



MAPPING OF EU INVESTMENTS IN CABO VERDE

HOW EUROPEAN UNION
INVESTMENTS CONTRIBUTE TO
SUSTAINABLE DEVELOPMENT
IN CABO VERDE





CONTENTS

FOREWORD	4
EU-CABO VERDE ECONOMIC OVERVIEW	5
EU COMPANIES IN CABO VERDE	6
EU INVESTMENT MAPPING PER SECTOR AGRICULTURE	11
EU INVESTMENT MAPPING PER SECTOR INDUSTRY	14
EU INVESTMENT MAPPING PER SECTOR SERVICES	17
EU INVESTMENT MAPPING ON FISHERIES	20
EU INVESTMENT MAPPING ON TOURISM	23
EU-CABO VERDE TRADE OPPORTUNITIES	26
GENERALISED SCHEME OF PREFERENCES (GSP+)	27

FOREWORD



SOFIA MOREIRA DE SOUSA

**HEAD OF DELEGATION
TO CABO VERDE**



This brochure showcases the presence and impact of the European investors in Cabo Verde. This analysis, made by the EU mission to Cabo Verde, contains indicative data, provided on a voluntary basis by the companies, on key EU-Cabo Verde partners; investment characteristics; economic impact; Corporate Social Responsibility; barriers and opportunities for investment.

The European Union and Cabo Verde have been close partners for more than 14 years, since the signature of the Special Partnership in 2007. Since then, both have been working hand in hand, bringing prosperity to its citizens and building a close relationship in political, social, cultural and economic matters.

As the country's largest trading and investment partner, the European Union wishes to promote a favorable business climate to foster a sustainable and inclusive economy. To this end, mapping out the EU business presence in-country is a step towards strengthening the potential of the private sector in the Cabo Verdean economy, in line with the national «Cabo Verde 2030 ambition» and EU-Africa Partnership for Sustainable Growth and Jobs.

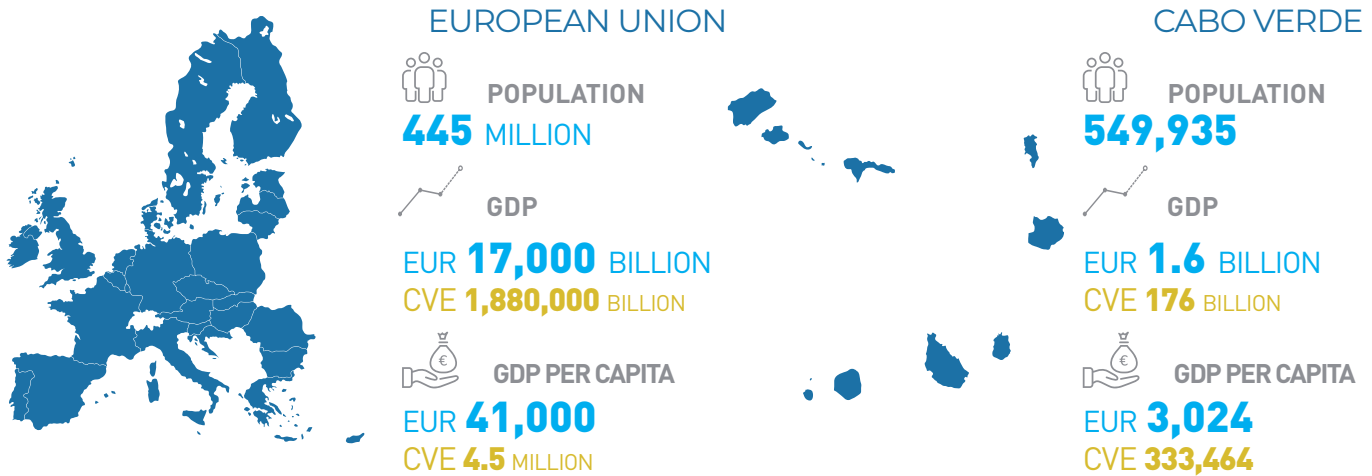
By identifying and analysing the presence of the European investors in the archipelago, we can develop, together with the Government and the main stakeholders, instruments and mechanisms to promote public-private dialogue and tackle investment barriers. This will help us to achieve a more dynamic and diversified economy, where the private sector can strengthen inclusive growth and sustainable jobs.

I wish to express my appreciation to the EU Member-States, Cabo Verdean institutions, business support organizations, private companies and staff that contributed to this product. I trust this brochure will be instrumental in improving the effectiveness of our support to the national economy.

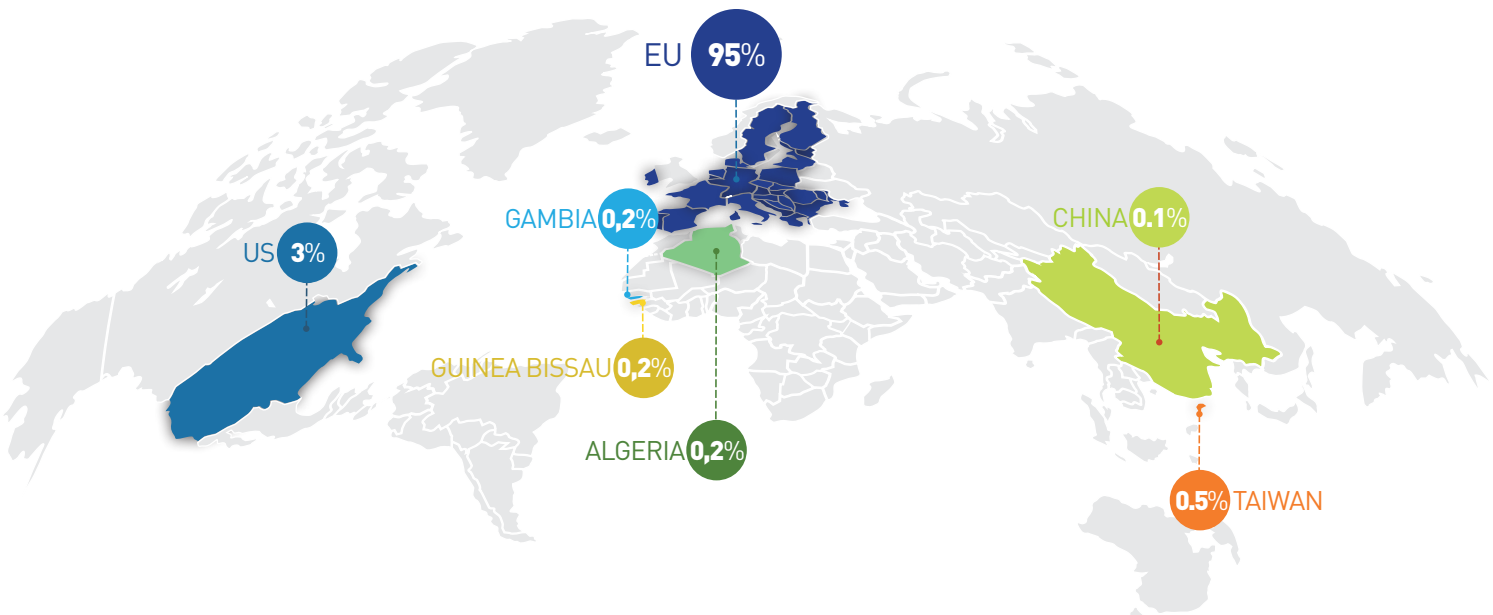
Enjoy the reading!



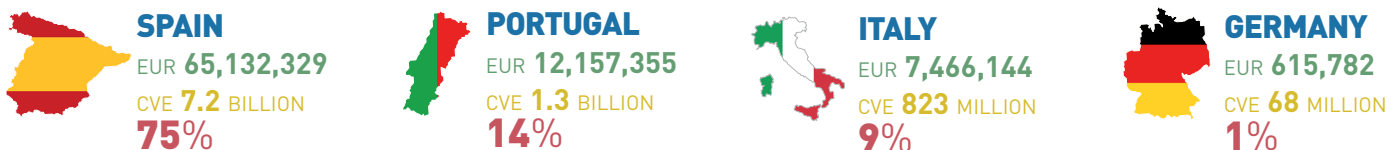
EU-CABO VERDE ECONOMIC OVERVIEW



CABO VERDE EXPORTS TO THE WORLD



CABO VERDE EXPORTS TO THE EU



EU EXPORTS TO CABO VERDE



EU COMPANIES IN CABO VERDE

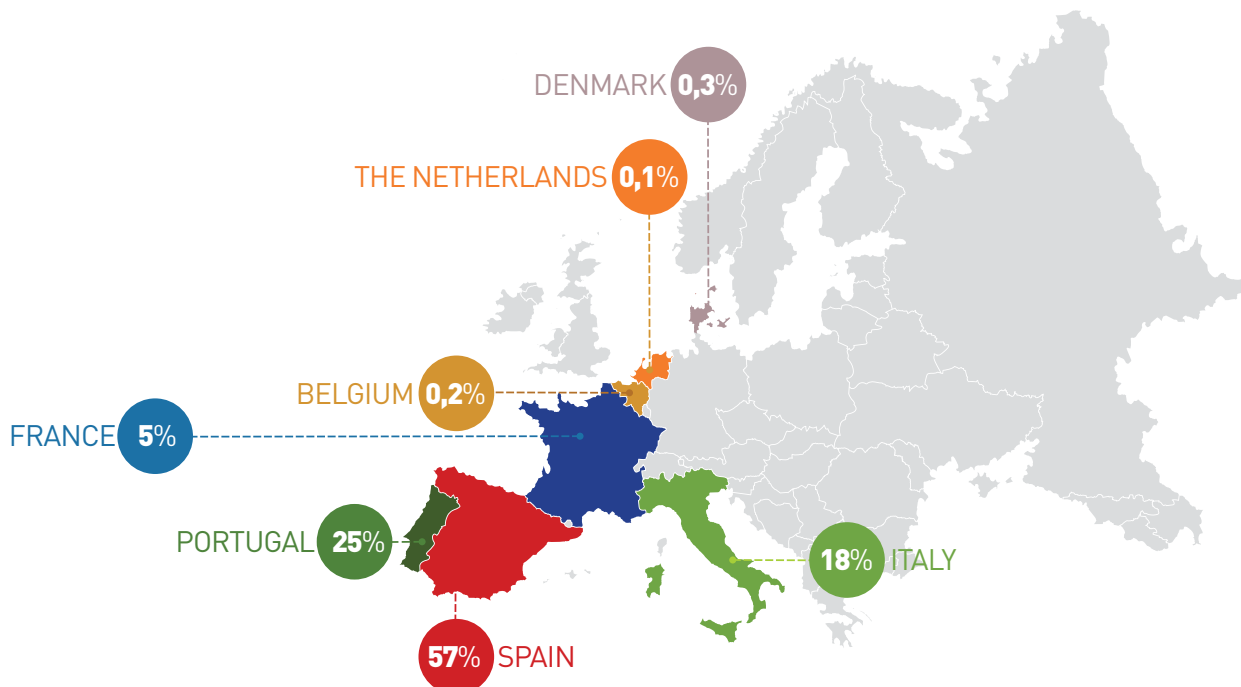


FIRMS **COUNTRY OF ORIGIN**

FIRMS WITH EU SHAREHOLDERS,
CAPITAL OR REGISTRATION



INVESTMENT **COUNTRY OF ORIGIN**



Source: 2021 EU investment mapping

*The figures showcase the replies from 103 respondents to a survey from Feb to May 2021.
The estimated EU27 FDI 2016–2020 in Cabo Verde is: Spain 72%; Portugal 21% ; and Italy 7%.*

Source: IDE/quadros estatísticos www.bcv.pt


RELATION WITH THE EU

87% EU SHAREHOLDERS
OR CAPITAL

22% EU HEADQUARTERS

19% EU REGISTRATION

EU COMPANY SIZE

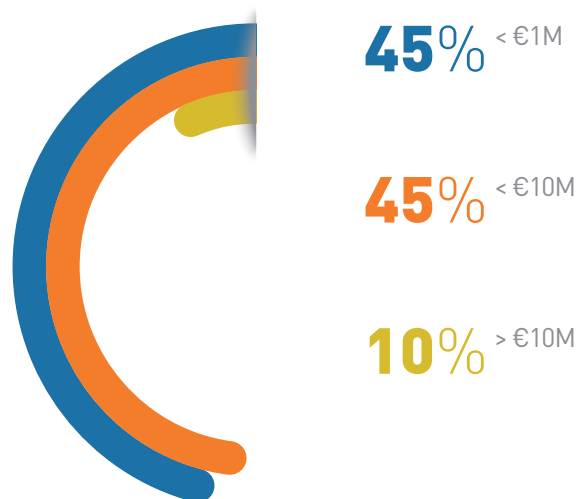
 **8%** BIG
>250

 **14%** MEDIUM
<250

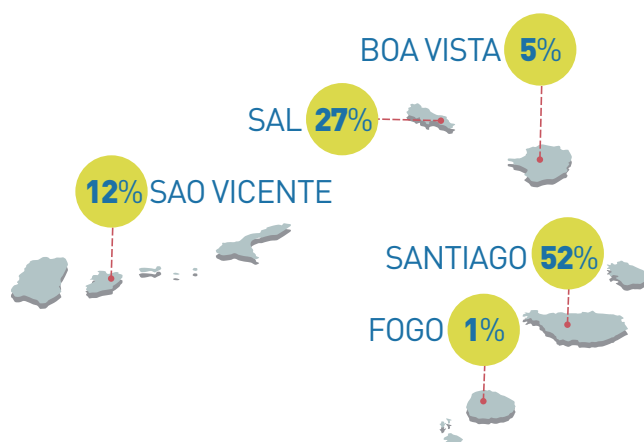
 **39%** SMALL
<50

 **39%** MICRO
<10

EU COMPANY TURNOVER



EU COMPANY LOCATION



EU COMPANY ESTABLISHMENT





INVESTMENT MOTIVATION



TO EXPLORE
THE LOCAL
MARKET

47%



TO EXPLORE
THE INTERNATIONAL
MARKET

44%



TO EXPLORE
THE REGIONAL
MARKET

8%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

23%



AVERAGE IMPORTANCE

13%



IMPORTANT OR
VERY IMPORTANT

64%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

41%



AVERAGE IMPORTANCE

25%



IMPORTANT OR
VERY IMPORTANT

34%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
17%



THE SAME
26%



FAIR
GROWTH
16%



HIGH
GROWTH
41%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



52%
LOCAL BANKS/
FINANCIAL
INSTITUTIONS



40%
COMPANY
PROFITS



18%
PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



12%
HEADQUARTERS
FUNDS



12%
INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



10%
RELATIVES
FRIENDS OR
CLOSE
RELATIONSHIPS



6%
INTERNATIONAL
CREDIT LINES



ECONOMIC IMPACT



ANNUAL TURNOVER
EUR **838,766,575**
CVE **92.5** BILLION



TAXES PAID ANNUALLY
EUR **84,651,081**
CVE **9.3** BILLION



INVESTMENT PLACED
EUR **682,825,815**
CVE **75** BILLION



INVESTMENT FORESEEN (2021-2025)
EUR **1,024,665,085**
CVE **112** BILLION



SOCIAL IMPACT



EMPLOYEES
17,551



LOCAL EMPLOYEES
85,7%



WOMEN EMPLOYEES
35%



LOCAL SUPPLIERS
2,787



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY
ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



4
EUR **14,065**
CVE **1.5** MILLION

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE



ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM

2
EUR **8,523**
CVE **939,831**

INNOVATION ACTIONS

TRAINING AND R&D



ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM

2
EUR **26,659**
CVE **3** MILLION

TOTAL CSR

8 ANNUAL ACTIONS
PER FIRM
EUR **49,248** ANNUAL BUDGET
CVE **5,5** MILLION PER FIRM



ECONOMIC ACTIVITY



TOURISM SERVICES
30%



FRESH AGRO PRODUCTS & FISHERIES
7%



MISCELLANEOUS MANUFACTURING
5%



YARN, FABRICS, TEXTILES OR LEATHER
3%



LEGAL SERVICES
2%



COMPUTERS & IT SERVICES
1%



CONSTRUCTION & ENGINEERING SERVICES
10%



PROCESSED AGRO PRODUCTS & FISHERIES
7%



ENERGY & ENVIRONMENTAL SERVICES
5%



CONSTRUCTION MATERIALS
3%



DISTRIBUTION SERVICES
1%



COMPUTER & ELECTRONICS
1%



NON ELECTRIC MACHINERY
1%



TRANSPORT SERVICES
9%



ACCOUNTANCY & FINANCIAL SERVICES
5%



HEALTH & SOCIAL SERVICES
4%



CHEMICALS
2%



WOOD & PAPER
1%



TRANSPORT EQUIPMENT
1%



OIL & GAS
1%



BARRIERS TO FIRMS (ranking of importance)

1

TAX POLICY AND ADMINISTRATIVE PROCEDURES

3

UNCLEAR TRADE REGULATION AND POLICY

5

LABOUR LAW, EMPLOYMENT POLICY & INADEQUATE CAPACITY BUILDING

7

SCARCE BUSINESS SIMPLIFICATION

9

INEFFECTIVE GOVERNANCE, RULE OF LAW, JUSTICE & ANTICORRUPTION PRACTICES

2

INSUFFICIENT PUBLIC-PRIVATE DIALOGUE

4

MACROECONOMIC INSTABILITY

6

DIFFICULT ACCESS TO FINANCE

8

INSUFFICIENT INFRASTRUCTURE POLICY AND REGULATION INCL. ENERGY

10

UNDERPERFORMING COMMERCIAL JUSTICE AND DISPUTE RESOLUTIONS



COVID IMPACT ON FIRMS (% of firms affected)

DECREASE IN DEMAND FOR PRODUCTS AND SERVICES
64%

LIQUIDITY CONSTRAINTS
49%

CANCELLATION OF ORDERS
44%

DEFERRED / CANCELLED INVESTMENTS
39%

PROBLEMS IN THE SUPPLY CHAIN / LOGISTICS
25%

MISSING GOODS / SERVICES
21%

OWN PRODUCTION LOSSES / SICK EMPLOYEES
21%



SUCCESS STORIES ON IMPROVING THE BUSINESS CLIMATE

CUSTOMS PROCEDURES

The EU funded in Cote d'Ivoire a project that supported the simplification and transparency of customs procedures. As a result, import delays improved from 864 hours in 2011 to 125 hours in 2016. Exports and Côte d'Ivoire's share in world exports have both increased.

BUSINESS SIMPLIFICATION

The EU funded a platform in Mauritius that set up an online single-entry point for businesses. As a result, the number of business permit applications and the time taken to obtain business licences and permits was reduced.

TRADE REGULATIONS

The EU funded an Investment Promotion and Business Linkages project, implemented in partnership with the Association of Ghana Industries (AGI), to support the export readiness of Ghanaian SMEs. It strengthens their business profile, the due diligence processes, understanding the buyer requirements and negotiations with importers and buyers.

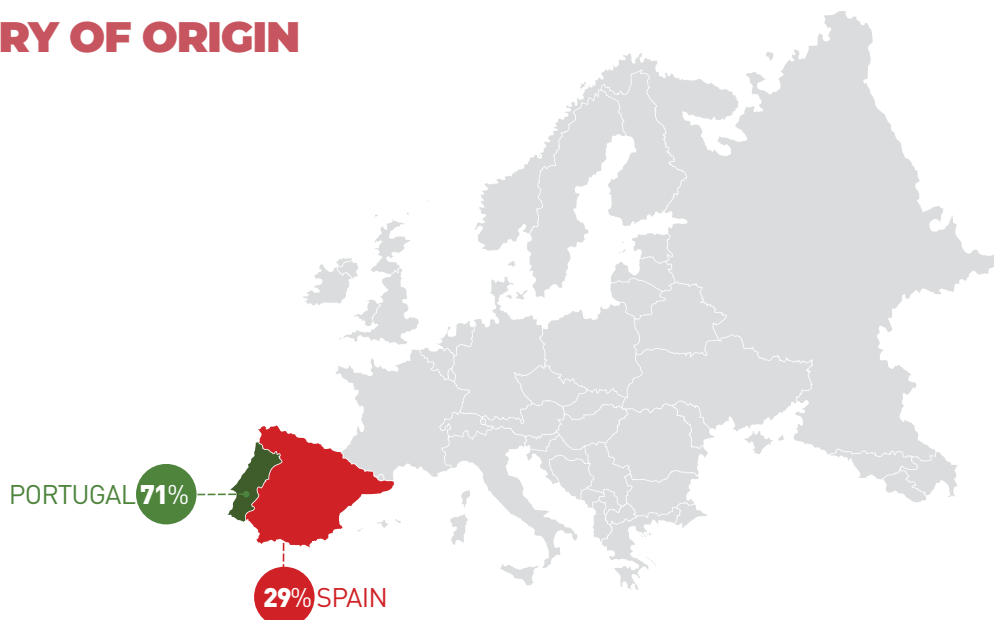
PUBLIC PRIVATE DIALOGUE

The European Business Group was formed in early 2015, with EU Support, and is a strategic partner for improving Tanzania's business climate and promoting trade and investment between Europe and the East African country. This group increased the exchange information and experience, and carry out advocacy and lobby activities together under one common "European businesses" banner.

EU INVESTMENT MAPPING PER SECTOR

AGRICULTURE

FIRMS COUNTRY OF ORIGIN



RELATION WITH THE EU

93% EU SHAREHOLDERS
OR CAPITAL

27% EU HEADQUARTERS

27% EU REGISTRATION

ECONOMIC AND SOCIAL IMPACT

 ANNUAL TURNOVER
EUR **395,974,917**
CVE **43.5** BILLION

 TAXES PAID ANNUALLY
EUR **32,040,188**
CVE **3.5** BILLION

 INVESTMENT PLACED
EUR **97,830,000**
CVE **11** BILLION

INVESTMENT FORESEEN (2021-2025)
EUR **11,530,000**
CVE **1.2** MILLION

 JOBS
6,820

 LOCAL EMPLOYEES
70.1%

 WOMEN EMPLOYEES
19%

KEY SECTORS





INVESTMENT MOTIVATION



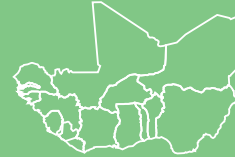
TO EXPLORE
THE INTERNATIONAL
MARKET

53%



TO EXPLORE
THE LOCAL
MARKET

33%



TO EXPLORE
THE REGIONAL
MARKET

20%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

27%



AVERAGE IMPORTANCE

7%



IMPORTANT OR
VERY IMPORTANT

73%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

33%



AVERAGE IMPORTANCE

20%



IMPORTANT OR
VERY IMPORTANT

47%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
33%



THE SAME
58%



FAIR
GROWTH
8%



HIGH
GROWTH
0%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



67%
LOCAL BANKS/
FINANCIAL
INSTITUTIONS



40%
COMPANY
PROFITS



27%
INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



20%
PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



7%
HEADQUARTERS
FUNDS



7%
INTERNATIONAL
CREDIT LINES



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 62,667
CVE 7 MILLION

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 26,667
CVE 3 MILLION

INNOVATION ACTIONS

TRAINING AND R&D

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 170,500
CVE 19 MILLION

TOTAL CSR

3 ANNUAL ACTIONS PER FIRM
EUR 259,833
CVE 28.5 MILLION



BARRIERS TO FIRMS (ranking of importance)

- | | | | |
|---|---|----|--|
| 1 | INEFFECTIVE GOVERNANCE, RULE OF LAW, JUSTICE & ANTICORRUPTION PRACTICES | 2 | MACROECONOMIC INSTABILITY |
| 3 | TAX POLICY AND ADMINISTRATIVE PROCEDURES | 4 | INSUFFICIENT PUBLIC-PRIVATE DIALOGUE |
| 5 | DIFFICULT ACCESS TO FINANCE | 6 | INSUFFICIENT INFRASTRUCTURE POLICY AND REGULATION INCL. ENERGY |
| 7 | SCARCE BUSINESS SIMPLIFICATION | 8 | UNCLEAR TRADE REGULATION AND POLICY |
| 9 | LABOUR LAW, EMPLOYMENT POLICY & INADEQUATE CAPACITY BUILDING | 10 | UNDERPERFORMING COMMERCIAL JUSTICE AND DISPUTE RESOLUTIONS |



COVID IMPACT ON FIRMS (% of firms affected)

MISSING GOODS / SERVICES
60%



CANCELLATION OF ORDERS
47%



OWN PRODUCTION LOSSES / SICK EMPLOYEES
40%



LIQUIDITY CONSTRAINTS
47%



PROBLEMS IN THE SUPPLY CHAIN / LOGISTICS
47%



DEFERRED / CANCELLED INVESTMENTS
7%

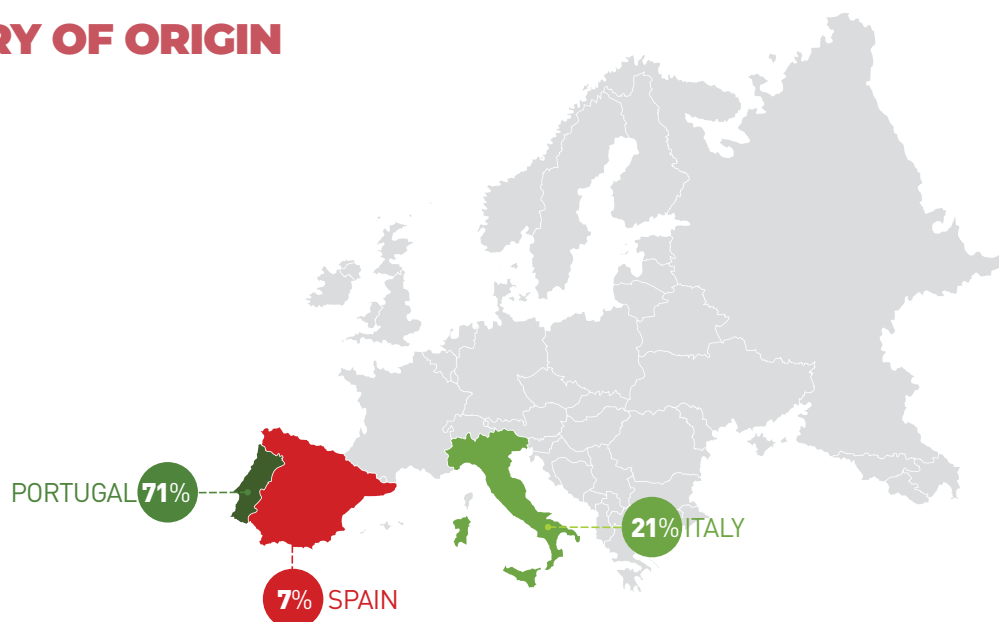


EU INVESTMENT MAPPING PER SECTOR

INDUSTRY



FIRMS **COUNTRY OF ORIGIN**



RELATION WITH THE EU

82% EU SHAREHOLDERS
OR CAPITAL

18% EU HEADQUARTERS

12% EU REGISTRATION



**ECONOMIC AND
SOCIAL IMPACT**

ANNUAL TURNOVER
EUR **16,276,817**
CVE **2** BILLION

TAXES PAID ANNUALLY
EUR **2,713,309**
CVE **310** MILLION

INVESTMENT PLACED
EUR **11,344,267**
CVE **1.25** BILLION

INVESTMENT FORESEEN (2021-2025)
EUR **8,225,000**
CVE **906** MILLION



JOBS
651



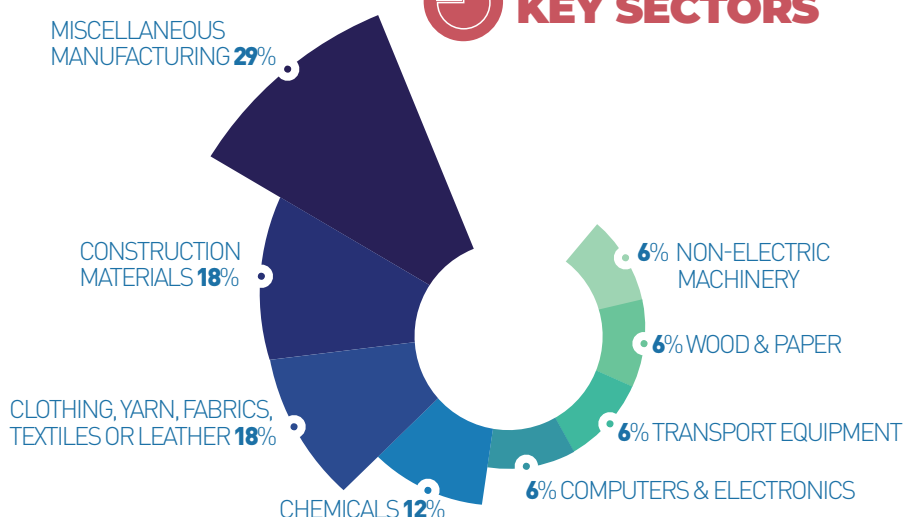
LOCAL EMPLOYEES
97.5%



WOMEN EMPLOYEES
69.3%



KEY SECTORS





INVESTMENT MOTIVATION



TO EXPLORE
THE INTERNATIONAL
MARKET

47%



TO EXPLORE
THE LOCAL
MARKET

47%



TO EXPLORE
THE REGIONAL
MARKET

6%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

18%



AVERAGE IMPORTANCE

24%



IMPORTANT OR
VERY IMPORTANT

59%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

47%



AVERAGE IMPORTANCE

41%



IMPORTANT OR
VERY IMPORTANT

24%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
20%



THE SAME
27%



FAIR
GROWTH
33%



HIGH
GROWTH
20%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



47%
COMPANY
PROFITS



41%
LOCAL BANKS/
FINANCIAL
INSTITUTIONS



18
RELATIVES
FRIENDS OR
CLOSE
RELATIONSHIPS



12%
PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



6%
INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY

ANNUAL ACTIONS PER FIRM

ANNUAL BUDGET PER FIRM



0

EUR 2,647
CVE 291,885

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE

ANNUAL ACTIONS PER FIRM

ANNUAL BUDGET PER FIRM



0

EUR 2,176
CVE 239,948

INNOVATION ACTIONS

TRAINING AND R&D

ANNUAL ACTIONS PER FIRM

ANNUAL BUDGET PER FIRM



2

EUR 1,471
CVE 162,207

TOTAL CSR

2 ANNUAL ACTIONS
PER FIRM

EUR 6,294 ANNUAL BUDGET
CVE 763,509 PER FIRM



BARRIERS TO FIRMS (ranking of importance)

1

DIFFICULT ACCESS TO FINANCE

3

INSUFFICIENT PUBLIC-PRIVATE
DIALOGUE

5

SCARCE BUSINESS SIMPLIFICATION

7

TAX POLICY AND ADMINISTRATIVE
PROCEDURES

9

INEFFECTIVE GOVERNANCE, RULE OF LAW,
JUSTICE & ANTICORRUPTION PRACTICES

2

INSUFFICIENT INFRASTRUCTURE POLICY
AND REGULATION INCL. ENERGY

4

LABOUR LAW, EMPLOYMENT POLICY &
INADEQUATE CAPACITY BUILDING

6

UNDERPERFORMING COMMERCIAL
JUSTICE AND DISPUTE RESOLUTIONS

8

UNCLEAR TRADE REGULATION
AND POLICY

10

MACROECONOMIC INSTABILITY



COVID IMPACT ON FIRMS (% of firms affected)

CANCELLATION OF ORDERS

41%



DEFERRED /
CANCELLED INVESTMENTS

24%



OWN PRODUCTION LOSSES /
SICK EMPLOYEES

18%



LIQUIDITY CONSTRAINTS

41%



PROBLEMS IN THE
SUPPLY CHAIN / LOGISTICS

18%



MISSING GOODS / SERVICES

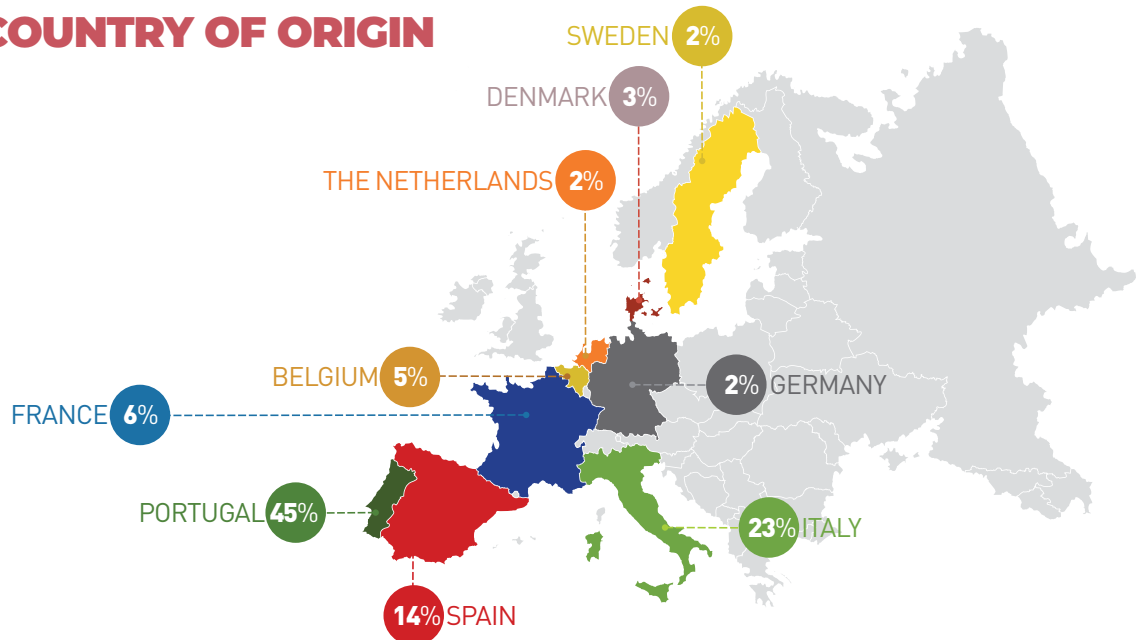
18%



EU INVESTMENT MAPPING PER SECTOR

SERVICES

FIRMS COUNTRY OF ORIGIN



RELATION WITH THE EU

88% EU SHAREHOLDERS
OR CAPITAL

24% EU HEADQUARTERS

19% EU REGISTRATION

ECONOMIC AND SOCIAL IMPACT

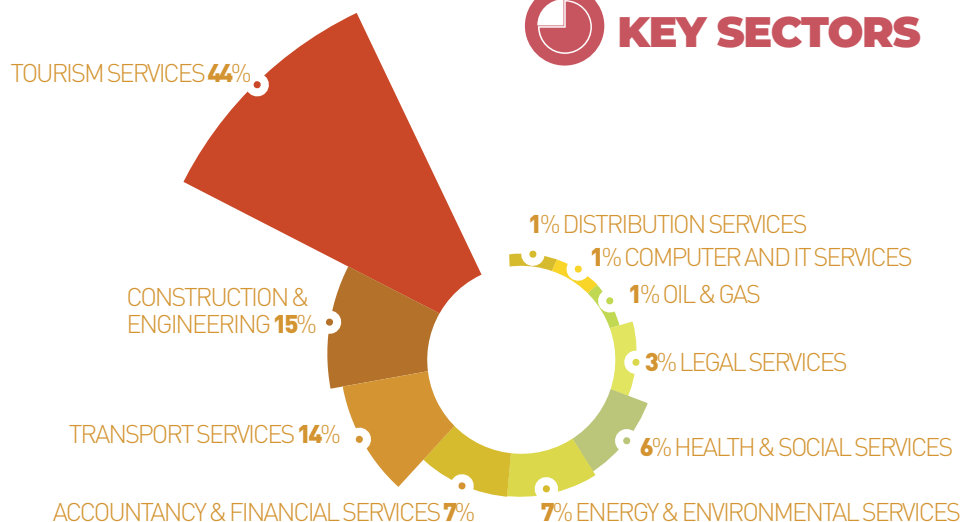
ANNUAL TURNOVER	EUR 426,484,841
	CVE 47 BILLION
TAXES PAID ANNUALLY	EUR 49,895,583
	CVE 5.5 BILLION
INVESTMENT PLACED	EUR 573,651,548
	CVE 63 BILLION
INVESTMENT FORESEEN (2021-2025)	EUR 1,004,910,085
	CVE 111 BILLION

JOBS
10,080

LOCAL EMPLOYEES
95.6%

WOMEN EMPLOYEES
43%

KEY SECTORS





INVESTMENT MOTIVATION



TO EXPLORE
THE LOCAL
MARKET

49%



TO EXPLORE
THE INTERNATIONAL
MARKET

43%



TO EXPLORE
THE REGIONAL
MARKET

7%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE
24%



AVERAGE IMPORTANCE
13%



IMPORTANT OR
VERY IMPORTANT
64%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE
43%



AVERAGE IMPORTANCE
24%



IMPORTANT OR
VERY IMPORTANT
33%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
20%



THE SAME
38%



FAIR
GROWTH
24%



HIGH
GROWTH
18%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



54%
LOCAL BANKS/
FINANCIAL
INSTITUTIONS



40%
COMPANY
PROFITS



18%
PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



17%
HEADQUARTERS
FUNDS



11%
INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



11%
RELATIVES
FRIENDS OR
CLOSE
RELATIONSHIPS



7%
INTERNATIONAL
CREDIT LINES



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



5

EUR 7,222
CVE 796,370

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1

EUR 6,597
CVE 727,451

INNOVATION ACTIONS

TRAINING AND R&D

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



2

EUR 4,375
CVE 482,431

TOTAL CSR

8 ANNUAL ACTIONS
PER FIRM

EUR 18,194 ANNUAL BUDGET
CVE 2 MILLION PER FIRM



BARRIERS TO FIRMS (ranking of importance)

- | | |
|--|--|
| 1 TAX POLICY AND ADMINISTRATIVE PROCEDURES | 2 INSUFFICIENT PUBLIC-PRIVATE DIALOGUE |
| 3 UNCLEAR TRADE REGULATION AND POLICY | 4 MACROECONOMIC INSTABILITY |
| 5 LABOUR LAW, EMPLOYMENT POLICY & INADEQUATE CAPACITY BUILDING | 6 DIFFICULT ACCESS TO FINANCE |
| 7 SCARCE BUSINESS SIMPLIFICATION | 8 INSUFFICIENT INFRASTRUCTURE POLICY AND REGULATION INCL. ENERGY |
| 9 UNDERPERFORMING COMMERCIAL JUSTICE AND DISPUTE RESOLUTIONS | 10 INEFFECTIVE GOVERNANCE, RULE OF LAW, JUSTICE & ANTICORRUPTION PRACTICES |



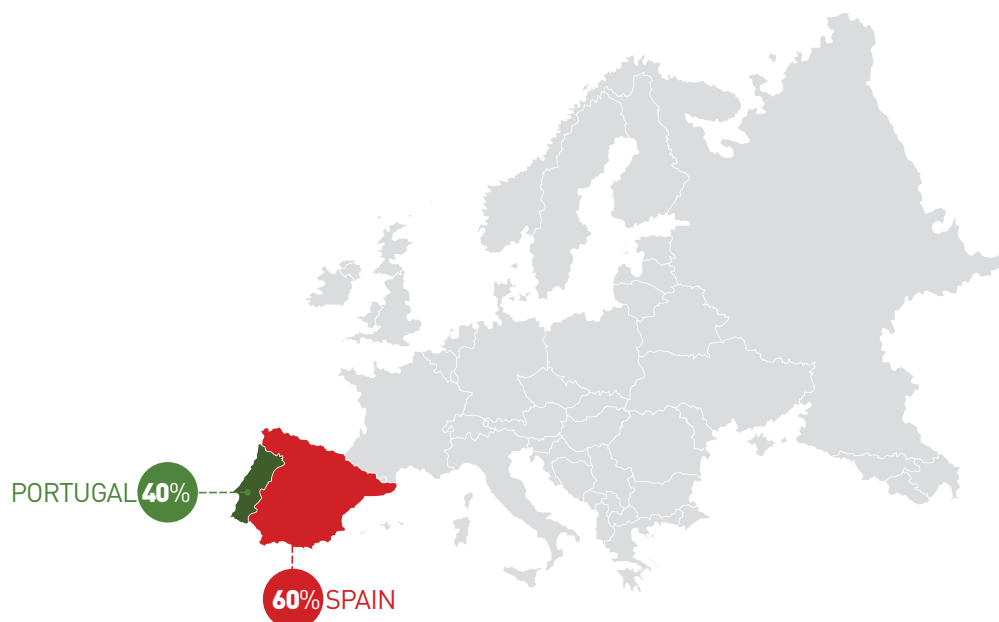
COVID IMPACT ON FIRMS (% of firms affected)



EU INVESTMENT MAPPING ON FISHERIES



FIRMS COUNTRY OF ORIGIN



RELATION WITH THE EU

100% EU SHAREHOLDERS
OR CAPITAL

40% EU HEADQUARTERS

40% EU REGISTRATION



ECONOMIC AND SOCIAL IMPACT



ANNUAL TURNOVER
EUR **326,411,089**
CVE **36** BILLION



TAXES PAID ANNUALLY
EUR **21,648,073**
CVE **2.5** BILLION



INVESTMENT PLACED
EUR **75,650,000**
CVE **8.5** BILLION



INVESTMENT FORESEEN (2021-2025)
EUR **5,320,000**
CVE **586.5** MILLION



JOBS
6,558



LOCAL EMPLOYEES
69,1%



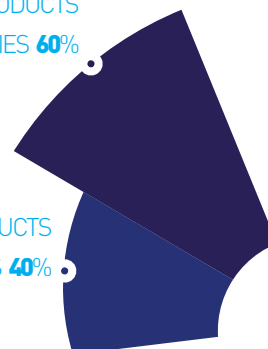
WOMEN EMPLOYEES
18%



KEY SECTORS

PROCESSED AGRO PRODUCTS
& FISHERIES **60%**

FRESH AGRO PRODUCTS
& FISHERIES **40%**





INVESTMENT MOTIVATION



TO EXPLORE
THE INTERNATIONAL
MARKET

100%



TO EXPLORE
THE REGIONAL
MARKET

0%



TO EXPLORE
THE LOCAL
MARKET

0%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

80%



AVERAGE IMPORTANCE

0%



IMPORTANT OR
VERY IMPORTANT

20%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE

40%



AVERAGE IMPORTANCE

20%



IMPORTANT OR
VERY IMPORTANT

40%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
0%



THE SAME
100%



FAIR
GROWTH
0%



HIGH
GROWTH
0%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



60%

LOCAL BANKS/
FINANCIAL
INSTITUTIONS



40%

COMPANY
PROFITS



40%

INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



40%

PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



20%

INTERNATIONAL
CREDIT LINES



20%

HEADQUARTERS
FUNDS



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 34,000
CVE 4 MILLION

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 30,000
CVE 3.3 MILLION

INNOVATION ACTIONS

TRAINING AND R&D

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



1
EUR 8,500
CVE 937,295

TOTAL CSR

3 ANNUAL ACTIONS
PER FIRM

EUR 72,500 ANNUAL BUDGET
CVE 8 MILLION PER FIRM



BARRIERS TO FIRMS (ranking of importance)

- | | | | |
|---|--|----|---|
| 1 | MACROECONOMIC INSTABILITY | 2 | INEFFECTIVE GOVERNANCE, RULE OF LAW, JUSTICE & ANTICORRUPTION PRACTICES |
| 3 | TAX POLICY AND ADMINISTRATIVE PROCEDURES | 4 | UNCLEAR TRADE REGULATION AND POLICY |
| 5 | SCARCE BUSINESS SIMPLIFICATION | 6 | LABOUR LAW, EMPLOYMENT POLICY & INADEQUATE CAPACITY BUILDING |
| 7 | DIFFICULT ACCESS TO FINANCE | 8 | UNDERPERFORMING COMMERCIAL JUSTICE AND DISPUTE RESOLUTIONS |
| 9 | INSUFFICIENT INFRASTRUCTURE POLICY AND REGULATION INCL. ENERGY | 10 | INSUFFICIENT PUBLIC-PRIVATE DIALOGUE |



COVID IMPACT ON FIRMS (% of firms affected)

OWN PRODUCTION LOSSES /
SICK EMPLOYEES

60%



MISSING GOODS / SERVICES

40%



CANCELLATION OF ORDERS

20%



PROBLEMS IN THE
SUPPLY CHAIN / LOGISTICS

60%



LIQUIDITY CONSTRAINTS

20%



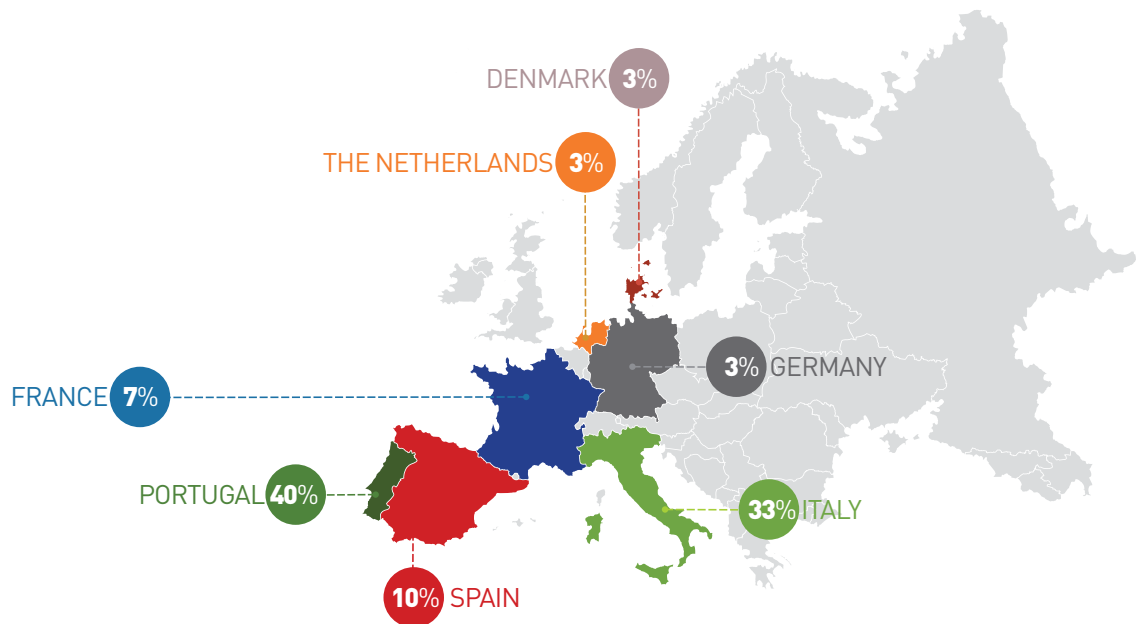
DEFERRED /
CANCELLED INVESTMENTS

20%



EU INVESTMENT MAPPING ON TOURISM

FIRMS COUNTRY OF ORIGIN



RELATION WITH THE EU

88% EU SHAREHOLDERS
OR CAPITAL

9% EU HEADQUARTERS

9% EU REGISTRATION

ECONOMIC AND SOCIAL IMPACT

ANNUAL TURNOVER
EUR **326,411,089**
CVE **36** BILLION

TAXES PAID ANNUALLY
EUR **21,648,073**
CVE **2.5** BILLION

INVESTMENT PLACED
EUR **72,650,000**
CVE **8** BILLION

INVESTMENT FORESEEN (2021-2025)
EUR **5,320,000**
CVE **586.5** MILLION

JOBS
6,558

LOCAL EMPLOYEES
69,1%

WOMEN EMPLOYEES
18%

KEY SECTORS

TOURISM SERVICES **100%**



INVESTMENT MOTIVATION



TO EXPLORE
THE INTERNATIONAL
MARKET

59%



TO EXPLORE
THE LOCAL
MARKET

38%



TO EXPLORE
THE REGIONAL
MARKET

3%

IMPORTANCE OF THE
LOCAL MARKET
FOR FIRMS



LITTLE IMPORTANCE
31%



AVERAGE IMPORTANCE
13%



IMPORTANT OR
VERY IMPORTANT
63%

IMPORTANCE OF THE
REGIONAL MARKET
FOR FIRMS



LITTLE IMPORTANCE
47%



AVERAGE IMPORTANCE
28%



IMPORTANT OR
VERY IMPORTANT
31%



MARKET OUTLOOK FROM EU COMPANIES

THE LOCAL MARKET IN 5 YEARS



TOUGHER
19%



THE SAME
38%



FAIR
GROWTH
15%



HIGH
GROWTH
27%



EU COMPANIES FINANCIAL CAPITAL (SOURCE)



63%
LOCAL BANKS/
FINANCIAL
INSTITUTIONS



47%
COMPANY
PROFITS



25%
PRIVATE EQUITY/
VENTURE
CAPITAL FUNDS



22%
RELATIVES
FRIENDS OR
CLOSE
RELATIONSHIPS



6%
HEADQUARTERS
FUNDS



6%
INTERNATIONAL
BANKS/
FINANCIAL
INSTITUTIONS



6%
INTERNATIONAL
CREDIT LINES



CORPORATE SOCIAL RESPONSIBILITY

GREEN ACTIONS

CARBON FOOTPRINT,
ENVIRONMENT & BIODIVERSITY

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



7
EUR **5,703**
CVE **628,870**

SOCIAL ACTIONS

LABOR POLICIES AND FAIR TRADE

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



2
EUR **4,668**
CVE **514,740**

INNOVATION ACTIONS

TRAINING AND R&D

ANNUAL ACTIONS PER FIRM
ANNUAL BUDGET PER FIRM



2
EUR **2,969**
CVE **327,392**

TOTAL CSR

11 ANNUAL ACTIONS
PER FIRM

EUR **13,359** ANNUAL BUDGET
CVE **1.5** MILLION PER FIRM



BARRIERS TO FIRMS (ranking of importance)

- | | |
|--|---|
| 1 TAX POLICY AND ADMINISTRATIVE PROCEDURES | 2 UNCLEAR TRADE REGULATION AND POLICY |
| 3 LABOUR LAW, EMPLOYMENT POLICY & INADEQUATE CAPACITY BUILDING | 4 MACROECONOMIC INSTABILITY |
| 5 INSUFFICIENT PUBLIC-PRIVATE DIALOGUE | 6 INSUFFICIENT INFRASTRUCTURE POLICY AND REGULATION INCL. ENERGY |
| 7 DIFFICULT ACCESS TO FINANCE | 8 SCARCE BUSINESS SIMPLIFICATION |
| 9 INEFFECTIVE GOVERNANCE, RULE OF LAW, JUSTICE & ANTICORRUPTION PRACTICES | 10 UNDERPERFORMING COMMERCIAL JUSTICE AND DISPUTE RESOLUTIONS |



COVID IMPACT ON FIRMS (% of firms affected)

LIQUIDITY CONSTRAINTS
72%



MISSING GOODS / SERVICES
22%



OWN PRODUCTION LOSSES /
SICK EMPLOYEES
16%



CANCELLATION OF ORDERS
63%



DEFERRED / CANCELLED INVESTMENTS
22%

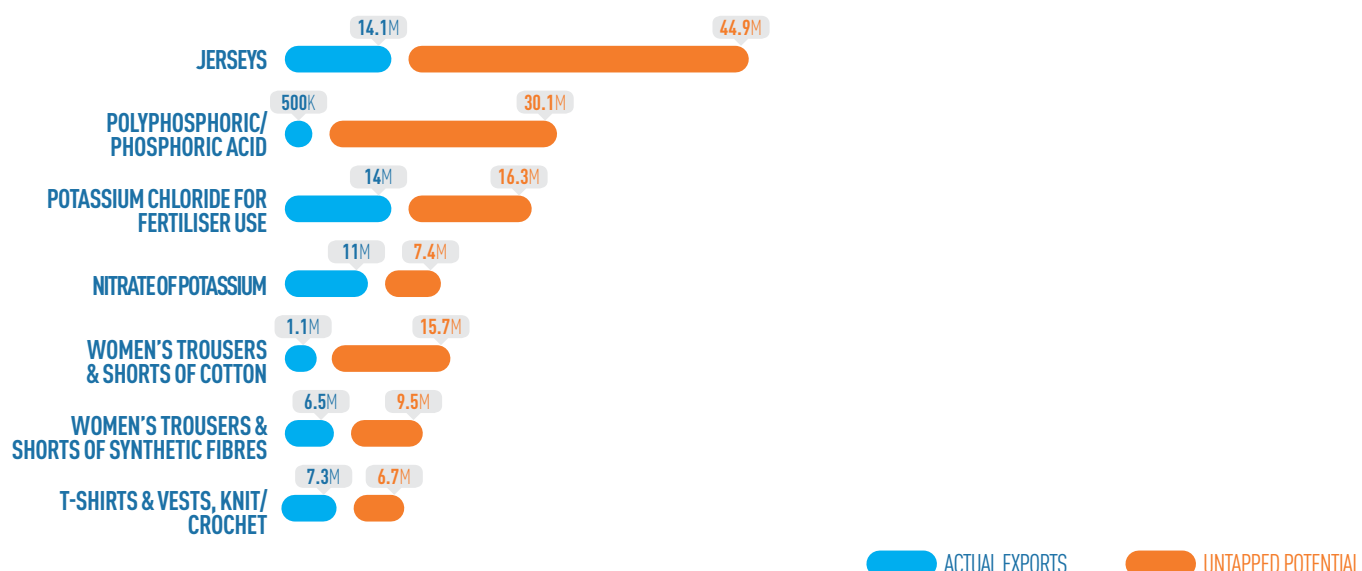


PROBLEMS IN THE
SUPPLY CHAIN / LOGISTICS
16%

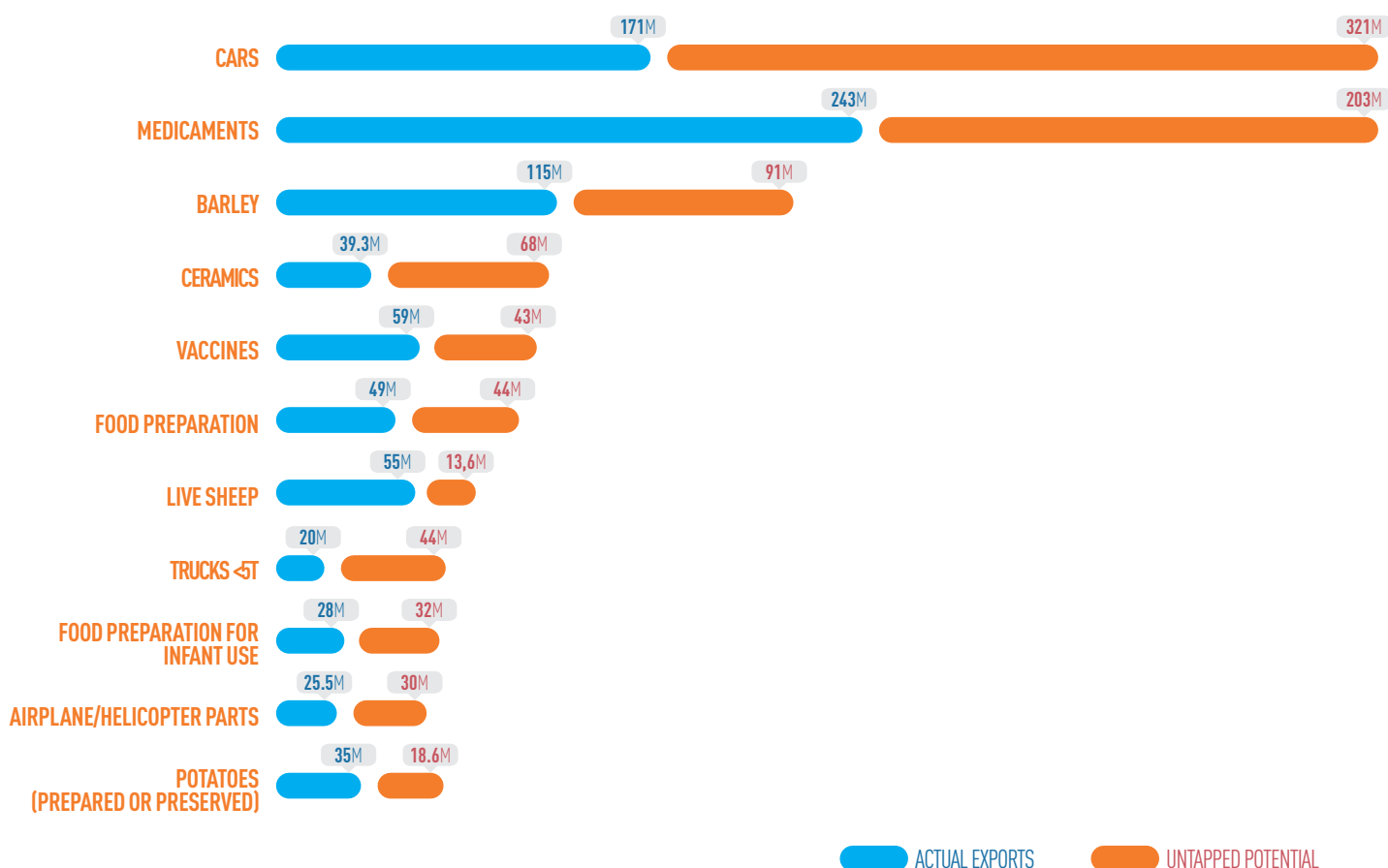


EU-CABO VERDE TRADE OPPORTUNITIES

FROM CABO VERDE TO THE EU



FROM EU TO CABO VERDE



*The Export Potential Indicator (EPI) identifies products in which the exporting country has already proven to be internationally competitive & which have good prospects of export success in new or existing target markets. The criteria to calculate the EPI are the export performance, target market's demand & tariff conditions as well as bilateral links between the exporting country & target market.

Source: 2020 Eurostat and ITC Market Intelligence tools

1		PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE
4		ECONOMIC SOCIAL AND CULTURAL RIGHTS
7		CONVENTION ON THE RIGHTS OF THE CHILD
10		RIGHT TO ORGANISE AND TO BARGAIN COLLECTIVELY
13		RESPECT OF EMPLOYMENT AND OCCUPATION
16		INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA
19		CONVENTION ON BIOLOGICAL DIVERSITY
22		STOCKHOLM CONVENTION ON PERSISTENT ORGANIC POLLUTANTS
25		UN CONVENTION ON PSYCHOTROPIC SUBSTANCES
2		ELIMINATION OF ALL FORMS OF RACIAL DISCRIMINATION
5		ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN
8		FORCED OR COMPULSORY LABOUR
11		EQUAL REMUNERATION OF MEN AND WOMEN WORKERS
14		MINIMUM AGE FOR ADMISSION TO EMPLOYMENT
17		MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER
20		UN CONVENTION ON CLIMATE CHANGE
23		KYOTO PROTOCOL ON CLIMATE CHANGE
26		UN CONVENTION AGAINST ILLICIT TRAFFICS
3		CIVIL AND POLITICAL RIGHTS
6		CONVENTION AGAINST TORTURE
9		FREEDOM OF ASSOCIATION
12		ABOLITION OF FORCED LABOUR
15		ELIMINATION OF THE WORST FORMS OF CHILD LABOUR
18		CONTROL OF TRANSBOUNDARY MOVEMENTS OF HAZARDOUS WASTES
21		CARTAGENA PROTOCOL ON BIOSAFETY
24		UN SINGLE CONVENTION ON NARCOTIC DRUGS
27		UN CONVENTION AGAINST COR- RUPTION

GENERALISED SCHEME OF PREFERENCES (GSP+)

WHAT IS THE GSP?

The Generalised Scheme of Preferences is a trade instrument that provides to developing countries the opportunity to export their products with reduced or no tariff rates. This allows low-income countries to promote and diversify their economies and create quality jobs.

WHAT IS THE “+”?

The «+» is the «mechanism» to support developing countries and reinforce their commitment to 27 international conventions, for example on human and labour rights, environmental protection, and good governance. In broader words, the “+” supports and recognises countries that keep up with similar values as the European Union ones.

HOW IS IT MONITORED?

The European Union has strict evaluation criteria for understanding whether states under GSP+ meet the goals to which they have voluntarily committed. The monitoring criteria are as follows: upholding international conventions, ensuring their effective implementation, meeting reporting requirements, accepting periodic monitoring, and cooperating with the European Commission by providing all necessary information.

WHAT ARE THE ADVANTAGE TO CABO VERDE?

The GSP+ promotes economic growth and development in low-income countries, always taking into consideration the sustainability of these processes. It allows the

diversification of the economies of the beneficiary states and exemption from customs duties on their exports to European territory.

Currently, there are only eight (8) countries that meet the requirements to be eligible for GSP+, Cabo Verde being one of them and the only one in the African continent. This shows that Cabo Verde has been an example in the protection of civil, political, economic and social rights, and is also an example in the region in terms of protection of LGBTQI+ rights.

HOW CAN MY ENTERPRISE BENEFIT FROM THE GSP+?

Any enterprise located in Cabo Verde and exporting to the European Union can benefit from this instrument if the product «originates» from Cabo Verde, and as long as Cabo Verde is eligible (meets the goals to which it has committed).

WHAT IS THE RULE OF ORIGIN ?

Origin is the ‘economic’ nationality of goods traded in commerce. It is the origin that determines which duties apply to your product when it enters the EU market. The rules of origin are used to determine whether a product is sufficiently linked to the country from which it is exported to say that it ‘originates’ from there. To benefit from the GSP+ preferential tariff when exporting to the EU, the product must «originate» from GSP country according to the GSP’s rules of origin.

The Trade & Private Sector Development & Engagement (TPSD) Facility is an on-demand advisory service managed by the department for International Partnerships (DG INTPA). It was launched in 2017, to increase the capacity of partner countries & European Union (EU) staff in Delegations & Headquarters to understand & implement private sector & trade policy orientations & further improve the quality of INTPA interventions.

The team of experts provides technical assistance, knowledge management & communication support to EU staff. In 3 years, the TPSD Facility conducted 38 short term missions in 29 countries, dealing with value chain analyses, feasibility studies for the operationalisation of the External Investment Plan, the state of play of public-private & private sector mappings, including the EU investor mappings. This work has provided EU Delegations with valuable data & indications to tackle the issues refraining investment and promoting projects on cross-cutting key issues for the private sector such as access to finance or digitalisation.

This brochure has been put together by the Trade and Private Sector Development Facility.



**DELEGATION OF THE EUROPEAN UNION
TO CAPE VERDE**

Avenida Rotary International

CP 122 Praia

República de Cabo Verde

Tél: + 238 262 13 92/93/94

Fax: +238 262 13 91

delegation-cabo-verde@eeas.europa.eu

