	0.705	0.709	0.712	0.717	0.722
May	0.630	0.636	0.643	0.649	0.656	0.663
North Santiago	0.619	0.623	0.632	0.641	0.650	0.660
Santiago Sul	0.693	0.700	0.707	0.714	0.722	0.730
Fire	0.621	0.627	0.635	0.643	0.651	0.660
Brava	0.629	0.636	0.645	0.653	0.662	0.672
Cape Verde	0.654	0.660	0.667	0.674	0.681	0.690

*Official data from 2015 indicate that Cape Verde had an HDI value of 0.648.

Table 29: Evolution of the HDI by Region



6. FINANCIAMENTO E MODALIDADE DE IMPLEMENTAÇÃO DO PEDS

6.1 Mechanisms

PEDS financing

The context of graduation from Cape Verde to country middle income and high level of debt requires a new approach to terms of resource mobilization to finance the PEDS and the multi-annual public investment (PPIP).

Although part of the infrastructure component ration of the PEDS will be implemented with resort to concessional external loans, the Government takes into due account that, with the ducation to a Middle Income country, access to conceptual financing will gradually decrease nally, so you will have to devise solutions so that, in the medium-long term, the country is each increasingly less dependent on this type of aid tern, namely through strengthening the bilization of internal resources and attraction of private investment.

Thus, the mobilization of external resources, for financing the PEDS, will continue to be led by the Ministry of Finance and the Ministry of Foreign Affairs, in coordination with the Ministry of Economy and Employment, through reinvigorated economic diplomacy, with bilateral partners and multilateral financial institutions, such as banks and development funds, in order to continue strengthening existing cooperation ties with these institutions.

Furthermore, as a Small Island State and Middle Income Country, vulnerable and little resilient to climate change, the Government intends to develop, with the support of partners, a set of new financing instruments, such as a platform

dedicated to the Green Climate Fund (*Green Climate Fund* - GCF) and the Global Fund for Environment (*Global Envirnoment Fund* - GEF), among other innovative facilities for financing ment to sustainable development.

Traditional aid will continue to be important and will be continued. In fact, it could play a catalytic role in leveraging these other types of financing. For example, a more strategic use of financing for development and philanthropic funds is the mobilization of mixed financing, through private capital flows. And when speaking on private investments, the Government will also explore the possibility of developing partnerships for impact investments. There are investments that may or may not generate financial returns, but which will certainly have beneficial social and/or environmental impacts and measurable. Blue Bonds , as well like green debt *swaps*¹³ _ and blues will also be explored, using the lessons learned from other countries.

However, to access most of these sources of financing, more innovative and promising, potentially available for Cape Verde, it will be necessary to develop the capabilities

national technical cities in these matters. In firstly, the capabilities to map and understand the nature and the functioning of some of these instruments financial. Subsequently, it will be developed project design capabilities bankable, which can meet the requirements of high performance and results-based, associated with these funds, *sine qua non* conditions current financial partners (both private and public). And, finally, it will be mental development of mechanisms of coordination and implementation of mobilized resources, in order to create synergies and optimize results achieved with its use.

For a country like Cape Verde, and for the reasons mentioned above, it will be strategic to focus on the development of a few, but ro-

¹³ Transaction in which a foreign exchange debt owed by a developing country is transferred to another organization, as long as the country uses the local currency for a purpose designated, generally environmental protection.

busts, projects, that may trigger structural transformation (for example, in water, energy, transport, etc.). Support from experts

international institutions for the transfer of first-line knowledge and *know-how*, including through more effective South-South cooperation and triangular, will be fundamental for this purpose.

It is essential to continue to diversify sources and financing mechanisms, in order to that the sustainability of the medium-long term debt. To control the growing debt and maintain investment capacity, there will be a focus on improving collection of budget revenues and greater involvement of the private sector in priority investments. Therefore, it will be implemented actions that increase tax revenue, via the expansion of the tax base, the reduction of informality, the modernization and training of

State fiscal administrative machinery, at the level Central and Local, and the optimization of rates, without undue penalization of companies. Like this, measures that establish an appropriate framework for increasing private investor financing, through public-private partnerships (PPP), leverage via the Stock Exchange

Values, in order to reduce the burden of financing investments via the Public Treasury, also improving the management of public infrastructure and services.

In this sense, the Government must continue to invest heavily in greater attraction and diversification of foreign direct investment flows foreign exchange (IDE), where the Ministry of Economy, through Cabo Verde TradeInvest, and the Chambers Commerce and Tourism offices will have to play an active and aggressive role in promotion and dissemination of opportunities for existing business in Cape Verde. And also fundamental to improve the business environment and promote a broad fundraising and retention of FDI, deepening and accelerating the continuous process of improving health policies business framework and promotion of

investment policies, in accordance with internationally recognized best practices.

The private sector will have to play a role of importance in the development process of the country.

In parallel, the stock market will be encouraged primary and secondary, so that the financial market can reach a critical mass, which allows it to play an important role in the financing the economy and supporting the development of a financial platform. Such In fact, it will require strengthening cooperation with international markets and, internally, a public information campaign that will familiarize investors and companies with the opportunities investment and financing units, available through the Stock Exchange. will be new regulatory and tax structures were developed to facilitate the listing of companies and main sectors (banks, telecommunications, tourism, construction, real estate) in the actions.

The role of channeling remittances to finance the economy will not be neglected. The impact of remittances on the

process of development of the national economy, and, therefore, will be directed towards investment, rather than consumption. This will require the provision of financial products and opportunities investment units, better remunerated and safer, such as, for example, facilitating access to housing properties, encouraging investing in mutual funds, and more tax incentives for financial savings.

6.2 National ownership and stakeholders

The planning, implementation, follow-up/monitoring and evaluation of the PEDS were designed in an integrated way, with the involvement of all stakeholders in the System National Planning theme (SNP). The execution will be carried out through the programs,

projects and units, which contribute to the achievement of strategic objectives, both at the of sectoral strategic plans, such as the PEDS itself.

The operationalization of the PEDS will be ensured with the involvement of several actors and social actors. The Government, through its various structures and led by the Ministry of Finance, municipalities, organizations of the civil society and the private sector. The follow-up and evaluation, being parts of the system itself, These participants will have a participatory character. had

6.2.1 Operationalization of the Control System Planning

The operationalization of the PEDS will take place through an integrated and aligned approach with medium-sized planning instruments and short term defined by the SNP, based on results-based management of public programs, with strong participation from civil society and the private sector in the provision of goods and services public.

6.2.2 Roles and Responsibilities

At the central level, monitoring the physical and financial execution of programs, projects and units and performance assessment are ensured by the MF. Monitoring physical execution and performance evaluation will be

made by the National Planning Directorate (DNP), which has the function of i) technically coordinating the preparation, monitoring and evaluation of sectoral and transversal programs, in order to guarantee the respective framework global strategy, ii) design the methodology preparation and evaluation of public investment projects, as well as monitoring and evaluating them.

Financial execution will be carried out by the National Directorate of Budget and Accounting.

Public Service (DNOCP), a central service that has Its mission is to propose and execute the national budgetary strategy, prepare the State Budget, coordinate and monitor its management.

With regard to budgetary supervision and control, the traditional administrative structures (General Inspectorate of Finance and Court of Accounts) will continue to carry out their activities, but within a reformed and reinforced framework, in accordance with the Public Finance Reform Action Plan.

At the sectoral level, the General Planning Directorates ment, Budget and Management (DGPOG), are responsible responsible for coordinating the preparation and controlling the execution, in matters relating to management physical and financial instruments, long, medium and short term planning instruments, as well as such as sectoral monitoring and evaluation.

Also, in each sector, there are Managers of the Programs that, together with the DG-POGs, have the function of coordinating the entire process of defining and updating the frameworks logic of programs, particularly their impact indicators, as well as the integration and cohesion of the global range of indicators defined, ensuring alignment of project/unit objectives with results of the programs in which they are integrated. The Managers of the Programs, as implied, are the main responsible for implementing projects of each program under its responsibility.

For monitoring and evaluation purposes, managers programs must monitor and evaluate the implementation of the set of projects and units, in synchronization with project managers and units, in order to favor the coordination of key activities for the realization of products, that must be delivered by projects and units, avoiding, as far as possible, duplication of efforts/activities in the same areas

of intervention and ensuring that the objectives of the program are achieved.

Program Managers and DGPOGs of each sector will be technically supported by a Monitoring and Evaluation Agent, designated responsible for the sector, for the areas of monitoring and evaluating programs, projects and units. Furthermore, it collaborates with the DNP and the National Statistical System (SEN) in the collection of data on the indicators of the respective sectors.

The information will be systematized in the Module Monitoring and Assessment (MSA), based on the Budget Management Information System and Finance (SIGOF) and will contribute to greater efficiency in the management of scarce national resources, based on results, and monitored and evaluated for their efficiency and effectiveness.

6.2.3 Tracking/Monitoring Mechanism and Assessment

The Government will continue the implementation of the SNP in all structures, reinforcing the monitoring and evaluation system, aimed at guide the action of the actors involved in the strategy of sustainable development.

Monitoring and evaluation encompass the continuous and systematic monitoring of the physical and financial execution of programs, projects and units, the instruments of planning and analysis of relevance, efficiency, efficacy, effectiveness and impacts of planning instruments, with the purpose of identify the respective progress and weaknesses data, with a view to recommending correct measures tive for optimizing results

Through the monitoring and evaluation system of the PEDS, the Government intends to ensure the following components:

- Monitoring the execution of programs, projects and units related to PEDS objectives:
 - Monitoring will be applied mainly to programs and their respective projects and units;

- Management and Support Programs will be subject to basic financial follow-up sico.
- At the beginning of each budget year, the DNP will define, in conjunction with the sectoral ministries, the projects and activities priority areas that will be subject to special monitoring, and these must be subject to the systematic follow-up process, during the year, to:

- Monitor the allocation of budgetary resources mental regarding the activities of priority units and projects that make up the final and investment programs ments respectively;
- Analyze the relationships between the *inputs* used and the *outputs* produced, within the framework of the priority units and projects, which constitute the PEDS programs;
- Assessment of the impact of policies and programs but sectors that contribute to the reach of the PEDS objectives:
 - The evaluation will be carried out annually and will focus on analyzing the objectives strategies of PEDS, its programs and respective objectives.
 - The assessment will necessarily be applied gives to all investment programs and finals.
 - Annual evaluation reports of Programs must indicate, at a minimum: a) program performance for the year previous results (intermediate results achieved) b) analysis of the original and its comparison with the current scenario; w) the main constraints observed for achieving the objectives of the program; d) suggestions to overcome the constraints.

6.2.4 Follow-up/Monitoring Plan

The use of the Logical Framework will be relevant (QL), which constitutes the programming instrument, represented by a matrix that links the cost of activities, products

delivered within the scope of project execution and units and program objectives. You logical frameworks of programs, projects and units data must be entered in the Information Module. Monitoring and Assessment (MSA).

Managers of projects and final units must update information regarding physical execution on a monthly basis, to understand the evolution of product indicators, providing a comparison of the evolution of observed values with the goals

annual results of the same indicators, aligned with the level of financial execution.

6.2.5 Assessment Plan

Experience shows that it is not worth collecting, processing and analyzing information if it is not is made accessible, validated and used by decision-makers in the formulation of policies, programs, projects and units and also made available to the general public.

The evaluation of the planning instrument, the long term, must be carried out frequently annual and forwarded to the DNP. The sectoral and global systematic assessment will be carried out using to the Public Expenditure Review (RDP). Sectoral and global Public Expenditure Review reports are submitted for consideration by the Sector ministries and the Ministry of Finance for assessment and possible corrective measures.

6.2.6 Monitoring/Monitoring Committee and Assessment

For the purpose of monitoring/monitoring and evaluating programs, projects and units, it must be created, by joint order between the Minister of Finance and each sectoral Minister, a follow-up/monitoring and evaluation team - which includes representatives from DNP, DNOCP (budget managers) and representatives of the sectoral DGPOGs – and which will be responsible for

are to carry out quarterly and annual monitoring and evaluation, using RDP.

6.2.7 National Statistical System

The National Statistical System (SEN) is the con-organic joint integrated by public entities, with the competence to carry out the activity

official statistics of social interest. The implementation of the EDS will be an important reference for setting priorities for the SEN, but

It should also be an opportunity to strengthen the SEN, both from the point of view of its capacity and the availability of statistical information. To this end, the Government

will move the creation of institutional conditions conducive to the development of school activity statistics

The SEN must provide information through a previously established schedule, which provides response to the needs of producers and users of official statistics for the monitoring and evaluation of strategic-sectoral plans and of PEDS programs.

The capacity to produce data on sectors of government administration, including the SEN, must improve the capacity to respond to the production needs of specific statistical data for the implementation's S&A.

tation of the SDGs and Samoa Roadmap, de-namely, in terms of quality; amount; frequency; disaggregation; distribution; availability; accessibility; systematic integration of data into policies; implement-mentation and systematization of S&A throughout the public administration; and systematic use of S&A to assess performance and impacts.

During the PEDS period and within the framework of ENDE 2017-2021, the weaknesses of the Organs will be analyzed Delegates from the National Statistics Institute (ODINE), the needs to reinforce capabilities and change the model itself, otherwise

of the SEN management mechanisms. Priority will be given to strengthening its main pillars, designated in particular the Censuses and Unit Files Statistics, National Accounts and independence. The 2020 Census should reinforce the quality and usefulness of statistics and databases census data and meet, in particular, data needs for planning and management at local and regional levels, based on SDGs. Special attention will be paid to national accounts, an instrument of economic synthesis with the deepening of the ongoing reform, in dialogue with the Ministry of Finance and the Bank of Cape Verde, thus increasing its usefulness and reinforcing the credibility of INE and the dialogue and cooperation with the Monetary Fund International. ENDE's alignment with the current planning cycle should also translate into effective self-government of the System National Statistics, guaranteed by the Council National Statistics Institute (CNEST), asserting itself the interests of users in setting the priorities, selecting best practices and, above all, focusing on the commitment to science and the user community. INE and the CNEST will provide the reinforcement of mechanisms

methods of analysis and use of statistics officials, such as the Information System of the Labor Market and the Administration Observatory public administration.

In this cycle, priority will be given to implementing new methodologies for measuring the market for work, based on the Recommendations of the International Conference of Statisticians of Work (CIET) of 2013, the conformation of the methodological framework for official statistics best international practices and approval by CNEST, of the essentials of statistical methodologies, as a guarantee of independence and the broad consensus of the scientific community and user of statistical information. Aware that the investments and advances that Cabo Verde met in the last 20 years in field of ICT and, in particular, governance electronics create great potential for production of official statistics, special attention will be given to the valorization of administrative sources that will qualify economic and social statistics in terms of diversity, relevance and quality, with the rationalization of production costs production.



7. RISCOS

The effectiveness of policy management economic depends on understanding the nature of shocks that affect the economy and their economic interactions, as is the case of the external sector, mainly for PPIs such as Cape Verde, characterized by a high degree of economic opening and integration financial, derived from the regime existing exchange rate and other national particularities.

In this sense, monitoring economies the country's partners, namely from the Euro Zone, of the United Kingdom and the United States, it is necessary necessary for the best macro-economic situation of the country, insofar as they influence the evolution of Foreign Direct Investment (FDI), tourism, exports, external remittances and budgetary aid.

The performance of the world economy for the The 2017-2021 period is marked by some risks and growth rates are below average days before the 2008 crisis. In the particular case of the Euro Zone, despite the revisions of the Fund International Monetary Fund (IMF), in July 2017, with high projections for 2017 and 2018, the growth trajectory has been downward, since 2016, with growth slowing from 2% in 2015 to 1.7% in 2018. Furthermore, According to the IMF, there are two specific problems in the region that could condition the growth in the region. The first concerns to the fact that, in some Eurozone countries, bank balance sheets are weak and, through an unfavorable perspective of their profitability, may interact with more political risks high levels and reactivate stability problems financial. The second concerns an increase in long-term interest rates, which negatively affects debt dynamics public and, consequently, the conditions of financing.

In the case of the United Kingdom, while important financier of the national economy and issuer tourism demand, projections for the its economy is marked by greater uncertainty, related to the Brexit vote. AND US growth projections are conditioned by uncertainty on the fiscal policy side, indicating that it will be less expansionist in the future than previously predicted. Furthermore, the risk of a normalization of the *Federal Reserve* 's monetary policy stands out.

System (FED), faster than previously expected, with impacts on markets exchange rates and global capital.

However, the risks are not just limited to of an external nature, having been identified sources of internal risks, namely reforms and actions related to the

Business, State Business Sector, Diversification of Financing Sources and the Operationalization and Monitoring of Programs and

Projects. When the real impacts of these reforms and actions are poorly identified, both at the magnitude, as well as completion time, constitute vulnerabilities, with regard to the results of planning, including macro-economic and budgetary and, consequently, the

relating to the sustainability of public debt.

Radical improvement of the business environment is fundamental to raising the level of investment private sector, generate growth and employment, as well as such as the requalification of tourism, as a factor scale generator and central core of the process of the country's development. With graduation from Cape Verde to a Middle Income country, the Government has to design new sources of financing, which include development of the capital market, creation of investment funds guarantee, through the establishment of Public-Private Partnerships and through concession contracts.

Regarding the reform of the business sector of the State, it is important to move forward with the program of Public Private Partnerships and Privatizations,

mainly in relation to key public companies, aiming to boost activity sectors where they are inserted, creating, directly and indirectly, new opportunities, both for FDI, as well as for national businesspeople.

In this context, the Government must ensure, in assertively, coordination and execution privatization and partnership processes public-private. An important measure for mitigate the fiscal and budgetary risk that the Sector State business represents was the creation, in 2017, from the Monitoring Unit of the State Business Sector (UASE).

With regard to the operationalization and monitoring of programs and projects, it is necessary create the necessary conditions for maximizing

tion of PEDS results and for them to exist, at all levels of government and local power, concrete planning tools, aiming the appropriate implementation of the national planning, monitoring and evaluation system, in line with the management criteria of public excellence, based on results. In this sense, in addition to guaranteeing qualified human resources, a quality information and statistics system is required, so that

monitoring and evaluation processes are effective. Finally, it is essential that the PEDS be properly adopted by all stakeholders in the

SNP, as an instrument of strategic guidance, which should translate into a true

working instrument for the productive sector and be part of the current development agenda ment of Cape Verde.



8. ANEXOS

8.1 The preparation process do PEDS

Prior to the preparation of the PEDS, a evaluation of the previous strategy, the Growth and Poverty Reduction Strategy III (DECRP III). Important lessons were learned, namely, with regard to the appropriation of the same, as a guiding and strategic document for the definition and implementation of sectoral policies. According to the assessment, *"the DECRP III did not translate into a true instrument of work for the productive sector, nor even for public institutions. It was not, in general, sufficiently appropriated by the Ministries nor by its leaders, it was not part of the agenda current of the country"*. From this global appreciation of a team of independent consultants, the design of the PEDS began.

The elaboration of the PEDS was conceived, from a participatory. Efforts were undertaken to ensure take the involvement of both the public administration central and local governments, as well as in various national entities and institutions, including tions of civil society and the private sector and, furthermore, Cape Verde's development partners.

In January 2017, the launch event and the presentation of the bases for the con-

PEDS. The Government Program (PG) of IX Legislature ea Agenda 2030, two Goals Sustainable Development, are announced as the guiding principles for the sustainable development of Cape Verde, in period of validity of the PEDS. The PEDS Advisory Council (CC-PEDS) is also created and several meetings were held during the Plan preparation process, aiming to share and the collection of subsidies from the various members of the CC-PEDS.

Guided by the vision announced in the Government, from January to February, the workshop Application of "Foresight" in sustainable planning in Cape Verde: Participatory Vision, Resilient Planning and Innovative Solutions through "Foresight" (prospecting), led by an international expert in development and with the support of the United Nations, with the aim of think about the country's development in a vision strategic foresight. This training action had massive participation from several institutions from different spheres of society Cape Verde, allowing cross-sectional analyzes of different aspects of development. Form-tions on the integration of the SDG Agenda into the PEDS were carried out, additionally, in three stages, under the guidance of experts from the Nations United.



During the month of March 2017, the central event for the preparation of PEDS. It was a retreat, which took place from the 20th to the 31st of March and which allowed the formation of the various groups work (with representatives from all ministries, municipalities, civil society, private sector and development partners), with transversal themes, whose main purpose was to identify and present proposals for programs, based on the priorities and strategic areas announced in the Government Program, taking into account the three pillars of the PEDS. The retreat also allowed us to start preparing the respective logical frameworks of the programs, ensuring, *a priori*, the alignment of objectives and the goals of sectoral and transversal programs with the PG and the SDGs. Afterwards, there was continuity of work with the various sectors, aiming to conclude the proposals for programs and budget estimates of themselves, work that counted on the strong participation of DNP technical teams, DNOCP, INE and the United Nations.

Highlight also goes to the PEDS regionalization process, which allowed the entire problem of Local Development, directly with all the Municipalities of Cape Verde, the National Association of Municipalities of Cape Verde (ANMCV) and the Development Unit Location (UDL). During this process, several training actions were developed, which included with the technical support of the DNP team, namely in the Strategic Planning and Results-Based Management component.

Cape Verde's Planning System tends for the integration and articulation of the cycle of planning-programming-budgeting, linking the strategic planning and budgeting phases, whether from a long-term perspective

(such as the Government Program and the Objectives of Sustainable Development), either from a medium-term perspective (with the Macro-fiscal and medium-term expenditure frameworks), or from an annual perspective, with the General State Budget.

The Government of Cape Verde adopted the approach by Programs, as a new methodology for planning, which allows the operationalization phased development of a set of new principles and practices such as program budget and management by objectives. With this initiative, the Government intends to broaden the concepts of Budget-Program and budget management by objectives to the preparation, presentation and execution of the State Budget, as a whole, including all areas of the Public Sector, defining and carrying out public expenditure, within the framework of programs detailed by body, function, project or activities to be developed. The chain is done through the definition of Programs. Like this Therefore, the programs defined in the PEDS will be the same programs that will be part of the QDMP and OE (for the years of PEDS validity).

8.2 The Scenario and Projections PEDS Macroeconomics

8.2.1 Population

Projections regarding the national population, provided by INE, point to a slowdown in the population growth rate, compared to previous years. If, in 2010, the total population was 494,040 inhabitants, in 2021, a total of 563,198 inhabitants is expected, representing an increase of around 69,159 inhabitants, as can be seen in Table 14.

In relation to the population per island, it is worth mentioning that projections point to an increase in the population of the islands of Boa Vista and Sal, with an average growth of 6.4% and 3.9% respectively, between 2016 and 2021, given the dynamics of the tourism sector. In a con- Meanwhile, the islands of Santo Antão, Brava, São Nicolau and Fogo are those that register a slight loss of population in this period, a result of the economic stagnation experienced throughout the recent years, given the reduced level of investments and conditions of employment.

	2010	2016E	2017P	2018P	2019P	2020P	2021P
Total Population Var.	494 040 531 239 537 661 544 081 550 483 556 857 563 198						
Yearly	1,36	1,22	1,21	1,19	1,18	1,16	1,14
Average Age of the Population Var.	26,57	28,31	28,60	28,89	29,18	29,48	29,79
Yearly	1,10	1,10	1,02	1,01	1,00	1,03	1,05
Dependency Rate Var. Yearly	61,77	52,56	51,75	51,05	50,58	50,18	49,66
	-4,20	-1,68	-1,54	-1,35	-0,92	-0,79	-1,04
Aging Population Var. Yearly	30 094	29 057	29 584	30 048	30 815	32 008	33 195
	0,10	1,61	1,82	1,57	2,55 3,71	3,87	
Potentially Active Pop	305 391 348 207 354 298 360 197 365 580 370 801 376 315						
Where. Annual	2,80	1,81	1,75	1,67	1,49 1,49	1,43	

Table 30: Demographic Data

Source: MF/DNP/INE. E - Estimates, P - Projections.

Moderate population growth is related to the higher level of education of families, as a result of greater investments in health and education. One of the implications This is the increase in the average age of the population Cape Verdean from 26.6 years in 2010 to 29.8 years, in 2021. Furthermore, there is a reduction of the dependency rate, explained not only by changes in population structure, such as due to the increase in population, economically or potentially, active.

8.2.2 Income, Poverty, Inequality and Unemployment

For 2021, projections indicate that the Gini, consumption and income, should be located in the 0.438 and 0.481, respectively, reflecting the implementation of redistribution policies income and poverty reduction (absolute and relative tiva), driven by growth rates significant differences in the income of families who found in the first and second quintile.

189

INDICATORS/YEARS 2013E 2014E 2015E 2016E 2017P 2018P 2019P 2020P 2021P									
INEQUALITY									
GINI Income	0,494	0,493	0,496	0,493	0,489	0,487	0,484	0,483	0,481
Where. Annual	-0,40	-0,20	0,61	-0,60	-0,81	-0,41	-0,62	-0,21	-0,41
Gini Consumption	0,470	0,470	0,460	0,458	0,454	0,450	0,446	0,442	0,438
Where. Annual	-2,08	0,00	-2,13	-0,46	-0,87	-0,88	-0,87	-0,90	-0,88
POVERTY									
% Relative Poor	21,30	21,60	24,20	23,58	22,77	21,96	21,28	20,56	19,88
Where. Annual	-2,00	1,69	11,91	-4,90	-6,53	-6,76	-6,18	-6,22	-6,56
Relative Poor	110 936.00	114 100.00	129 227.00	125 270.00	122 442.00	119 505.00	117 155.00	114 475.00	111 963.00
Where. Annual	-0,89	2,85	13,26	-3,06	-2,26	-2,40	-1,97	-2,29	-2,19
% Absolute Poor	33,40	32,70	35,61	34,05	32,69	31,47	30,34	29,27	28,25
Where. Annual	-5,01	-1,93	8,91	-4,39	-3,98	-3,73	-3,59	-3,52	-3,50
Absolute Poor	173,875.00	172,468.00	186,906.00	180,882.00	175,777.00	171,244.00	167,034.00	163,012.00	159,081.00
Where. Annual	-3,93	-0,81	8,37	-3,22	-2,82	-2,58	-2,46	-2,41	-2,41
UNEMPLOYMENT									
Unemployment Rate	16,4	15,8	12,4	15,0	15,8	15,1	13,8	12,1	9,7

Table 31: Income, Poverty, Inequality and Unemployment Indicators

Source: MF/DNP; INE. E - Estimates, P - Projections.

By 2021, it is expected that both absolute poverty and fight, as the relative continue to reduce, thus fulfilling the Sustainable Development Goals and the Program itself.

Government to the legislature (see Table 15). The number of absolute poor is projected to decrease from 35% of the population in 2015 to 28.7%, in 2021; while relative poverty,

which stands at 24.2% of the population, decreases to 19.8%. Therefore, economic growth, accompanied by better redistribution policies, will enable an increase in families' disposable income and the consequent reducing poverty and inequality.

As for unemployment, projections point to which will be 9.7% of the population Economically Active, in 2021. Such a result will come from the successful application of active policies of the Government, with regard to employment, namely incentives for the private sector, financing for companies, creation and co-financing of professional internships that generate and employment facilitators, in partnership with the private sector, and in conjunction with the system education, elimination of the contribution to social security that will fall on companies

when recruiting young people and effective promotion of entrepreneurship.

8.2.3 External Framework of the Economy
Cape Verdean

The country's economic dynamics in 2016 were marked by a slowdown in the pace of growth of the world economy and, specifically, of the countries partners, as can be seen in Table 16. Data from the International Monetary Fund (IMF) point out that, in 2016, economic growth worldwide was 3.2%, being the lowest value since 2009. However, projections regarding the pace of World Gross Domestic Product indicates an increase ment (3.6%), in 2017 The data, in Table 16, show that, from 2017 to 2021, world GDP will grow at an average rate of 3.7%, driven, in large part, by the dynamics of emerging economies.

Again	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021				
World	3,5		3,5		3,6	3,4	3,2		3,6	3,7	3,7	3,7	3,7	3,8
Euro zone	-0,9		-0,2		1,3	2,0	1,8		2,1	1,9	1,7	1,6	1,5	
USA	2,2		1,7		2,6	2,9	1,5*		2,2	2,3	1,9	1,8	1,7	
United Kingdom 1.3 Sub-Saharan			1,9		3,1	2,2	1,8*		1,7	1,5	1,6	1,7	1,7	
Africa 4.4			5,3		5,1	3,4	1,4		2,6	3,4	3,4	3,7	3,8	

Table 32: Real Growth of Gross Domestic Product

Source: IMF, April 2017. * Estimates

With regard to the evolution of the general level of world prices, the data presented in the Table 17 shows that, in 2016, prices grew by 2.8% and IMF forecasts indicate an increase in this indicator, by 2017, at 3.2%, being strongly influenced

due to the behavior of the oil price, the latter having an expected increase of 17.4%. Growth is also expected in food prices, for 2017, of 3.6%. For the remaining periods until 2021, projections indicate stability in food prices.

Again	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021			
World	4,1		3,7		3,2	2,8	2,8		3,1	3,3	3,3	3,3	3,2
Euro zone	2,5		1,3		0,4	0,0	0,2		1,5	1,4	1,7	1,8	1,9
USA	2,1		1,5		1,6	0,1	1,3*		2,1	2,1	2,6	2,4	2,2
United Kingdom 2.8 Sub-Saharan			2,6		1,5	0,0	0,7*		2,6	2,6	2,2	2,1	2,0
Africa 9.3			6,6		6,3	7,0	11,3		11,0	9,5	8,6	8,3	8,0

Table 33: Evolution of the Inflation Rate

Source: IMF, April 2017. * Estimates

When analyzing the numbers of the Zone's economy Euro, there is a recovery in the pace of economic activity, slightly higher than previous expectations, derived from the macro-economic framework.

more robust economy, based on the increase of domestic demand, supported by continued expansionary and progressive monetary policy improvements in the labor market (with

unemployment projections to levels lower than than a digit), making it less vulnerable to external shocks. Furthermore, due to the reforms, within the institutional scope of the region, after the financial crisis, institutions find themselves more solid and, gradually, leverage ratios converge to more sustainable levels. stable.

Regarding the behavior of the general level of prices in the Euro Zone, projections point to for an inflation rate of 1.5% in 2017, a value higher than that recorded in 2016 (0.2%). Similar to world prices, inflation in the Zone Euro is justified by the rise in currency prices oil and the increase in domestic consumption. For the other periods, until 2021, there is stable trend in the general price level, with an average inflation rate of 1.7%.

The dynamics of the UK economy, each due to the uncertainty of economic policies related to the Brexit vote, points out real GDP growth prospects, to 2017. According to the IMF, GDP growth will be of 1.7%, a value lower than that of 2016, by 0.1 pp For 2018, forecasts indicate that this value will be it will be around 1.5%, and for the other periods at 1.7%. The estimated unemployment rate for the region, from 2017 to 2021, presents changes, in relation to what was observed in the period of 2012 to 2016, increasing from an average of 6.4% to 4.5%. As for domestic prices, the data point to an acceleration in inflation, going from 0.6% in 2016 to 2.6% in 2017. The average inflation for the period 2017 – 2021 is of 2.3%.

In the case of the United States Economy of America, IMF forecasts point to increase in the pace of economic activity, to 2017 and 2018, with real GDP growth to stand at 2.2% and 2.3%, respectively, resulting from the acceleration of production activity, in second half of 2016, and the prospects for greater public expenditure, due to the

fiscal and investment fear in infrastructure ture. Derive from this picture, improvements in the job position and the increase in the level of prices. The average unemployment rate, projected between 2017 and 2021, it is 4.3%, a value lower than the average for the period between 2012 and 2016 (6.3%). A estimated average inflation rate is 2.3%, value which exceeds that recorded between 2011 and 2016 (1.3%).

In the case of Sub-Saharan Africa, the year 2016 was marked by the slowdown in the process of economic growth, due to a set of factors, namely the drop in

commodity prices , slowdown in the world economy, especially in China, while major demander of raw materials and promoter of direct foreign investment. Furthermore, the negative effects of conflicts on the continent, such as the case of Libya.

For 2017, IMF projections indicate that real GDP growth is expected to be at 2.6%. According to the *African Economic Outlook* 2017, such growth will be driven due to the expected increase in *commodity* prices , increased private demand, improved in the management of macroeconomic policies and greater diversification of the economy, especially in the service and light industry sector. Direct foreign investment and immigrant remittances continue to be the most important sources of financing for the continent and the

forecast is that its values will exceed those recorded ted in 2016.

8.2.4 Dynamics of the Cape Verdean Economy

The evolution of the Cape Verdean economy, in the period 2017-2021, fits into an ex-economic activity recovery worldwide, with particularity for the Euro Zone and, in parallel, it fits into Government policies, which will be aimed at promoting sustained economic growth, on average term, allowing, on the one hand, the reduction of unemployment, mainly among the youth

venile and, on the other hand, create conditions to increase family purchasing power.

However, given the uncertainties regarding the world economy, the analysis of macro-economic policies and risk management must consider national economic issues, in a global perspective. Therefore, the 2017-2021 Macroeconomic Framework contemplates two scenarios:

- 1st - Base Scenario - refers to a situation of *status quo*, without policy measures, presenting a panorama of greater uncertainty, regarding concerns the recovery of the world economy, weak dynamics of private investment and progressive recovery of the tourism sector.
- 2nd - PEDS Scenario – scenario with safety measures sectoral programs and macroeconomic, structural and social policies of the country, for a medium and long-term period. It also has more sustained economic growth worldwide; greater dynamics of private investment; increase in remittances from emigrants; most significant recovery of the tourism sector, consequent to the increase in the number of tourists and foreign direct investment in the country.

8.2.5 Production

Economic growth projections are based on sectoral *Cobb-Douglas* functions (primary, secondary, accommodation and catering, public administration and other sectors, transport and telecommunications). The production factors considered are: capital stock and population employed in different sectors. It is assumed that the population, in both scenarios mentioned above, follows the same trend, however, as in PEDS the situation of investments is more favorable, the stock of capital differs from the base scenario.

In the PEDS scenario, which incorporates policy actions aimed at improving the national business environment, reducing informality in economy, requalification of tourism and attraction of direct foreign investment, projections point to average GDP growth Real, around 5.8% and reaching 7.0%, in 2021. When considering projections for In the base scenario, it appears that real GDP will grow at an average rate of 4.3%.

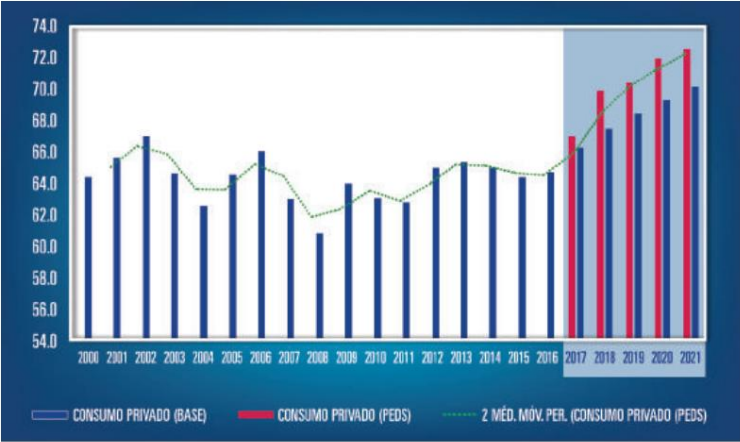
Indicators/Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021									
PIB Nominal	150 351 153 723 154 436 158 699 163 381 170 053 181 695 194 149 208 515 225 936																		
Where. Annual	1,6		2,2		0,5		2,8		3,0		4,1		6,8		6,9		7,4		8,4
Real GDP	136 955 138 054 138 898 140 297 145 652 152 231 160 274 169 763 180 423 193 132																		
Where. Annual	1,1		0,8		0,6		1,0		3,8		4,5		5,3		5,9		6,3		7,0

Table 34: Evolution of Real and Nominal GDP

Cast iron: MF/DNP

At a sectoral level, the results point to the continuous growth of the primary sector, as a result of past investment levels, as well as as well as ongoing actions, namely improvements to rural infrastructure, promotion of fishing sector and corporateization of activities. In the secondary sector, projections indicate significant improvements in productivity, such as result of the commitment to industrialization, aiming to improvement of domestic supply and increased contribute to the country's export capacity. O tertiary sector, represented by accommodation and restoration, public administration and other sectors

tors, appears as the one with the greatest growth, reflecting the contagion effect of tourism, within of this sector. With regard to demand components aggregated, there are significant differences in the behavior of the variables, in relation to the previous period (2012 to 2016). An important factor in aggregate behaviors is consumption of families. According to Graph 14, there is a significant increase, with the private consumption/GDP ratio rising from 64.7% to an average of 70.3% in the period 2017 to 2021. The trajectory of the con-



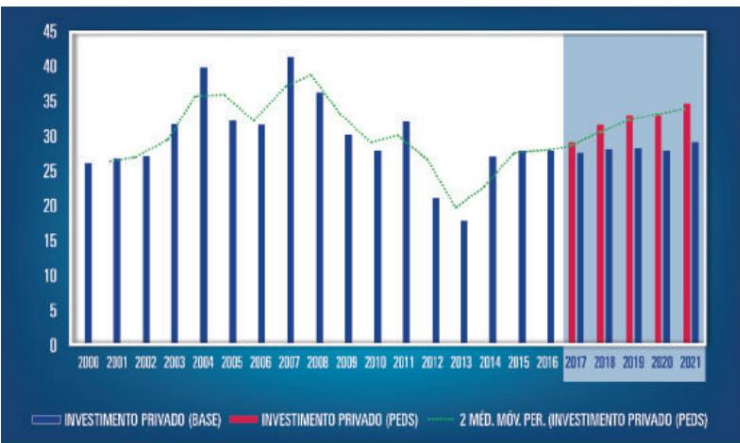
Graph 11: Evolution of Private Consumption (% of GDP).

Cast iron: MF/DNP



Graph 12: Evolution of Public Consumption (% of GDP).

Cast iron: MF/DNP



Graph 13: Evolution of Private Investment (% of GDP).

Cast iron: MF/DNP

derives from the increase in disposable income of families, as already mentioned.

In the case of public consumption, projections (Graph 15) indicate a downward trend in relation to GDP, reflecting the Government's commitment with fiscal discipline and the consequent stability

of macroeconomics. Therefore, it includes greater promotion of quality and results culture, in achieving of public expenditure, translating in increases in government efficiency in the use of public resources.

The contribution of sector investment private sector for economic growth It is decisive for the country's growth and development process. At the

Graph 16 shows the estimated data of the ratio between private investments and GDP, which show an improvement in dynamics of investments, driven due to the continued increase in confidence of private agents, reversing the stagnation behavior that verified in recent years.

In the PEDS scenario, the Private investment/GDP ratio will remain at a rate average of 34.7%, while, in the base scenario, it will be 29.1%. What

is the basis of this result is the con- together with ongoing reforms, aimed at improvement of the national business environment, especially in taxation, legal security, access to financing, installation of a public machine

pro-business, which removes obstacles them and the costs associated with investing ment, among others.

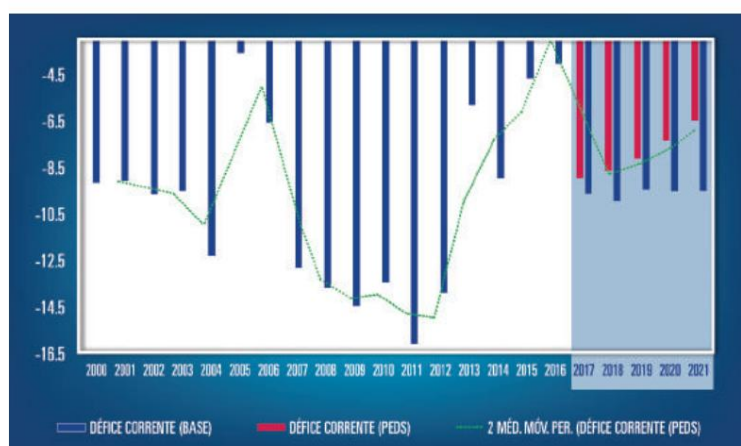
In the case of public investment, the projections in Graph 17 indicate a downward trend in relation to the GDP, being in line with the Government commitment to fiscal discipline and macroeconomic stability

nomic. In this sense, the Government created the System National Investment Agency (SNI), aiming to ensure greater economic and social impact and benefit in the country, due to the investments made, naturally respecting budget restrictions and ensuring greater efficiency.



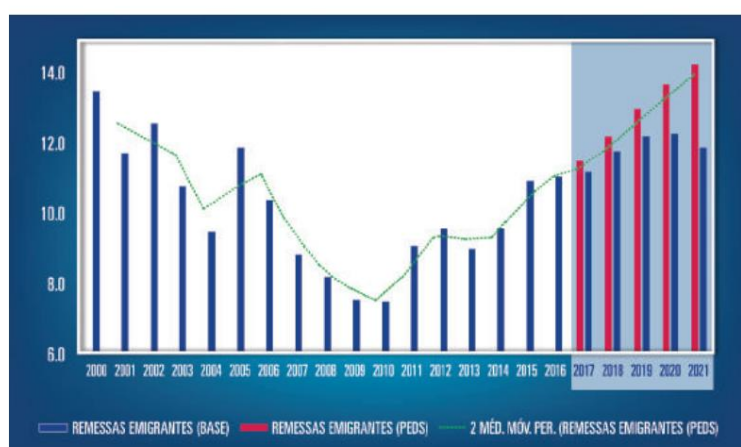
Graph 14: Evolution of Public Investment (% of GDP).

Cast iron: MF/DNP



Graph 15: Evolution of the Current Account Deficit (% PIB nominal).

Cast iron: MF/DNP



Graph 16: Evolution of Emigrant Remittances (% PIB nominal).

Cast iron: MF/DNP

8.2.6 External Sector

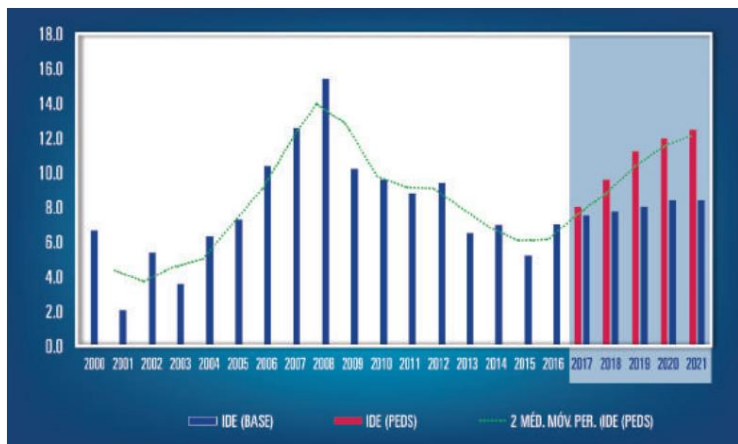
Projections for the external sector of the economy national level show improvements in the health indicator external security of the economy, represented by

months of imports, guaranteed by available reserve levels and reduction in the current account deficit. On the Chart 18, it can be noted that, in the PEDS scenario, this deficit will be 7.9% of GDP, while, in the base scenario, the value average increases to 9.8% of GDP. What explains this result are the promotions of investment in the sectors of fisheries and agriculture, with its respective qualifications for the export and export of tourist service.

As for exports of goods and services, these should increase their *performance* during the period of PEDS, driven by the increase in exports of tourist services, agricultural products (improvement of production methods – hydroponics and agriculture) greenhouse culture -, efficient management of water resources - dams) and the exportation of fish (promotion of *joint ventures* and promotion of integration of the entire fishing chain in the sea economy). It is also highlighted the role of tourism, as a factor generating large part of the national production chain, consequently, the improvement the service balance and the current account. Imports are expected to increase throughout the reference period, due to the improvement in the dynamics internal economy. The expected increase for FDI will contribute positively to increase imports of goods, especially capital goods.

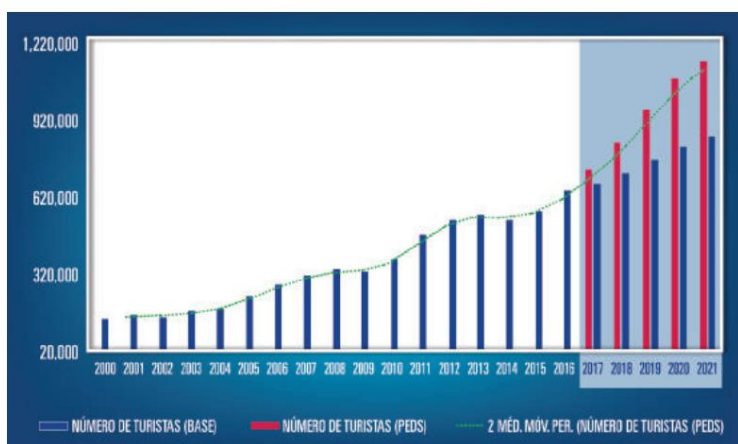
Another important element in the process of reducing poverty and improving in the quality of life of Cape Verdean families

-Verdian, are immigrant remittances. With improving the economic and financial situation international project designed by the IMF, mainly of Cape Verde's partner countries, it is expected



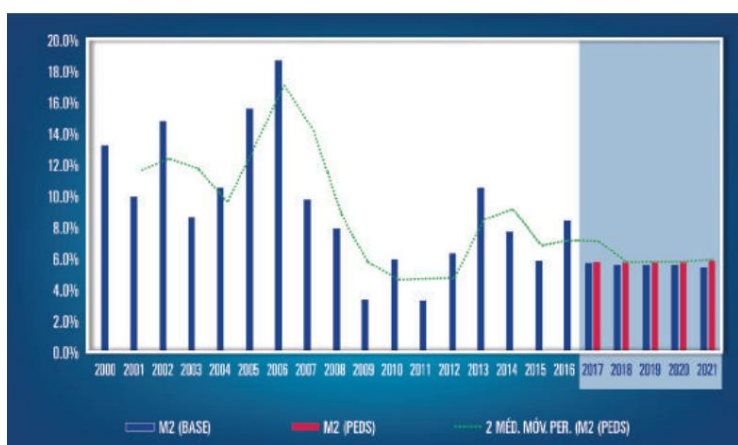
Graph 17: Evolution of Direct Investment Foreign (% Nominal GDP).

Cast iron: MF/DNP



Graph 18: Evolution of the Number of Tourists.

Cast iron: MF/DNP



Graph 19: Evolution of the Monetary Mass.

Cast iron: MF/DNP

that remittances remain dynamic favorable and with relative weight in the national economy. For the PEDS scenario, projections point to an average weight, between 2017 and 2021, in around 12.9% of GDP, while, for the nary base, this value is 11.9%.

The performance of the financial balance depends heavily on the evolution of the Foreign Direct Investment (FDI).

Therefore, fundraising from FDI should improve activity financing conditions national production. Well, this last one constitutes a challenge for the promotion of private sector, as a promoter of economic growth.

The average weight of the FDI in GDP, for the base scenario, is 8.0% and, for the PEDS scenario, it is 10.6%, except for the considerable increase in the denominator (Graph 20).

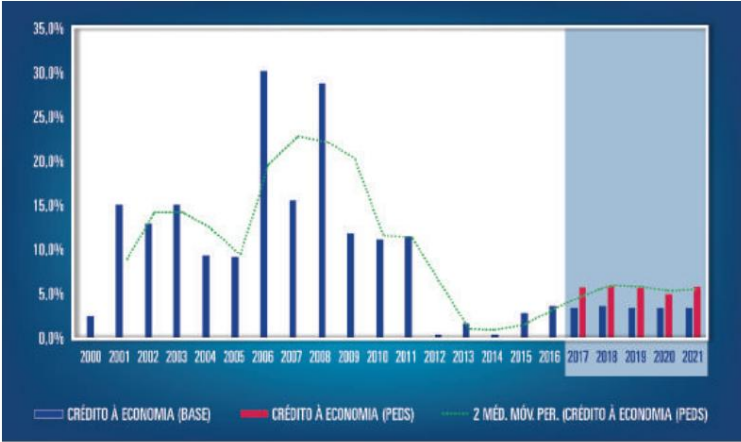
The promotion of the tourist destination and the brand of the country, with the main promoters and issuing markets, will increase the inflow of tourists. Related to this last lastly, the promotion of investments, in a context of contractualization of the public and private partnership, together with the promotion and quality of the Cabo Verde brand, and the organization of interfaces at airports, ports and in all routes and facilities at strategic points also contribute to increase tourist arrivals.

Therefore, a notable improvement in these factors will contribute to improving the flow of tourists, on different islands, with a significant impact on the levels of people's lives, due to the value chain generated by this sector (contagion effect). With the reforms, at the tourist level, ongoing, it is expected that, in the scenario PEDS, the country reaches, by 2021, the milestone 1.2 million tourists, while,

in the base scenario, 862 thousand tourists are projected.

8.2.7 Monetary Sector

Monetary policy during the PEDS, must remain accommodative, oriented



Graph 20: Evolution of Credit to the Economy.

Cast iron: MF/DNP

aimed at stabilizing external reserves and the preservation of financial stability, despite although some focus on boosting credit the economy. In this sequence, the monetary mass growth is expected to grow, on average, 5.8%, in the scenario PEDS and 5.3%, in the Base scenario, according to the fico 19.

Credit to the economy, which has been portrayed as one of the constraints on the national private sector, growing at an average rate of 1.7% during the period 2012 to 2016, it is expected to grow during the period 2017 to 2021, on average 5.6%, in the PEDS scenario, and 3.2%, in the scenario Base.

8.2.8 Prices and Deflator

Price behavior in Cape Verde in 2016, it was negative, with inflation registering -1.4%, driven mainly by

due to the fall in rental prices housing, water, electricity, gas and other fuels, transport, and food and non-alcoholic beverage pipelines olic.

Generally, prices in Cape Verde have a strong component imported. Forecasts indicate a significant interconnection between changes in international prices, economic partners, namely Portugal (due to the relative weight of national imports, 49.6%, in 2016), with changes in domestic prices. In this sense, the projections incorporate, in addition to internal dynamics, also, the evolution of external prices.

Graph 21 illustrates the behavior of prices for both scenarios, with highlighting a greater acceleration in the PEDS scenario, in which the inflation rate reaches an average value of 1.5%. In the base scenario, this value will be around 1.0%. Analyzing the price behavior, by categories, in the PEDS scenario, it appears that the headings transport, alcoholic beverages and tobacco, food products mental and non-alcoholic beverages and Hotels and Restoration are the ones that show the greatest acceleration. This result reflects the contagion effect tourism in the national economy.

As for the deflator projections, it follows the trend in price levels, with slight



Graph 21: Evolution of the Price Index and Deflator.

Cast iron: MF/DNP

ro increase over the period. Analyzing the sectoral deflators, it appears that the primary sector and the accommodation and catering sector are the which show a greater upward trend, explained by the increase in domestic demand and tourism.

rismus

8.3 Regionalization by Island

I. SANTO ANTÃO

With a surface area of 785 km² and a population of 39,923 inhabitants, equivalent to a density of 50.9 inhabitants per km², Santo Antão is the fourth region in the country, in terms of population, housing around 7.5% of the resident population. Santo Antão is an island that loses population, exceeding 36,000 inhabitants so many, in 1940, to 37,140 inhabitants, not hori-PEDS zone (2021) and 33,066 inhabitants, in 2030, mainly due to internal migration, especially to São Vicente, where they reside, at least 16,535 natives of that island. In this island, around 63.2% of the population is 15 to 64 years of age, that is, they are of child-rearing age wealth and is expected to grow and reach 65.1%, PEDS zone. The average number of years of everything is slightly below the national average, which is 7.7 years. Santo Antão is home to 11,339 households, with an average size of 3.5 members, led mainly by men (63.6%) and continues to be one of the islands poorest people in Cape Verde, surpassing the national average in the three municipalities, with more than half of the population in this situation in Paul (51.6%) and Porto Novo (51.1%), with Ribeira Grande being the least poor municipality (38.5%). GDP/capita is around 2,501 US dollars and this is the third smallest in Cape Verde. This island stands out for its high level of sanitation domestic, but also comfort. The strength of work of Santo Antão consists of 15,221 assets, equivalent to an activity rate of 52.0%, which is very low and the unemployment rate of just 8.9% has little relevance in terms of earnings, taking into account the high

level of underemployment. Santo Antão has a profile epidemiological largely convergent with the national average, namely due to the weight of non-communicable diseases; is today a region health center that integrates a regional hospital for serve the entire Island, that is, around 39,900 inhabitants with 63 beds, 3 police stations with 3 health centers, 11 health posts and 21 Units

Basic Sanitary. Because of migration, in this island, there is a clear tendency towards a reduction in school demand, at all levels; the island does not it lacks schools, some of which are starting to be deactivated, but above all it needs requalification. Santo Antão has an Internal Product Gross 9,342 million ECV (6.0% of wealth national) of which 4,460 thousand contos generated by the tertiary sector, which has greater weight, but the "Agriculture, animal production and forestry" is the main economic activity on the island. Holy Antão still has little expression in tourism, but the hospitality of its people, combined with the grandeur of its mountains, rivers, cliffs and the beautiful landscapes have resulted in an increase in demand from tourists from Europe. O

Santo Antão's business fabric is not very expressive, little diversified and has little weight, in the national context, but also with very low levels of productivity, but the economy informal has some expression. Notwithstanding the investments made and the gains of these 42 years of independence, Santo Antão continues to be an island waiting for opportunities to properly value its potential, for the development of the local economy and for the fulfillment of the desires of its people, which have been forced to internal and international migration.

The implementation of PEDS represents a major opportunity for this island, with special emphasis for the construction of Santo Antão airport (studies to be carried out), the expansion of the port, namely to receive cruises and structuring investments, such as the creation of Águas de Santo Antão, according to the Santo Antão Water and Sanitation Master Plan; but also for tourism, with the implementation

the concept of tourism specific to this island, namely promoting it as one of the 20 most beautiful islands in the world and the «Surprise of Atlantic»; for agriculture; in short, for the local economy, for health, housing and urban requalification; and thus, the conditions for accelerating the growth of island economy, from 2022.

II. SAINT VINCENT

With a surface area of 226.7 km² and a population of 81,863 inhabitants, equivalent to a density of 361.2 inhabitants per km², São Vicente is the second region in the country, in terms population, housing around 15.4% of the population residing in Cape Verde. Saint Vincent is an attractive island, with an offer of mation, at all levels and with one of the hospitals first reference centers. Due to the economic and employment opportunities it offers, from 15,848 inhabitants in 1940, it should reach 85,670 inhabitants, within the PEDS horizon and 91,007 in 2030, mainly due to migration internal, especially Santo Antão and São Nicholas. Around 55,637 people resident in São Vicente are 15 to 64 years old, which represents a high productive potential of the population. The population's literacy level surpasses the national average and the population aged 4 or over have an average of 7.6 years of studies. São Vicente currently houses around of 25,007 family aggregates, or equivalent to 17.7% of the country's universe, with a size average of 3.2 members, headed mostly by men (52.6%) and being a society urban area, has a high level of sanitation domestic, but also comfort, in the regarding access to new technology information and communication. São Vicente is the th least poor island in Cape Verde, with a incidence of 27.5%, a GDP/per capita of 3,392 US dollars, the third highest in Cape Verde and an average level of annual expenditure consumption of 202,215 ECV, i.e. 1.6 times the that the average expenditure of a person residing in

Fire. São Vicente's workforce is consisting of 40,030 assets, equivalent to an activity rate of 63.7% and the unemployment rate is 16.2%, exceeding the national average. In São Vicente, healthcare are provided by Hospital Baptista de Sousa and by other structures and this is the second central hospital in Cape Verde, that is, first class reference, with 200 beds and 9,704 hospitalized patients, in 2015. This island has 97 doctors and 155 nurses, the equivalent of 12.1 doctors and 19.4 nurses per 10,000 inhabitants, respectively, surpassing the national average of 7.8 doctors and 12.5 nurses per 10,000 inhabitants, respectively. Diseases of the circulatory system (26.7%), tumors or neoplasms (18.6%), diseases of the circulatory system (13.3%) are the main causes of death. In São Vicente, the chances of survival are slightly below average nationally, as the Gross Mortality Rate is 6.0/1000, above the national average, which is 5.2/1000, regarding the infant mortality rate is 17.8%, also above the national average which is 15.3%, which may also be due to the evacuations from Santo Antão. São Vicente offers all levels of education, from pre-school, with 3,307 children, in basic education, with 8,373 students and secondary, 6,850 students, with, Furthermore, a dense and diversified offer of higher education, with four universities and a university institute, and the reorientation of the school network towards the extension of EB is underway, until to the 8th year. São Vicente is the second economy in Cape Verde, a service economy, with a Gross Domestic Product of 24,648 million ECV (16.0% of national wealth). The economy of São Vicente is a service economy, as the tertiary sector generates around 53% of the wealth of the island, but it is, above all, the island of the cable industry. -verdiana and, in particular, the manufacturing industries, which generate around 47.6% on the island of the GVA of this branch of activity. Saint Vincent It still has a weak expression in terms of tourism, with a deficient accommodation capacity, but Cape Verde has recently entered

at the cruise tourism and movement concert

In 2016, there were more than 77,000 tourists, of which 48,000 in Porto Grande. Culture is highlighted as an important, and even fundamental, asset for the tourist development of cities and, in Mindelo, in S. Vicente, Carnival and the Cesária Évora product are identified as poles tourist attraction. The main core services in the area are based in São Vicente.

of the maritime economy and Porto Grande is the largest port in the country. São Vicente is also the second region, in terms of business activity, housing 1,833 companies, which generate 12,039 jobs and a turnover of 69,095,777 ECV and, above all, production levels activity above the national average. However its successful journey, São Vicente has stagnated since 2000, and is an island with high unemployment, which has become impoverished, remaining insecure.

touch as their competitive advantages. A exe-

The implementation of the PEDS represents a great opportunity for São Vicente, as, on this island, a large part of the vision of transforming Cape Verde on a maritime platform, the Special Economic Zone for Maritime Economy must be implemented, aiming to guarantee the competitive insertion of Cape Verde in the regional and international economy, transforming São Vicente on a modern and international island, with a dynamic economy. With PEDS, the island will be equipped with a cruise terminal, in the Porto Grande, aiming to reach around 200,000 passengers, in 2030, becoming a true reference cruise destination, in West African region and throughout Macaronesia. The various investments will be carried out based on a PPP logic, aiming to attract the greatest private sector participation.

III. SAN NICOLAU

With a population of around 12,341 inhabitants and an area of 344.61 km², that is, a density of 35.8 inhabitants per km², São Nicolau has been losing population, at least since 1970 and will have around 11,959 inhabitants in 2021,

being an island that loses population, especially for the islands of Sal and São Vicente, with reduced accessibility, which testifies to the fact that economic and social opportunities have not been developed on the island that meet the needs and expectations of the population. With 3,791 households, with 3.3 members, headed mostly by men (56.4%), high level of domestic sanitation, access to ICT, in short comfort, this island has below-average levels of absolute poverty nationally, 31.6% in Tarrafal de São Nicolau and 34.9% in Ribeira Brava. The workforce of São Nicolau island is made up of 4,747 assets, equivalent to an activity rate of 51.8%, well below the national average and the rate unemployment rate is 11.3%, also below the national average. This island also has a profile epidemiological analysis that converges with the national average, but depends heavily on the hospital in the Sal, as a reference hospital, having a Health Department based in Ribeira Brava, a Health Center in each municipality and the levels of infant mortality (24.2/1000) and general (9.2%) surpasses the national average. The product Gross Domestic of São Nicolau was 3,305 thousand h ECV, resulting in a GDP/capita of 2,913 US dollars. On this island, the predominance of public sector, that is, the State and the tertiary sector is the most important generator (49.3%) of island wealth. Saint Nicholas has an ability of unimpressive tourist accommodation, but it should position itself for leisure and holiday tourism, which constitutes 51% of tourist demand at national level worldwide. The business fabric of São Nicolau is not very expressive, consisting of 354 companies, which generate 730 jobs and earn 865,462 contos/year, and with low levels of productivity. São Nicolau is also an agricultural island, with 2,096 family farms, being cultivated, in the rainfed area, around 778.2 hectares and, in irrigated areas, around 138.3 hectares.

The implementation of PEDS represents a major opportunity for Saint Nicholas, with special emphasis on: the solution to the problem of reduced

accessibility (which is the biggest obstacle to the development of tourism and the dynamization of the island's economy), the solution of problems of connection between the two Municipalities and, in particular, connection between the port of Tarrafal and the airport of Preguiça; and with emphasis, also, on the requalification of Tarrafal's seafront, These investments will give an essential boost to tourism. It also represents a great opportunity, regarding: social transfers, urban planning,

multifunctional registry (instrument for property clarification); but also in the regarding: the reinforcement of municipal revenues, the urban requalification, in the field of fisheries with the rehabilitation of the fishing pier, sanitation, with the conversion of the garbage dump into a landfill controlled, as well as the control of the environment body.

IV. SHAWL

With a surface area of 219.8 km² and a population of 35,268 inhabitants, equivalent to a density of 160.4 inhabitants per km², Sal is the fifth region, in terms of population, with around 6.6% of the population residing in Cabo Verde. This island had 1,121 inhabitants in 1940 and will have 42,514 inhabitants in 2021 and is, therefore, a of the most attractive islands in Cape Verde, which receives foreign migrants, but above all from the other islands, especially Santo Antão, São Vicente, São Nicolau and Santiago. About 23,936 residents of Sal are between 15 and 64 years of age.

age and, on this island, almost the entire population of 15 years old is literate and those aged 4 or over have on average 7.6 years of studies. Sal houses, currently, around 10,153 households ares, with an average size of 3.4 limbs, headed mainly by men (64.0%) and is a totally urban island, with *habitat* concentrated, who has always lived on services and in permanent contact with the developed world, thus having high standards of consumption, domestic sanitation, access and use of ICT and comfort. Sal is the second island

least poor in Cape Verde, with an incidence of 19%, a GDP/capita of 5,498 US dollars, the second highest in Cape Verde,

where each person has an average level of annual consumption expenditure of 236,502 ECV. A

housing is one of the biggest social problems

on this island, where the population has more than doubled since 2000, with the majority (56.9%) being migrants. The supply does not match the demand,

generating clandestine neighborhoods on the largest tourist island in the country. Sanitation is also a first-line problem and constitutes, with the

housing and insecurity, major threats to

tourism sustainability. The workforce

do Sal is made up of 20,579 assets, with the second highest activity rate (81.1%) and the

unemployment rate is just 8.3% and is, therefore,

an island of expanding opportunities. O

health context of Sal is characterized by a

rapidly growing population, the largest and

busiest airport in the country, arrivals and

departures of several national and international flights, on average 10,000 tourists/day, evacuation difficulties, with a regional hospital

which does not yet formally have this status,

2 health centers and 1 health post. Salt is

one of the rare islands where school demand

grows, because of immigration, and education

develops at all levels, from teaching

preschool, with 1,672 children, to teaching

basic, with 3,658 students, to secondary education

with 1,374 students, in the general route and 1,807, in the

technical route, with the reorganization of the network being underway

school, but having also started teaching

higher. Sal's economy is, markedly,

tourism, with a Gross Domestic Product of

16,057 million ECV, with a predominance of

tertiary sector, which generates 2/3 of the island's wealth,

resulting in a GDP/capita of 5,498 dollars

Americans, the second highest in Cabo

Green. Transport & storage is the main

economic activity, with 23.6% of the wealth of the

island, determined mainly by the airport, which is the largest in the

country. Good tourism in

Cape Verde started with Sal, which continues to

be the largest tourist island in the country, with a

city of accommodation for 11,781 guests, with welcomed 293,987 guests in 2016. This island achieves around 40.2% of Added Value Gross from accommodation and restaurants and, together, with the island of Boa Vista generate around 75.9% of the GVA of this branch of economic activity. Sal is the third island with the greatest weight of business activity, and the island where it is located based at ASA, one of the largest companies Cape Verdeans and the country's largest tourist operators. The island's 903 companies generated 9,293 jobs and a turnover of 51,050 thousand contos, equivalent to 20.3% of companies' revenue, but, above all, with a the highest levels of productivity.

The implementation of PEDS represents a major opportunity for the island of Sal because, within the of this plan, the island will be transformed into an air *hub* and will thus achieve much of the transform Cape Verde into an aerial platform; but also an opportunity for a solution of the housing problems for which they are planned investments of 3 million contos in rehabilitation and rehousing, solving water and sanitation problems, with investments of around 124 thousand contos, in densification of water and sanitation and around 400 thousand contos, in the construction of the sanitary landfill. Still, in Within the framework of the PEDS, the Regional Salt Chain will be built, with an investment of 180 thousand tales, the island will receive social transfers and investments will be made in rehabilitation urban, fisheries and environment, with emphasis on for the conservation of biodiversity.

V. BOA VISTA

With a surface area of 631.1 km² and a population of 15,534 inhabitants, equivalent to a density of 24.6 inhabitants per km², Good Vista is the third island on the surface, but the fourth smaller in terms of population. Boa Vista had 2,779 inhabitants in 1940, but will have 20,959 inhabitants in 2021. It is one of the most attractive islands for tourism, which gains population in the

migration, especially from the island of Santiago, but also foreigners. About 72 in for every 100 inhabitants of Boa Vista, there are 15 to 64 years of age, almost the entire population of 15 years is literate and the population aged 4 or more has, on average, 7.4 years of studies. Boa Vista is currently home to around 5,035 households with 3.1 members, headed mostly by men (62.1%), is predominantly urban, with high standards of living and thus on this island are high levels of domestic sanitation and access and use of information and communication technologies, in short, comfort, with the exception of water. It is the least poor island in Cape Verde, with an incidence of 8.3%, a GDP/capita of 6,342 US dollars, the highest in Cabo Verde, despite the high cost of living, where each person has an average level of annual consumption expenditure of 290,934 ECV. Housing is one of the biggest social problems in island, as the housing supply is not up to par of demand, on an island whose population has doubled in a decade and where, in fact, 57.2% of the population is an immigrant, thus creating the Boa Esperança neighborhood, a true ghetto, where the majority of the island's population, without any public services and it will be necessary, by 2021, at least 1,737 more houses, because of more 4,244 permanent, direct and indirect jobs that will absorb a further 2,438 workers migrants. Sanitation is also the most weak in Boa Vista, because although families have have a good level of domestic sanitation and urban cleaning is regular, treatment is deficient, increasing atmospheric pollution and soil contamination, representing some threat to public health. Boa Vista is the the only region where the vast majority (64%) of families do not have running water. The big ones hotels have private sanitation systems liquid. Boa Vista's workforce is made up of 9,718 employees and this island has the largest activity rate (82%) and the second lowest rate unemployment rate in the country (7.9%). The offer of health services in Boa Vista, is inadequate,

being a tourist island, but also taking into account the level of wealth on the island. He has a Police Station and a Health Center with a wide portfolio of services, operating in uninterruptedly, a health station and five basic health units, with reference being the hospital in Sal, but as evacuations, in most of the time, made for Praia, especially those in the surgery area. The economy of Boa Vista is markedly touristy. The product The island's Gross Domestic Product was 7.693 million ECV, of which 5,228 million ECV generated by the sector tertiary, which has greater weight and contributes 68% for the formation of the island's wealth, resulting in a GDP/ Capita of 6,342 US dollars, the highest in Cape Verde. Particular

Emphasis must be given to the fact that accommodation and restoration being the main economic activity, contributing 38.1% to the island's wealth, This framework also configures the weight and potential of the island's private sector, which will offer increasing economic opportunities. Good Vista has 3,044 rooms and a capacity of accommodation for 6,321 guests, around 25.9% of national capacity, and received around 31.6% of guests who visited Cape Verde. Within the PEDS horizon, it should reach 7,191 rooms with 14,382 beds, and should receive 474,248 guests. Boa Vista's business fabric is little expressive, little diverse and with low weight, in the national context, integrating 350 companies that generate 3,294 jobs and earn 6,948,881 contos per year, with high levels of company productivity.

The implementation of PEDS represents a major opportunity for Boa Vista, with a special focus on solving housing problems, with investments of around 1.4 million stories, in the rehabilitation of the Boa Esperança neighborhood, the solution to sanitation problems of solid waste, with investments of around 480 thousand contos - especially in the construction of the sanitary landfill and closure and requalification of the municipal dump, but, especially, it represents a great opportunity, in the

scope of the densification and improvement program of water and sanitation systems, which affects 8.4 million contos (48.5% of resources) to this island, with emphasis on the construction, expansion and rehabilitation of drinking water distribution infrastructures, worth around 4.26 million contos and for the construction of the WWTP and wastewater drainage networks, worth around 4.13 million contos. It will also receive investments of around 600 thousand contos for the rehabilitation of highways and will benefit, both from social transfers, of investments, in the environmental domain, with special emphasis on the integration of conservation of biodiversity in the tourism sector, in synergy with the protected areas system, worth around 103.37 million escudos.

SAW. MAY

With an area of 274.5 km² and a population of 7,034 inhabitants, Maio is the second smallest region of Cape Verde, with three times the population that it had half a century ago and will have 7,747 inhabitants, in 2021, slow growth, due, above all, the migration to the city of Praia. A emigration testifies that, although effective improving living conditions, the island still offers rare economic opportunities. Fence 65% of the population of Maio is of legal age creating wealth, that is, it constitutes a demographic opportunity, with the population aged 4 or over have an average of 6.8 years of studies, below the national average of 7.7 years. In May, there are 2,090 households with, on average, 3.2 members, headed mainly by women (52.9%) who live in their own home, in a *habitat* concentrated trad and the island is above the national average, with regard to access to goods and services basics, but, at a disadvantage, with regard to access to information and communication technologies. Around 31.7% of the population of Maio lives in a situation of absolute poverty and the force The island's workforce consists of 3,170 active employees, equivalent to an activity rate of 63.4% and

the unemployment rate is just 5.7%. The island has a convergent epidemiological profile, with a Health Police Station and a Health Center first-class, two Health Stations and two Basic Health Units; infant mortality is higher than the national average (28/1000), but the general mortality rate (5.3%) practically converges and the island has 2.8 doctors per 10,000 inhabitants and 11.4 nurses per 10,000 inhabitants. On the island of Maio, there is a clear tendency to the reduction in school demand and we are in full swing rationalization of the school network. Important part of young people from Maio, who complete the secondary cycle, do not pursue professional studies or higher and this is a situation of relative exclusion, taking into account the insufficiency of mechanisms, until then, used in the attribution of scholarships, which do not allow levels of positive discrimination. The product Gross Domestic Domestic Product of May was 1.621 million ECV, resulting in a GDP/capita of 2,573 dollars Americans, the fourth smallest in Cape Verde. You non-market services and public administration (18.5%) and agriculture (17.6%) are the most relevant and it is thus an economy with a predominance of the State, where the tertiary sector, the most

Importantly, it generates 47.8% of the island's wealth. The island do Maio was prepared, more than 10 years ago, to large tourist investments, with 3 ZDTI, all with tourist planning plans.

The aim is to reposition tourism, therefore the Tourist Planning Plans will be reevaluated, with the introduction of segments of small high-end hotel units.

added value and the island will be an important destination, not only for domestic tourism, but also International.

The implementation of PEDS represents a major opportunity for May, as it takes place in framework of the Sotavento Axis, economic and human constituted by the Sotavento islands, with around 2/3 of the population and 60% of the national wealth, characterized by a strong migration to Praia. It is a great opportunity, especially for solving problems

problems of accessibility by sea, but also aerial, extending the port, with investments to be made, as well as

for the repositioning of tourism and the start-up of Maio, as an international tourism destination.

tender and international. The Maio ecosystem is very fragile and this island will receive, under the PEDS, investments for the conservation of biodiversity, of around 104 thousand contos, with special emphasis on the «Integration of Conservation of Biodiversity in the Tourism Sector in Si-energy with the Protected Areas System», as well as financial reinforcement for urban planning and urban requalification, and investments also in the field of health, water and sanitation and also fisheries and agriculture.

VII. NORTH SANTIAGO

Santa Catarina, Santa Cruz, Tarrafal, São Miguel, São Salvador do Mundo and São Lourenço dos Órgãos constitute the Santiago Norte region, with around 120 thousand inhabitants, thus being second largest region of Cape Verde. This one comes losing weight since the seventies and the strong slowdown in growth in the 1990s

2000, testifies that, although it was a decade of strong investments and effective improvement of living conditions, this region it still offers rare economic opportunities.

Santiago Norte is home to 29,734 family groups. ares, with an average size of 4.1 members, headed mostly by women (55%), at a disadvantage with regard to access to basic goods and services, as with regard to access to information and communication technologies cation. Santa Cruz (60.3%), São Lourenço dos Órgãos (58.5%) and Tarrafal (58.3%) form the group of the three poorest Municipalities in Cabo

Green, being the average final consumption expenditure of around 123,715 escudos per person, around 42% of the level of residents in Boa Vista. A

Santiago Norte's workforce is made up of 52,078 active workers and the unemployment rate is of 12.9%, below the national average, but with

reduced relevance, in terms of gains, due to to the weight of agriculture and underemployment. The Santiago Norte Health Region is the first in the country, implemented in 2008, and is already a case of success, because globally Santiago Norte is to converge with the national average, both in terms of the epidemiological picture and in terms of matter of survival indicators, very although it still lacks resources, both human, financial and equipment. In Santiago Norte, all components of the educational system are carried out, that is, from pre-school education with 5,253 children, to teaching basic with 15,833 students, to secondary education with 14,578 students, and at the higher level in which 3 institutions operate. With an Internal Product Gross, estimated at around 23,944 million ECV, or equivalent to about 15.5% of wealth nationally, the tertiary sector is the most important, generating around 50% of the region's GDP. Santiago-go Norte is the main agricultural and livestock center of the country and, par excellence, an agricultural region, with 11,888 hectares cultivated rainfed and 985 hectares under irrigation, representing, respectively, around 45.3 and 30.3% of the cultivated area at national level, leading in the field of livestock, with 35,959 farm units livestock, responsible for the creation of 65,372 heads of cattle. The business sector has little expression with 1,484 companies, which guarantee has 3,337 jobs with a turnover of 4,232,491 contos and low levels of productivity and the informal economy, gains expression with around 6,300 informal production units that generate around 7,600 nails.

Within the scope of PEDS, the development of the Santiago Norte region is projected on the Sotavento Axis, and should become the largest source of Cape Verde, in agricultural and livestock products, in an important hub of knowledge and technologies, as well as in a new tourist destination. Through this plan, special attention to unlocking, with investments of around 3.59 million contos, at the same time

combats housing insecurity, with investments of around 625 thousand contos, in the of fisheries, with investments on the order of 497 thousand contos, namely; but, especially, the mobilization of water and valorization of five dams, through the development of a new agricultural agenda. They will, within the scope of the PEDS, investments were made in the areas environment, water and sanitation, urban planning, multi-tifunctional and transfers will be carried out cials, taking into account the fact that this region is the largest poverty grant in Cape Verde, and around 10 million contos will also be allocated to carry out the main functions of the State.

VIII. SANTIAGO SUL

With a surface area of 387.34 km² and a population of 177,758 inhabitants, equivalent to a density of 458.92 inhabitants per km², San-tiago Sul is the first region in the country, in terms population, housing at least 1/3 of the population residing in Cape Verde. In 1940, this region had 18,298 inhabitants, and reach 196,696, within the PEDS horizon. Santiago South is one of the most attractive regions of Cabo Green, especially, thanks to the city of Praia, due to economic and social opportunities that it offers, as it houses the country's capital and, consequently, the essential part of administration, companies and international organizations, as it has the greater and better offer of training and jobs of the country, a central hospital and thus offering opportunities, especially for populations of Santiago Norte, Maio, Fogo and Brava. Around 118,971 people living in Santiago South are 15 to 64 years of age, that is, they are in age to create wealth (66.9%) and constitute, thus, a demographic opportunity. Nessa region, the vast majority of the population of 15 years or more is literate and the population with 4 years or more, in Praia, has, on average, 7.4 years of studies, in São Domingos, 7.2 and in Ribeira Grande de Santiago, 6.8 years. Santiago South currently houses around 43,416 households

family members, equivalent to 30.9% of the population country, with an average size of 4.1 members, headed mostly by women (50.8%) and is, overall, high, both the level of domestic sanitation, such as the level of comfort, access and use of information technologies, being, however, the second largest

Cape Verde's poverty grant, with around 32% of the poor. With a GDP/capita of around 3,832 US dollars, the third highest in Cape Verde, Santiago Sul is part of the Praia, where the average annual consumption expenditure is of 236,602 ECV, the third highest in the country. A Santiago Sul's workforce is constituted by 86,447 assets, around 35% of the country's workforce, equivalent to an activity rate of 67.2% and the unemployment rate is 20.8% and, therefore, houses almost half (48.6%) of the unemployed in Cape Verde. In Santia-go Sul, there is the Praia Central Hospital, a network of 5 Health Centers in the capital and also two Health Centers in Ribeira Grande Santiago and São Domingos, in addition to Health Stations and Base Health Units. Survival probabilities appear to be slightly higher, as the gross rate of Mortality is 4.1/1,000, below the national average, with non-communicable diseases predominating. In this region, education covers the preschool education with 8,317 children, teaching basic with 20,792 students and secondary with 16,962 students, with reorganization underway of the school network, to extend compulsory education up to the 8th year. This region has the largest and the best offer of higher education and professional training in the country. With a GDP of around 59,077 million ECV, of which 70.1% generated by the tertiary sector, financial and insurance activities are the most representative. Praia is an important part of Cape Verde's port and airport activities, being the Porto da Praia is the second largest in the country, which, together with Praia airport, they determine, to a large extent, the weight of Santiago in generating the Gross Value Added of the activity transport, storage and communications

(51.3%), with the island in first place. San-tiago Sul is the region with the greatest weight in activity business, with 2,750 companies, the equivalent to 29.4% of the universe of companies that generated 20,389 jobs, equivalent to a volume of business of 112.9 million contos and equivalent to 44.9% of the turnover of Cape Verdean companies. Companies have production levels activity well above the national average.

The implementation of PEDS represents a major opportunity for Santiago Sul, on the one hand, because Praia will perform an essential part of the concept of a financial platform, through private investments, in the field of tourism, but, also, through its commitment to promoting the economies of other regions and decentralization, which will, in the long term, reduce migration to Praia; for providing Praia with a regional hospital, for investments in the Pal-marejo university campus, in housing and in the rehabilitation and rehousing program, in the city of Praia: and, particularly, due to investments of around 3.69 million contos in water densification and sanitation, (with emphasis on the «Water and Sanitation of the Peripheral Neighborhoods of Cidade da Praia»), on the roads, in the areas of environment; but also, for taking place, in this region, the essence of the final and administration and support provided by PEDS.

IX. FIRE

With a surface area of 471.2 km² and a population of 35,621 inhabitants, the island of Fogo is home to around 6.7% of the population residing in Cape Verde is, therefore, the fifth region of the country. With three Municipalities, São Filipe being the largest and more populated, this island had, in 1940, around 23,000 inhabitants, is losing population and 37,178 inhabitants, in 2010 it will have only 34,622 inhabitants, within the horizon of the PEDS, due to mentally, to internal migration, with special emphasis on Praia, and to emigration, especially to the United States of America, in other words, Fogo is an island that is losing population.

Around 61% of the population of Fogo is in age to create wealth, that is, it constitutes a demographic opportunity, the vast majority of the population aged 15 or over is literate and the population aged 4 or over has, on average, 6.4 years of studies. Fogo is currently home to around 8,638 households, with an average size of 4.1 members, headed mostly by men (58.9%) and the families take adequate care of sanitation household, have a high level of comfort and access and use of information technologies and communication. All municipalities on the island have levels of absolute poverty higher than average national. The island's GDP/capita is around 2,277 dollars, the lowest in Cape Verde and the strength of work consists of 13,378 active, equivalent to an activity rate of 53.6% well below the national average and the dropout rate semego is only 8.9%, with little relevance in terms of earnings, taking into account the high levels of underemployment. Fogo constitutes, with Brava, a health region, but each

The municipality of this island has a Police Station Health and a Health Center, served by a regional second reference hospital and has a convergent epidemiological profile.

On this island, education operates in pre-school education with 1,660 children, in basic education with 5,066 students and in secondary with 3,818 students, the reorganization of the school network is underway to extend compulsory education until 8th year. Fogo is an island with potential unique and rare tourist no world, represented by the volcano, which is still very little explored, including scientific tourism, with Chã das Caldeiras being a candidate for UNESCO geopark.

Even so, it is an island waiting for opportunities, with a Gross Domestic Product of 7,445 million ECV, of which 3,419 million ECV generated by the tertiary sector, which has greater weight and contributes 45.9% to the formation of wealth of the island, resulting in a GDP/Capita of 2,277 US dollars, the smallest in Cape Verde. A agriculture, animal production, hunting and forestry are the economic activities with the greatest

relevance, contributing around 22.4% to island wealth. The business fabric of Fogo is unimpressive, with 537 companies, which generate 1,312 jobs and earn 1,889,238 contos/year, with low levels of productivity. On this island, the informal economy also has some ex-pressure.

The implementation of PEDS represents a major opportunity for the island of Fogo, carrying out the Eixo Sotavento concept, but also, due to the possibility of solving the island's accessibility problems, tourist development and the effective valorization of agricultural potential, in component of fruit growing, in which it is competitive, as well as the consolidation of wine from Fire and cheese, as export products. It will be the opportunity to carry out large investments of around 358 thousand contos in roads, in densification and improvement of water and sanitation systems, in training professional, as well as in housing, sanitation and environment, in urban planning and multifunctional registration and transfers social programs, within the scope of family and social inclusion.

X. BRAVA

With a surface area of 62.51 km2 and a population of 5,638 inhabitants, equivalent to a density of 90.2 inhabitants per km2, Brava is the smallest island in terms of surface, but also in population terms, housing around 1.1% of the population residing in Cape Verde. A Brava had 8,528 inhabitants in 1940 and will about 5,346, on the horizon of this plan, or is only 62.6% of the population that had in 1940 and is, therefore, a repulsive island, which loses population in the migratory process, both internally, mainly to Praia, but also through emigration, especially to USA. At Brava 3,468 people, that is, 61.5% of the resident population on the island are 15 to 64 years old, that is, they are of age to create wealth and 85 out of every 100 people

People aged 15 or over are literate and the population aged 4 or over has an average of 6.5 years of studies, below the national average that is 7.7 years. Brava currently houses around 1,553 households, with a average size of 3.6 members, headed mostly by men (58.3%), with a good level of domestic sanitation, comfort and good integration dynamics in the digital economy. Brava is the tenth most poor in Cape Verde, with 43.5% of the population living below the poverty line, with a GDP/capita of 2,494 US dollars, the second lowest in Cape Verde, where each person has an average level of annual consumption expenditure of 136,478 ECV, that is, 57.7% of the level of residents in Praia. The workforce of Brava is made up of 1,231 assets, equivalent at an activity rate of just 30.5%, the lowest in the country and the unemployment rate is just 4.6%, the lowest in the country, but with weak relevance in terms of earnings, having pay attention to the level of underemployment. To the Survival conditions in Brava have not yet converged with the region, as the survival rate infant mortality is 26.8/1,000, above the average for the region, which is 24.2/1,000 while the overall mortality rate is 6.7/1,000, almost converging with the region (6.1/1,000). A Brava has 3.5 doctors per 1,000 inhabitants, and 14.2 nurses per thousand inhabitants. On the island Brava, education occurs at three levels, being the pre-school level with 364 children, teaching basic education attended by 834 students and teaching secondary school attended by 580 students. O The island's Gross Domestic Product was 1,303 million

million ECV, of which 563 million ECV come from the tertiary sector, being, however, a predominantly agricultural economy, with 22% of the island's wealth, but also with strong presence of public administration, which testifies to the weight of the State. As an agricultural island, the Brava has 965 family farms and 892 livestock farms,

cultivating, in the dryland, 467 hectares and around of 36.8 hectares, irrigated. Brava is weak capacity in terms of accommodation and movement of guests, but it is recognized that Brava has great tourist potential, together with the island of Fogo. Brava's business fabric is not very expressive, little diversified and with low weight in the national context, but also with very low levels of productivity, with 144 companies, which generate 247 jobs and earn 532,209 contos/year.

The implementation of PEDS represents a major opportunity for Brava, with regard to solution to the island's accessibility problem, with the execution of the airport project Brava, (previous studies to be prepared) but also with regard to tourism development. It will be an opportunity to invest in sanitation, especially in a

landfill, with investments of around 100 thousand contos, but also, in the field of fisheries, environment, water and sanitation, as well as in the field of urban planning, multifunctional registration and trans-social conferences.

8.4 Index of Tables and Graphs

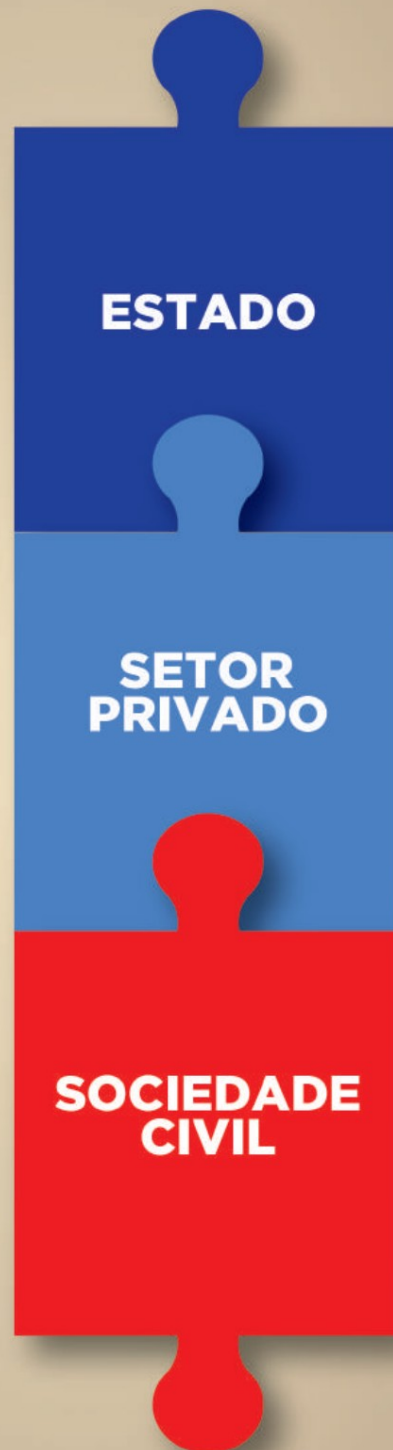
Pictures

Table 1: Demographic Projections 2010 – 2030. Source: INE.....	33
Table 2: Comparison of Cape Verde's HDI and GDP pc with the TOP 10 PPI. Source: IBGE/Brazil	38
Table 3: Balance of Payments in millions of ECV.	45
Table 4: Public Development Assistance (ODA), in millions of ECV	45
Table 5: Relative evolution of tourism revenue, emigrant remittances and transfers, in relation to the balance of the Goods Balance, between 2013 and 2015.....	46
Table 6: Alignment of the Government Program with International Agendas	56
Table 7: GDP per capita and GDP per capita per island, between 2007 and 2014. Source: INE	63
Table 8: Evolution of GDP.....	63
Table 9: Tourism Statistics (data from the latest INE report, referring to the year 2016 – report produced in 2017)	76
Table 10: Financial System. Sectoral contribution to GVA.....	78
Table 11: Dynamics of Foreign Investment	80
Table 12: FDI (the TOP TEN PPI and Cape Verde).....	80
Table 13: Comparison of governance indicators - Cape Verde and Singapore.....	99
Table 14: Economic Freedom Index, 2017.....	100
Table 15: PEDS Logical Framework: Indicators and Targets.....	155
Table 16: Evolution of the unemployment rate by region	168
Table 17: Evolution of GDP/capita in PPP dollars by region.....	168
Table 18: Evolution of the movement of passengers boarding and disembarking in airports in the country by region.....	168
Table 19: Evolution of the Direct Contribution of Tourism to GDP by region.....	169
Table 20: Evolution of the percentage of families at risk of food insecurity by region.....	169
Table 21: Evolution of informal production units by region.....	169
Table 22: Evolution of the incidence of poverty by region.....	170
Table 23: Percentage of the population with access to the public water network by region	170
Table 24: Percentage of population with access to electricity by region.....	170
Table 25: Evolution of emigrant remittances by region. In millions of escudos.....	171
Table 26: Evolution of the social security coverage rate of the contributory scheme (*) by region.....	171
Table 27: Participation in local elections by region.....	171
Table 28: Projection of youth employment by region.....	172
Table 29: Evolution of the HDI by Region	172
Table 30: Demographic Data	189
Table 31: Income, Poverty, Inequality and Unemployment Indicators.....	179
Table 32: Real Growth of Gross Domestic Product	190
Table 33: Evolution of the Inflation Rate.....	190
Table 34: Evolution of Real and Nominal GDP	192

Graphics

Graph 1: Evolution of Real GDP, Nominal GDP and Inflation. Source: INE.....	35
Graph 2: Sectoral contribution to GVA. Source: INE.....	35
Graph 3: Incidence of global relative poverty and extreme relative poverty by means residence. Source: INE, IDRF 2015.....	35
Graph 4: GDP per capita Growth Scenario in the Long Term. SOURCE: DNP/MF.....	38
Graph 5: Connectivity index of Middle Atlantic countries. Source: World Bank	39
Graph 6: Source: ADEI: Survey of small and medium-sized companies, regarding attitudes about entrepreneurship, 2014	98
Graph 7: Source: ADEI: Survey of small and medium-sized companies regarding attitudes towards entrepreneurship, 2014	99
Graph 8: Sources: <i>Doing Business Reports</i> 2012 to 2017, <i>World Bank</i>	101
Graph 9: Sources: <i>Doing Business Reports</i> 2015 to 2017, <i>World Bank</i>	101
Graph 10: Savings and Investment in % of GDP	104
Graph 11: Evolution of Private Consumption (% of GDP). Source: MF/DNP.....	193
Graph 12: Evolution of Public Consumption (% of GDP). Source: MF/DNP	193
Graph 13: Evolution of Private Investment (% of GDP). Source: MF/DNP	193
Graph 14: Evolution of Public Investment (% of GDP). Source: MF/DNP.....	194
Graph 15: Evolution of the Current Account Deficit (% nominal GDP). Source: MF/DNP.....	194
Graph 16: Evolution of Emigrant Remittances (% nominal GDP). Source: MF/DNP	194
Graph 17: Evolution of Foreign Direct Investment (% Nominal GDP). Source: MF/DNP.....	195
Graph 18: Evolution of the Number of Tourists. Source: MF/DNP.....	195
Graph 19: Evolution of the Monetary Mass. Source: MF/DNP.....	195
Graph 20: Evolution of Credit to the Economy. Source: MF/DNP.....	196
Graph 21: Evolution of the Price Index and Deflator. Source: MF/DNP.....	196

O **PEDS** foi um processo participativo:



**Todos juntos por
um Cabo Verde melhor.**

