



United Nations
CABO VERDE
Delivering as one UN



COMMON COUNTRY ANALYSIS: CABO VERDE

United Nations Cabo Verde

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Narrative Summary

This report provides an integrated and multidimensional analysis of the development situation of Cabo Verde with an emphasis on key structural changes that represent significant development opportunities and challenges for the country going forward. The analysis is inspired and framed by the integrated vision Agenda 2030 for sustainable development to which Cabo Verde adhered from the onset in 2015. The analysis seeks to contribute to the design of an United Nations Development Assistance Framework (UNDAF) that facilitates a coherent United Nations (UN) programme approach intervention in Cabo Verde that contributes to the realization of sustainable development and human rights for all, in line with the international human rights instruments ratified by the countryⁱ.

Cabo Verde is in a new phase of its development path. After its graduation, out of the UN's Least Developed Country category in late 2007, Cabo Verde, as a lower middle-income country according to the World Bank, relies increasingly on a stronger and more inclusive domestic economy and on its ability to mobilize and efficiently manage domestic resources to finance its own development. The country's demographic transition, driven by a steady drop in fertility rate, down to 2.3 children/woman, has furthermore significant and transformative social and economic implications that will rapidly unfold within the next five to ten years. Currently, the population pyramid shows a youth bulge: the 15-to-64 age group is projected to account for 66% of the total population of 537,661 in 2017ⁱⁱ. Moreover, while Cabo Verde remains predominantly a country of emigration it is becoming increasingly a country of transit and immigration, and this bring with it not only challenges but also opportunities for the country development.

As a Small Island Developing State in the Atlantic Ocean, off the West Africa's Coast, the archipelago's location and geomorphology, extreme climate, high vulnerability to effects of climate change, and the presence of an active volcano shape, often dictate the country's policy choices and, ultimately, its development path. To that end, ensuring the sustainability of Cabo Verde natural resources and building resilience remain the most critical issues. In addition, with an urban population of 61.7%¹ and projected at 68.6% by 2020ⁱⁱ, the need to reinforce spatial planning is urgent, in light of the growth in the number of informal settlements resulted from limited access to affordable adequate and safe housing and urban landⁱⁱⁱ.

Despite deep structural challenges and an unfavourable world economic environment, national poverty has declined in recent years with currently 35% of the population living below the absolute poverty line in 2015. There are, however, significant regional disparities with some municipalities presenting absolute poverty rate as high as 60.3% (Santa Cruz in the island of Santiago) and some as low

¹ INE, 2010

as 8.3% (Boa Vista)^{iv}. Together, regional disparities and slowly declining, but persistently high levels of inequality nationwide (Gini coefficient in 2015: 0.46) pose a significant challenge for a country that aims at eradicating extreme poverty and reducing the poverty rate to a single digit by 2030.

With total nominal Government debt expected to reach more than 130% of the GDP (98.4% are external debt) by the end of 2017 and the joined outlook of the IMF and the Government that sees the country growing at moderate rate in the next few years^v, fiscal space for additional social spending will likely be limited. In a context of moderate growth and limited fiscal space, poverty reduction may be especially reliant on an increased focus on human capital development. A model of economic development that focuses on poverty reduction may thus include the targeting of key inequalities at the national level in several social dimensions such as education, health, housing and basic utilities, employment, and social protection — in addition to a more traditional, more general focus on growth and private sector development.

The country is also seeking to strengthen its governance through the consolidation of democracy, improve the efficiency and efficacy of its public administration through the consolidation of democracy and, among other measures, a process of regionalization. Regionalization aims at improving transparency and accountability, promote more participation and civic engagement, including through the promotion of volunteerism, and contribute to the decrease of regional disparities by promoting, for instance, a more self-defined and governed regional development. Regionalization could be a mean to decentralize some decisions-making at the local level, and respond to the historical claim of the Municipalities around the need to manage financial resources enough to plan their development in a strategic way.

Also on the agenda is to more broadly enhance democratic institutions, the role of parliament as central in the political system, the justice system, and the interdependence of the legislative, the judiciary and the executive—all the while preserving the values of democracy, transparency and good governance.

As a country that is often singled out for its peaceful and stable democracy, and known for its “Morabeza” (warmth and welcoming spirit) of its people, the surge in violence and crime in recent years, particularly in the growing urban centres of Praia and Mindelo, constitutes one of the main threats to peace and security. Even if violence and crime has been restricted to these two largest urban centres, the risk to human development for the overall nation cannot be dismissed. First, their combined population accounts for more than 40% of the country’s total population². Secondly, the underlying causes for the surge in violence and crime — trafficking, drug and alcohol use coupled with unemployment — are mostly affecting the youth, who constitute a very large share of the population on whose economic productivity any realization of the country’s demographic growth dividends hinges (with 46.4%

² INE, 2010

being below 25 years of age and 37.1% between 15 and 34³). To this, it should be added the incidence of gender-based violence, particularly sexual violence against women and girls, and sexual exploitation of children. For the period from 2012 to 2016, the Public Attorney's Office received 16,315 gender-based violence complaints and 1,248 sexual crimes complaints, of which 1,178 against children and young people under 18 years old (1,178 of which were girls).

Among the top commitment for the next decade, the Government program emphasizes the need to foster full employment and decent work for all through a growth model that can eradicate poverty and bring prosperity for all. Although Cabo Verde has ratified the 8 ILO fundamental conventions^{vi}, challenges remain regarding their effective application in law and in practice, as well as in fulfilling reporting obligations under the international supervisory mechanisms. Gender inequality in the labour force participation and employment, high youth unemployment (41% among 15-24 years old, considerably higher for young women: 52.6%⁴) and evidence that the economy is not able to create enough quality jobs indicate that the full economic potential of the demographic transition is not being realized.

Tourism is at the centre of the country's economic strategy for the next decade^{vii}. Among the main objectives of the Government plan is to attract 1 million tourists annually, that is doubling the current number, and position the country among the top 30 most competitive countries in the tourism area worldwide by 2021. Promoting a more inclusive economic growth based on competitive national value chains and private sector, and integrating local development into the expanding tourism sector while preserving the country's limited natural resources and reducing criminality will be crucial to the realization of these development objectives. Other priority areas for the economy include Blue Economy, Agribusiness, Renewable Energy, Culture and Creative Industries and ICT while strengthening Trade, Industry, Innovation, Vocational Training and Entrepreneurship.

Finally, the report shows that, with an aging of the population, any path that may lead to Cabo Verde to move from the current position as lower-middle income country (2,997.8 USD GNI per capita in 2016⁵) to upper-income country (3,956 USD to 12,235 USD GNI per capita) status by 2030 must include investment in human capital and young people while promoting gender equality on all economic, social, and political fronts.

The UNCT should consider preparing the next UNDAF based on the structure of the current CCA, developing a new programmatic cycle based in the key principles of the Agenda 2030, but also inspired and elaborated around its five pillars (People,

³ INE, 2010

⁴ INE, Employment and labor market statistics in Cabo Verde, 2016

⁵ World Bank, 2016

Planet, Prosperity, Peace, and Partnership) and the priority issues identified for Cabo Verde, and aligned also with the three pillars of the country's Strategic Plan for Sustainable Development (Social, Economy, Sovereignty), to facilitate the collaboration and inter-linkage of the UN entities and the cross-cutting approach to multi-sectorial issues. The Social State, the human capital, and the eradication of inequalities, the protection and management of natural resources, the inclusive economic growth, and new models of partnerships should be considered as areas of collaboration between the UN System and the Government of Cabo Verde. Furthermore, and as result of the last UNDAF evaluation, the programme should focus on fewer key and comprehensive areas of each pillar of the 2030 Agenda, while also strengthening UNDAF M&E capacities. The UNCT Gender Scorecard, conducted in 2016, suggests the need for the inclusion of gender results and indicators throughout all strategic areas, a system to track UNCT expenditure for gender programming, and a gender sensitive M&E framework that can track progress towards gender equality.

Abbreviations

ACCF	Africa Climate Change Fund
ACS	Cabo Verdean Association of Deaf
ADEI	Agency for Business Development and Innovation
AEO	African Economic Outlook
AfDB	African Development Bank
AIDS	Acquired Immunodeficiency Syndrome
AJEC	Young Entrepreneurs Association of Cabo Verde
ARE	Economic Regulatory Agency
BCV	Bank of Cabo Verde
CBD	Convention on Biological Diversity
CCA	Common Country Analysis
CNSAN	National Council for Food and Nutrition Security
DaO	Delivering as One
DBR	Doing Business Report
DHAA	Human Right to Adequate Food
DPT	Diphtheria-Tetanus-Pertussis
DTIS	Diagnostic Trade Integration Study
ECOWAS	Economic Community of West African States
ECP	Entrepreneurship Curriculum Programme
ECV	Cabo Verdean Escudo
ENSAN	National Strategy for Food And Nutrition Security
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FICASE	Cape Verdean School Social Action Foundation
GA	United Nations General Assembly
GBV	Gender Based Violence
GDP	Gross Domestic Product
GHG	Green House Gas
GNI	Gross National Income
ha	Hectare
HIV	Human Immunodeficiency Virus
HORECA	Hotels, Restaurants, Cafes
ICCA	Cabo Verdean Institute for Children and Adolescents
ICT	Information and Communications Technology
IDRF	Household Income and Expenditure survey
IDSR	Demographic and Reproductive Health Survey
IEFP	Institute of Employment and Professional Training
IGQPI	Institute for Quality Management and Intellectual Property
IHR	International Health Regulation
ILO	International Labour Organization
IMC	Statistics on Living Conditions
IMF	International Monetary Fund
IMR	Infant Mortality Rate
INDC	Intended Nationally Determined Contribution
INE	National Institute of Statistics

IOM	International Organization for Migration
IPAC	Anaemia and Associated Factors Prevalence Survey
IPPs	Independent Power Producers
IUU	Illegal Unreported and Unregulated
kWh	Kilowatts-hour
LDC	Least Developed Country
M&E	Monitoring and Evaluation
MEA	Multilateral Environmental Agreements
MMR	Measles, Mumps, and Rubella
MW	Megawatts
NBSAP	National Biodiversity Strategy and Action Plan
NCDs	Non-Communicable Diseases
NSI	National System of Innovation
ODA	Official Development Assistance
OHCHR	Office of the United Nations High Commissioner for Human Rights
PEDS	Strategic Plan for Sustainable Development
RGA	General Census of Agriculture
SAN	Food and Nutrition Security
SDGs	Sustainable Development Goals
SIDS	Small Island Developing State
SIERA	Systematic Inventory Risk Assessment
SIGOF	Integrated Budget and Finance Management System
SISAN	Food and Nutrition Security Inoculation System
SOEs	State Owned Enterprises
UHC	Universal Health Coverage
UN	United Nations
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UN-HABITAT	United Nations Human Settlements Programme
UNCDD	United Nations Convention to Combat Desertification
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNV	United Nations Volunteers
US OSAC	United States Overseas Security Advisory Council
USD	United States Dollar
VPI	Vaccine Polio Inactivated
WEF	World Economic Forum

WEO World Economic Outlook
WFP World Food Programme
WHO World Health Organization

Overview

The preparation process of the Common Country Assessment in Cabo Verde

With the aim of providing a solid base for the process of development of the new UNDAF for the period 2018-2022, the United Nations System in Cabo Verde prepared the current Country Common Assessment – CCA, in communication and collaboration with the Ministry of Foreign Affairs of Cabo Verde, as well as with the National Directorate of Planning of the Ministry of Finance of Cabo Verde. The continuous and fluent collaboration between the entities of the United Nations System in Cabo Verde and the national counterparts has facilitated the access to relevant data, information, and documentation about the national and sectorial development situation in the country. The CCA elaboration process also included joint work sessions in order to collect all the possible visions about the real national context and the validation of the document's contents. The collaboration with the National Institute of Statistics of Cape Verde, as a reference institution of the statistical system in the country, was essential and indispensable during the elaboration process of this document.

The preparation of the current CCA included different stages: the five main phases were the i) analysis of the country context in respect to the 2030 Agenda framework; ii) the analysis of the causes of multidimensional poverty, inequality, and discrimination with an emphasis on gender issues; iii) the identification of risks and opportunities; iv) the analysis of comparative advantages and evaluation of capacities of the UNCT; and v) the prioritization of interventions of the United Nations System in the country. The methodology was based on a first collection and analysis of available national information, mainly from specific reports and studies and other available documents such as national and sectorial plans, followed by internal and external working sessions. As result, the CCA document was endorsed by the United Nations System entities in the country, and shared with national counterparts. Joint work sessions were also developed with entities of the United Nations System and national counterparts in order to define comparative advantages of the UNCT and prioritization of interventions in the country.

This Country Common Assessment, in addition to an analysis of the situation of the country's development and its causes, contains essential information for the new collaboration cycle of the United Nations System and Cabo Verde Government for the period 2018-2022.

The UN Vision 2030 and the UNCT in Cabo Verde

Cabo Verde established a Joint Office in 2006 (formally known as the Joint Office of Funds and Programs of the United Nations in Cabo Verde⁶), comprising UNDP, UNFPA, UNICEF⁷, responding to the global UN Reform initiatives and improving the effectiveness of the UN presence in a small country context. Furthermore, and also in the spirit of UN Reform, the country became in 2008 one of the initial eight Delivering as One - DaO pilots, including the vision of “Together in Action”, which inspired the previous UNDAF cycles in Cabo Verde. Currently, the United Nations Country Team - UNCT in Cabo Verde is composed of 17 entities of the UN System, including UN resident entities and non-resident entities⁸.

The UN Vision 2030 for Cabo Verde is aligned with national development priorities of the Government's Programme for the 9th legislative term and the country's Strategic Plan for Sustainable Development – PEDS, and the country's commitments to the Agenda 2030, and supports areas of collaboration identified by the UNCT, jointly with the Government, based on UNCT comparative advantages. The UN Vision 2030, in addition to Agenda 2030 vision and its key premise “*leave no one behind*”, also pursue the vision of the African Agenda 2063 “An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in international arena”, and the Samoa Pathway with the aim to respond to the specificities of a Small Island Development State.

The UNCT has identified, jointly with the Government and key partners, the comparative advantages to support the country in its development path. The UN entities could collaborate to the national priorities and the achievement of Sustainable Development Goals through technical assistance, strategic capacity development, knowledge management, traditional and new strategies for resources mobilization, and the promotion of an institutional culture on results-based management. The United Nations System in Cabo Verde assumes, in the long-term, for its interventions in collaboration with the Government, a scenario similar to the current national context, with political engagement with the 2030 Agenda, macroeconomic stability, good governance, appropriate legal and institutional frameworks, sectorial partnerships, and the strengthening of the capacity development of the government institutions and civil society organizations. However, some possible risks must be taken into account: economic crisis, natural disasters, difficulties deriving from the territorial fragmentation of the country, and regional inequalities; all these risks could affect the effectiveness of the interventions of the UN entities in the country.

⁶ Ref GA/RES/

⁷ With WFP forming part of the initial set up until it exited the country in 2010.

⁸ UN resident entities: UNDP, UNFPA and UNICEF (which are a part of the Joint Office), FAO, WHO and UNV. UN non-resident entities with liaison structures in the country: UNODC, UN-WOMEN, UNIDO, UN-HABITAT, IOM, and ILO. UN non-resident entities only with interventions in the country: UNEP, UNESCO, WFP, OHCHR, and UNCTAD.

Introduction

This report provides an impartial assessment and analysis of the current development situation of Cabo Verde, its causes and inter-linkages, by assessing and reviewing existing and planned assessments, evaluations, and analyses carried out by United Nations Country Team (UNCT) members, the Government, the National Statistics Institute, other national institutions and international development partners, and financing institutions.

With a view to contributing to the alignment of the UNDAF framework with the Sustainable Development Goals of the Agenda 2030, the analysis is constructed and presented around the framework of the five Ps — People, Planet, Prosperity, Peace, and Partnership — for sustainable development^{viii}. The integrated and multidimensional analysis of the main development challenges and opportunities in the country seeks to contribute to the design of an UNDAF that encourages and facilitates a UN programme approach intervention in the country, contributing to the realization of human rights for all in line with the international human rights instruments ratified by the country. This approach aims at increasing the impact of the UN system through more targeted and coherent programs; this need was identified by the evaluation conducted on the UNDAF 2012-2017 but also follows the global shift in the UN role in supporting Middle Income Countries.

Finally, the analysis also takes into consideration the four integrated programming principles of the UNDAF:

- (1) Leave no one behind;
- (2) Human rights, gender equality and women's empowerment;
- (3) Sustainability and resilience; and
- (4) Accountability.

In tandem with the formulating process of the National Development Plan, the analysis integrates the priorities identified in the Government Plan to ensure the strategic relevance of the document.

People

“We are determined to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.” (Agenda 2030)

1. In 2015, 35% of the population lived below the absolute poverty line of around ECV267 urban (USD2.68⁹) or ECV226 rural (USD2.27) a day. 10.6% lived in extreme poverty (below ECV137 urban (USD1.37) and below ECV136 rural (USD1.35) a day)^{ix}. The absolute poverty line is defined in terms of the minimal requirements necessary to afford minimal standards of food, clothing, healthcare and shelter; and is thus different than the relative poverty line, which is measured as 40% (extreme) or 60% of the median population’s expenditure/income. INE announced recently that the country would start to follow the indicator of absolute poverty^x.
2. Among the (absolute) poor: 51% are women¹⁰; 51% live in urban areas; 58% live in Santiago; 21% live in the capital Praia; 44% live in single-parent families; 61% live in households with 6 or more people. The latest data on children poverty show that 40% of children live in poor households¹¹ (INE 2007).
3. While most of the poor live in urban areas, poverty is more widespread and deeper in rural areas: 27.77% live below the poverty line in urban areas against 48.3% in rural areas. Moreover, 5.3% live in extreme poverty in urban areas against 20.3% in rural areas.
4. The disaggregated data by municipalities indicate a great regional disparity: poverty rate is as high as 60.3% in Santa Cruz and 58.5% in São Lourenço dos Órgãos, and as low as 8.3% per cent in Boa Vista and 19% in Sal. Out of 22 municipalities, 15 present poverty rates above the national average of 35%; of those, 7 present poverty rates at or above 50%. The disparities result, among other factors, from the concentration of the economic growth around the tourism industry, the territorial fragmentation (double insularity), and infrastructures difficulties.
5. At national level, absolute poverty has declined in the last 8 to 14 years - the absolute poverty rate was 58% in 2002 and 46% in 2007. The drop-in poverty was stronger in urban areas where the rate dropped 21 percentage points, from 48.7% in 2002 to 27.7% in 2015. In rural areas, the poverty rate declined 20.1 percentage points, from 68.4% to 48.3% between 2002 and 2015.

⁹ 2015 average exchange rate, Central Bank of Cabo Verde.

¹⁰ The proportion of single-parent families in Cabo Verde is 39,5% (INE, 2015), most of which (over 80%) headed by women: 32,6% of all single-parent families are headed by women and 6,9% by men.

¹¹ INE, 2007

6. The poverty situation is also reflected by the phenomenon of child labour, which is still an important concern in the country. The majority of child labour situations (58%) are associated with very low levels of comfort of the family and the proportion of working children that come from single parent women headed families is higher than from other types of households (7,5% of children aged 5 to 17 versus 5,4%). Overall, 8% of children aged 5 to 17 have an economic activity (10,913 children) and that although most working children go to school, 1 in every 5 does not (22% overall, 29% for girls and 18% for boys). Child labour affects boys more than girls (8% of boys and 4% of girls) and 70% of activities they undertake are considered dangerous and to be abolished. In 84.5% of child labour situations, children work within the family, mainly in agriculture and cattle raising, with girls especially in domestic work.
7. While the progress towards poverty eradication has been positive — especially considering the period of slow growth and international crises in the years after 2007 — the persistency of high levels of inequality in Cabo Verde poses challenges to the process of poverty eradication going forward. That is because inequality serves as a mediator between growth and poverty reduction. Studies on a diverse number of countries show that income inequality affects poverty reduction through two channels: i) it negatively affects the ability to grow (thereby likely negatively impacting the ability to tackle poverty), and ii) it makes poverty less responsive to whatever growth is achieved (because of the uneven distribution of the benefits of economic growth)^{xi}. Migrant workers in Cabo Verde remain among the most vulnerable and less integrated population in the country, further contributing to creating pockets of poverty and widening inequality within the country.
8. At the national level, Cabo Verde Gini coefficient is estimated to be 0.46 (2015). It was 0.47 in 2007 and 0.53 in 2002^{xii}. In urban areas, it dropped from 0.52 in 2002 to 0.45 in 2007; it stayed at the same 2007 level in 2015. In rural areas, it dropped from 0.43 to 0.38, between 2002 and 2007 and reached 0.39 in 2015.

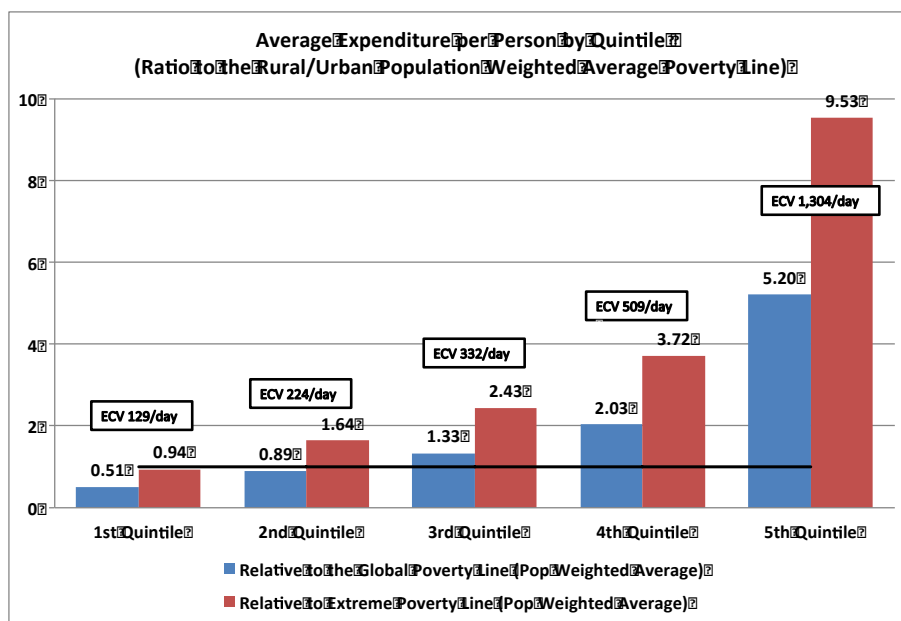


Figure 1 - Average Expenditure per Person by Quintile

Source: IDRF 2015 data, INE.

9. Figure 1 shows the average expenditure per person by population quintile (bottom to top fifth of population in terms of their expenditure) relative to the urban/rural population weighted absolute poverty line normalized to 1 (the poverty line is an estimate of the income required to meet the most basic needs). The chart also illustrates the difference in expenditure between quintiles: for instance, *the average expenditure level of the top quintile is ten times the average expenditure level of the bottom quintile.*
10. The average expenditure of a person in the bottom quintile is 6% below the extreme absolute poverty expenditure level and 49% below the global absolute poverty level. This means that the average person in the bottom quintile would have to spend almost twice as much to enjoy the minimal standard of living that the income corresponding to the absolute poverty line is supposed to guarantee.
11. While fiscal space for additional social spending is limited in the country, reducing poverty could be especially aided by an increased focus on addressing inequalities at the national level. This is particularly important as poverty reduction in turn has the potential to contribute to a more cohesive society and sustained growth.
12. The current Government considers social development essential to the country's development strategy and identifies the need to address social inequalities as a priority. Its multidimensional social development plan^{xiii} aims to eradicate extreme poverty and significantly reduce to a single digit other forms of poverty in the next decade through inclusive economic growth. To that end, it promotes decent employment, youth development, health, education, social protection, decent housing, access to basic services for all, and a system that supports the care of children, the elderly and people with disabilities with a view to decreasing

the negative impact of the crisis in the sector of care services on social cohesion and effectively promoting gender equality.

13. Although Cabo Verde has ratified all the major human rights international instruments^{xiv}, challenges remain regarding their effective implementation in some areas, as well as in fulfilling reporting obligations under the international supervisory mechanisms. This determines a challenge in effective monitoring of the human rights situation of the country.
14. For example, while the country has a legal framework protecting people with disabilities and has recently prepared a national plan for people with disabilities, effective implementation of concrete measures to uphold the fulfilment of their human rights presents a number of challenges.

Key social development indicators and how they may affect the dynamics of inequality and poverty:

Education

15. There is a strong relationship between years of education of the head of the household and poverty: more education of the head of the household implies lower poverty incidence and a higher level of education of the children in the household^{xv}. The mother's education is shown to have a positive impact on the health of the family. However, controlling for education of the head of the household, households are poorer in rural than in urban areas, which implies that education does not have the same impact on poverty reduction in rural as in urban settings.
16. While education affects poverty incidence, poverty also affects education attainment. Children in poor families are less likely to attain higher levels of education: for instance, the likelihood of completing the last grade of primary school is 81% for children in poorer households, whereas for children in richer households, it is 90%^{xvi}. There is thus a risk of a vicious cycle where poverty leads to less education that leads to high poverty incidence. Breaking this cycle requires integrated policies of education, social protection, and inclusive growth.
17. According to the Census 2010, 12.5% of people aged 6 or above never went to school. Of those, the *majority are women, live in the rural areas, and are older than 25*. The literacy rate for those aged 15 or above is 83% nationwide: 87.5% for those living in urban areas and 75% for those living in rural areas. Literacy rate is smaller among women than men: 88.5% for men and 77.5% for women nationwide; this gap, which is mostly concentrated among people older than 65, is wider in rural areas where literacy rate among women is 67.8%¹². Literacy rate among youth, especially among those aged 15 to 24, was around 96.9% in

¹² INE, 2010

2010 (97.4% for women and 96.3% for men) reflecting the results of targeted policies on basic education^{xvii}.

18. Around 86% of children, on equal terms for boys and girls, are estimated to attend pre-school according to a recent study on competencies^{xviii}. There are differences between islands: 5% of children in São Nicolau, Maio, Fogo and Brava do not attend preschool; against an average of 14% in Sal, Boa Vista, and Santiago; 24% in Santo Antão; and 32% in São Vicente. Children in poor families are twice as likely not to have access to preschool education whereas preschool has a positive and substantial impact on child development and on preparing a child for elementary school. No access to preschool therefore constitutes a source of inequality that is carried along the lifecycle of a person. At the same level, quality of preschool attendance is a problem. There are significant situations of inequalities in terms of service delivered by different providers: poorest children are more likely to have access to preschools with low quality. This will have impact in a medium term in the school attendance and in long term in productivity and perpetuation of the poverty cycle.
19. The rate of school dropouts was 1.1% for elementary schools and 5.8% for secondary education in 2013/14. Dropout rates are higher among boys than girls in elementary education, and this dropout rates are especially higher for boys in secondary education. The dropout rate among boys in secondary education varies between islands and reaches as high as 15.7% in Paul^{xix}.
20. The main indicators in education 2012-2013 show that there are regional disparities in the net enrolment rate for the first grade of primary education: the municipalities of Tarrafal de Santiago (87.7%), Porto Novo (90.4%) and Ribeira Grande de Santo Antão (90.5%), display the lowest net school enrolment rates, while in other municipalities, the rate is over 98% — São Domingos (98.9%), Tarrafal de São Nicolau (98.6%) and São Filipe (98.5%).
21. In terms of inclusive education and particularly in the case of students with special educational needs, the Ministry of Education has invested in training of specialized educational agents, educational support services for children with special needs, namely in the area of reading/writing in Braille, deafness, and the creation of the Centre for Inclusive Education and Vocational and Professional Guidance, as well as investments in the production of specific didactic materials.
22. The number of tertiary institutions (such as post-secondary training institutes) and universities increased in the last 12 years, and those require permanent regulation and evaluation in order to guarantee the quality standards established by country's normative and internationally accepted, as well as to adapt the research domain to country's development needs. There is a geographical concentration of the population that possesses university studies: in 2012, 64.9% of this population lived in the island of Santiago, where the capital city, Praia, is situated. Furthermore, household expenditure surveys in 2015 show some difficulties for the graduates to be assumed by the labour market.

23. Besides the tertiary institutions and universities, the country has implemented a curricula for adult education and training, based on a competencies approach and a modular structure, articulated with the labour market, self-employment and entrepreneurship, as well as a distance learning system adapted to the archipelago's geo-demographic situation.
24. Technical education and vocational training continues to be a strategy to increase people's employability in the short to medium term. There is a concern that, in order to ensure maximal payoff, this strategy should take into consideration the demographic transition, be integrated with national employment policies that are aligned with the local islands priorities and foresee resources to foster job creation and adequately respond to labour market skills need.
25. In 2014, public expenditure on education represented 15% of the Government budget (14.6% on 2013). The budget for primary education represented 37% of the general education budget (6.2% for investment and 43% for current expenditure). The high investments in education over the years allowed for the expansion of the school network, ensuring access to education across the whole territory. Yet, there aren't solid evidence-based studies about the quality and efficiency consequences of these investments. Additionally, the analysis showed insufficient investment in the pedagogical domain, disparities in terms of resource allocation between schools, and weaknesses in the articulation of the primary and secondary levels. Significant disparities persist in regional and social terms, as well as in the allocation of teachers, which can negatively influence the evolution of education outcomes. The available human resources not always ensure the performance of the school, as showed by the national exams on school performance at the end of the 6th grade, pointing to the need of better educational management^{xx}. The quality of primary school is the main determinant of the drop out in secondary education.
26. Socioeconomic and cultural aspects also constitute restricting factors. Despite the gains realized from free primary education in Cabo Verde, some families find the costs associated with the school canteens (ECV500 – USD5.03) to be paid at the beginning of the academic year, a major challenge. In 2010 the Government assumed the funding and management of the school canteens. Currently, the Cabo Verdean Foundation for School Social Action - FICASE, a public foundation, linked to the Ministry of Education, with administrative, financial and patrimonial autonomy, is the responsible of the school canteens programme for the primary education. But the critical problem starts in the secondary school – for each 100 children entering in the first year only 45 manage to complete. In 2015 due the poor agricultural year in 2014 and the consequent socioeconomic deterioration of many families, the FICASE implemented a school light-meal program for secondary education students, covering each year over 3,000 students nationwide.

27. The high level of repetition rate, related to the quality of the primary education (school management and pedagogical issues) is one of the main factors affecting drop out. The incentive to attend and stay in school depends also on the social value attributed to it and the perception of its usefulness. The increase in schooling has been accompanied by increases in social expectations and aspirations, which are not always met, for example relatively to job opportunities. Some families also have children's help with income generation, thus depriving them of the opportunity to go to school. The gender of the children can determine the tasks they are given in this situation.
28. Despite the production and sharing of disaggregated data by gender and age, learning activities tend to use a gender-neutral approach, which has not been allowing for an analysis of the specific situation of girls and boys how these can differentially affect their schooling opportunities.
29. Over recent years there have been significant reforms in the education sector. These include the introduction of new disciplines, new evaluation method, more learning by doing, a greater focus on citizen and entrepreneurial skills and technical schools.
30. According to the sectorial analysis of the education sector (2015), the main challenges in the area of education include:
- The regulation of the flow among primary, secondary and tertiary levels, including vocational training, requiring an improvement of management and pedagogical issues, and
 - The adjustment to the needs of the labour market (the quality of primary education and the articulation with the secondary. Repetition rate in the secondary education is substantially due to the quality of the primary.
31. However, there is a need to further study understand that leads study the dynamics leading to dropouts and repetition rates, especially among boys¹³.

Health

32. Progress has been made in health and the main health-related Millennium Development Goals have been achieved. Skilled health professionals attended 95.6% of all births. Fully immunized child coverage is 91%, with measles coverage at 91,7%, Measles, Mumps and Rubella (MMR) at 95%, and Diphtheria, Tetanus and Pertussis (DPT3) at 93,3%, and in 2017 Cabo Verde introduced the Vaccine Polio Inactivated (VPI). In November 2016, Cabo Verde was declared free of polio. The under-five mortality rate dropped from 62 per 1,000 live births in 1990¹⁴ to 17.5 per 1,000 live births in 2015¹⁵. Over the same period infant

¹³ Ministry of Education of Cabo Verde, 2015

¹⁴ UNICEF, 2013

mortality dropped from 47 to 15.3 per 1,000 live births. However perinatal causes still represented about 60% of infant mortality rate (IMR), pointing to challenges on the quality of antenatal care and access to services. Maternal mortality rates decreased from 79 per 100,000 live births in 1990 to 47 per 100,000 live births in 2015 but with important variations due to the small size of the population (86,3 per 100,000 in 2000; 17,3 per 100,000 in 2005; 37,9 per 100,000 in 2013; 9.4 per 100,000 in 2014), requiring continuous monitoring by the health sector of the determinants of residual maternal mortality. Following the implementation of a five-year plan to fight the transmission of HIV/AIDS in 2011, access to antiretroviral drugs improved, from 39% in 2010 to 56% in 2014. Mother-to-child HIV transmission dropped from 5.6% in 2011 to 0.02% in 2015^{xxi}.

33. In 2016, there were 2 central hospitals, 4 regional hospitals, 31 health centres, 34 health posts and 112 basic health units. The health worker's density is improving but it is still under the average at global level (7.6 physicians per 10,000 inhabitants and 12.3 nurses per 10,000 inhabitants in Cabo Verde, against 14.1 physicians per 10,000 inhabitants and 29.2 nurses per 10,000 inhabitants globally). The hospitalization capacity of 2.1 beds per 1,000 inhabitants is under the average at global level. The same for medical visits per inhabitants (under 0.5). Public health care services are facing a major challenge related to diagnostic capacities due to the lack of basic equipment and its functional maintenance, especially on the islands without a hospital. The Ministry of Health with the support of development partners, in line with the reforms towards the Universal Health Coverage (UHC), has developed strategic and normative tools, such as, the essential health packages at all levels and regional or island health development plans in view to reach the UHC at the national and local levels. To better integrate the private sector in the national health system, a policy is being developed by the Government.
34. There are however challenges that persist and could impact negatively the country's achieved progress in health, with important and irreversible consequences to the country's human capital development. The country is in a phase of epidemiological transition in which chronic diseases and infectious, acute and transmissible diseases coexist.
35. While child and maternal mortality rates have dropped, there are specific interventions, such as guaranteeing good nutrition for the child's development and the introduction of new vaccines that could contribute to further child and mother mortality reductions. Increased prenatal consultations within the first three months of pregnancy likewise could contribute to the further reduction of mortality in the country. This situation demands a consistent focus on early interventions for young children, parents and families to provide care and protection for young children in the first 1,000 days of life, adding the challenge

¹⁵ Ministry of Health of Cabo Verde, 2017

of a multi-sectorial approach sector in order to take advantage of this important moment to achieve the full potential of brain development (early childhood development issue). Persistent challenges include anaemia prevalence of 52,4% of under-five children and perinatal mortality of 25,5 in 1000 live births, represented about 60% of the infant mortality rate.

36. Regarding nutritional aspects, food insecurity situations have a negative impact on the well-being and quality of people's lives and is reflected in indicators that deal with infant mortality, infectious and parasitic diseases, malnutrition, anaemia (52% in under-five children¹⁶) and low weight, among others. Data from the survey on chronic non-communicable diseases indicates that 3.8% of adults aged 25-64 years are malnourished, 26.4% are overweight and 10.6% are obese. It should be noted that 90% of the population between 45 and 64 years of age have an average risk of heart disease, a proportion that is 85% when considering the 25 and 44 age group. Regarding micronutrient deficiencies, the same source¹⁷ indicates that anaemia is a serious public health problem.
37. In a context of the on-going demographic transition characterized by a youth bulge (46,4% of the population is under 25 years of age¹⁸), there is an important knowledge and data gap related to the health situation of adolescents. There is growing realization that an approach to health, both through the health and education systems, needs to imperatively focus on the needs of adolescents/youth, including innovative ways to reach out to adolescents/youth, nutrition and health promotion, the delivering of better adapted sexual and reproductive health and rights services, integrated into the primary health care services and, possibly, in the education system.
38. There is also a need to strengthen health services to better respond to the needs of men and adolescents/youth. The low demand for health services by these groups, which is related to the persistent rates of adolescent pregnancy (18% of total pregnant women in 2014 has less than 19 years), are due to the lack of adequacy and quality of services but also of confidentiality and adequate communication. For instance, in the area of sexual and reproductive health, a more widespread positive approach to sexuality, lower stigma and discrimination, but also the existence of alternatives spaces and ways of reaching target groups could increase the demand for sexual health among youth. This is particularly important to deal with specific diseases such as HIV/AIDS, which have been reported worldwide to have a larger impact on youth and women. Women's health necessities also require going beyond reproductive health to cover other areas, such as health issues related to violence^{xxii}.

¹⁶ UNICEF, 2015

¹⁷ IPAC, 2007

¹⁸ INE, Cabo Verde demographic projections by sex and age group 2010-2030

39. Non-Communicable Diseases (NCDs) are responsible for about 70% of deaths in Cabo Verde. There is a probability of 15% of premature death, caused by diabetes, cardiovascular diseases, chronic respiratory diseases and cancers, in both males and females, between the ages 30 and 70. According to the last Ministry of Health data (2011, 2012 and 2013), the second leading cause of death among women was tumours (52%, 71.9%, and 64.9%, respectively). Among them, the first cause was cervical tumours with a year-on-year increase of cases of 13.7% (2011), 17.5% (2012), and 17.4% (2013) in women of reproductive age. These emerging needs, associated with lifestyle choices, are deeply marked by social and behavioural issues. As such, they require the health system, that traditionally is more oriented to respond than to prevent, to adapt and promote effective interventions to prevent and control risk factors for NCDs, including by extending and strengthening of basic care throughout all stages of life and investing in the promotion of health and behaviour change. Infectious and transmissible diseases also require awareness of specific risks (for example, diarrhoea and dehydration), and the adoption of daily good practices, also within the family, that improve health. Moreover, this new approach requires an integrated multisectorial approach— from education to urban planning, road safety, infrastructure (for example, water, sanitation, electricity), agriculture, and environment.
40. In addition to stress-related illnesses, other emerging needs resulting from complex social and economic dynamics include: (1) Violence, including its impact on the mortality of young people, particularly males; (2) Abuse of drugs, including alcohol, which is often associated with gender-based violence, and mental health issues; and (3) Road traffic accidents, impacting mainly young people, particularly males, both drivers and victims. Around 93% of the 3,478 road accidents that occurred in 2015, resulted in 871 injured and 35 deaths involved male drivers.
41. According to the first study on drug use prevalence in Cabo Verde^{xxiii}, 7.6% of the total population has used illicit drug at some point during their lifetime (14% men and 2.5% women), and around 2.7% use illicit drugs on an annual basis (5.3% men and 0.6% women). Cannabis is the most commonly used drug (by 7.2% of the population) followed by cocaine (0.9%). Among cocaine users, crack cocaine users are considered the country's most pressing problem because of the impact on security, through crime and prostitution and public health, due to users' likelihood of having unprotected sex and sharing needles. As a result, HIV prevalence among drug users is considerably higher than among the general population.
42. Some areas that require additional investment and have an important impact on public health and avoidance of premature deaths include: (1) Introduction of new vaccines into the national routine immunization calendar of new cancer prevention, such as breast, cervical, and prostate cancers; (2) Reduction in the number of unsafe abortions, perinatal mortality and adolescent pregnancy; (3) Reduction of anaemia prevalence among under-five children; (4) Continued

action to prevent and treat HIV infections; and (5) The promotion of general health and the reduction of major health risk factors such as early abusive alcohol and tobacco use and obesity.

43. Important obstacles in the way of such initiatives include limited funding opportunities and the lack of access to important sources of funding due to the country's development status, which nonetheless, also brings uncertainty with respect to the country's ability to finance itself in certain services and running programs. For instance, in the case of children's nutrition, the country is implementing a target-program to improve nutrition and to reduce the incidence of anaemia. However, the long-term sustainability of this intervention, that has an important and long-standing impact on human capital development, depends not only on financing but also on an integrated set of policies that can effectively deal with the underlying causes of children's malnutrition.

Health security and emergency preparedness

44. In 2009-2010, Cabo Verde faced a Dengue epidemic for the first time, and in November 2015 the Zika virus outbreak was declared, leading to the birth of at least 15 children with microcephaly and several Zika congenital syndrome cases. The full effect of this outbreak is not clear but the risk to children's health and its consequences on families and especially women requires monitoring. The vulnerability of the country to vector-borne diseases is thus a major public health concern and challenge for health security that will likely be exacerbated by growing human mobility and the continued threat of climate change worldwide. Another challenge is to reinforce the national capacities to prevent, detect and respond to epidemics and other acute public health risks in accordance with the International Health Regulation¹⁹. In addition, the Zika epidemic brought to the fore the need for stronger and more coherent investments in basic services for children with disabilities, particularly in health, education and social services domains.

Social Protection

45. The social protection system in Cabo Verde is one of the fundamental rights of citizens and is considered as an indispensable instrument for promoting economic and social development and the guarantee of balance, equity, tranquillity and social justice.
46. Being structured in 3 levels, the national social protection system offers protection for citizens, throughout the lifecycle perspective. Its construction and reinforcement has been a long-term task and a progressive one, either in enlarging the non-contributory benefits, and the extension of the mandatory social security to all workers (considering the 9 classical branches – family/child

¹⁹ IHR, 2005

allowances, access to medical care, sickness, old age, survival, invalidity, unemployment, work accidents, maternity).

47. If one takes the case of old age protection, considering administrative data (non-official), considering the mandatory social protection level (including public administration) and the social pensions attributed at the safety net level, the level of coverage of people older than 60 years with different types of old age pensions goes up to around 80% in 2016.
48. However, it is worth mentioning that there is a difference between men and women, as a result of longer and better-paid careers for the formers, in terms of benefits achieved. Women are more likely to be eligible to receive social pensions (in 2015, 61% of the social pensions paid were to women), and men are more likely to receive old-age pensions from social security (in 2015, 60% of the people receiving old-age pensions were men). This difference represents a gap in the adequacy and level of benefits received, hence the old-age pensions paid through the contributory regime, as a result of long-term contributions related to salaries, can be considerably higher. This situation is justified by the fact that women older than 60 were less integrated in the formal labour market, thus had less access to the contributory regime, what puts them in a more vulnerable and less protected situation.
49. The coverage of the mandatory social protection – also known as “contributory regime” – has been extending its coverage, particularly, throughout the last decade. It is estimated that around 40% of the population in 2016 was covered by this level (including direct and indirect beneficiaries). Nonetheless the improvements, there are still working to do and challenges to face – for instance, the extension to groups of workers of difficult coverage (even though protected by law, they are not in practice in the system), to continuously ensure the sustainability of the contributory regime, or the revision of the legislation, just to mention a few.
50. At the same time, at the safety net level, there is still a work to be done in what the articulation of the system concerns. There are a reasonable number of answers/supports, but there is a need of a common framework that can manage to integrate all the benefits provided at this level in a more articulated and complementary way. Concrete steps are being done by the implementation of a single registry that intends to create a single database of beneficiaries and potential beneficiaries of social protection programmes, and at the same time, organize and manage all the existent and future benefits.
51. Besides, there is already on-going the implementation of a cash-transfer programme for active people, particularly poor unemployed active people with children of small age.
52. At the same time, and in line with this need for having articulated and complementary answers/benefits, there is also a great effort to put in place a care system (social services) mostly directed to dependents people as a way to

ensure their rights as citizens to have a life with dignity regardless their dependence condition.

53. Even though these initiatives are already inscribed in the government's programme as essentials, there are still a lot of challenges to their implementation into practice. A continuous effort is needed in order to improve either the quality or adequacy of the answers, as well as the monitoring and evaluation system (results and impacts of the social policies), and the legal framework that encompasses the non-contributory regime.

Housing and Basic Services Such as Water and Electricity

54. Expenditure on housing and basic utilities makes up about 25.5% of families' expenditure.

55. Rapid urbanization in the main cities and towns, a lack of spatial planning and adequate zoning or servicing, compounded in some cases by a lack of effective implementation of existing plans, have placed serious pressure on the availability of adequate and affordable housing. In fact, urbanization has occurred mostly informally. Since the population and rural-to-urban migration continue to grow, housing needs are increasing in the main cities. The World Urbanization Prospects in 2014 (UNDESA, Population Division) estimated that in 2020 almost the 70% of the population would live in urban centres, being Praia, the capital city, the main receptor of inhabitants.. In this respect recommendations to Cabo Verde made by the UN Special Rapporteur on Adequate Housing in 2015 are an important reference^{xxiv}.

56. Cabo Verde has made steady progress in ensuring access to services, such as electricity and water, but production cost and affordability of these services remains an acute problem. In fact, the power tariff and the water tariff are among the highest in Africa and this has also a major bearing on private sector competitiveness.

57. Cabo Verde has achieved a relatively high rate of power distribution. According to the 2010 census, 81.1% of the population had access to electricity, with 89.6% of housing units in urban areas connected to the public electricity network and 63.8% in rural areas. The municipalities that registered the lowest rates of electrification were the municipalities of São Miguel, with 48.1%, and Santa Catarina do Fogo, with 46.7%.

58. With only two islands having some level of water sources, namely Santo Antão and Fogo, (with Santo Antão relying also on desalinization plants), water scarcity across the territory is a major concern for the population and a limiting factor for most economic activity. The country's heavy reliance on stand posts, which distribute water from one or more taps to many users and are sometimes located far from homes, is far from effective. The country relies on very costly desalinated seawater for approximately 85% of production for human consumption.

59. A recent analysis^{xxv} aiming at measuring vulnerability based on an aggregate of four dimensions — demographic, socioeconomic, housing infrastructure, environmental and geographic — points to specific indicators that contribute to the increase in households' vulnerability in Cabo Verde. Heading the list are the indicators related to access to water. Indeed, overall, the indicator that mostly contributes to households' vulnerability is not having access to public water network followed by having access to water outside the house only. Other indicators that contribute to increased vulnerability include: the head of the household working mostly in the agriculture sector, income per capita of the house being below half the minimum wage (established in ECV11,000 (USD110.67²⁰) for the time being).
60. Close to 62.4% (52.1% in rural and 67.6% in urban areas) of housing units have access to improved drinking water through a public distribution network^{xxvi}. Other water supply sources include pipes through neighbours' houses (7.3%), fountains (15.4%) and tank distribution (5.6%). According to a report assessing progress on sanitation and drinking water over the past 25 years, 94% of the population living in urban areas and 87% of the population living in rural areas had improved access to drinking water sources. One out of two persons living in rural areas continues to collect water from a shared stand post or to receive water distributed by tanker truck. This kind of access impacts on daily consumption (estimated at 15 litres of water per person, with variations from 7 to 25 litres per day per person) and on the cost of water (which is higher than piped water and can account for up to 21% of the monthly income in the case of people living in extreme poverty). Women and girls spend about 4 to 6 hours per day carrying water from the water source to the residence (this task is largely performed by women and girls)^{xxvii}.
61. Wastewater disposal systems were incorporated in approximately 66% of homes, with 46.6% of housing units disposing of waste through septic tanks and 19.4% through the public sewer system. Households in rural areas do not have access to public sewers and rely solely on septic tanks, as is often the case in areas of low population density. A lack of access to improved sewage systems and of regulation and management of septic tanks can lead to high incidents of waterborne diseases, including infectious diarrheal diseases.
62. On average, 63% of housing units have toilets or latrines, but only 43% have flush systems; and 43.6% of households have at least one bathtub or shower. Furthermore, roughly 76% of housing units at the national level have a kitchen. Most of the kitchens in rural areas are located outside the housing unit in the open air. A new social and gender strategy for the water and sanitation sector, 2015-2020, has been adopted to address some of these needs.

²⁰ 2015 average exchange rate, Central Bank of Cabo Verde.

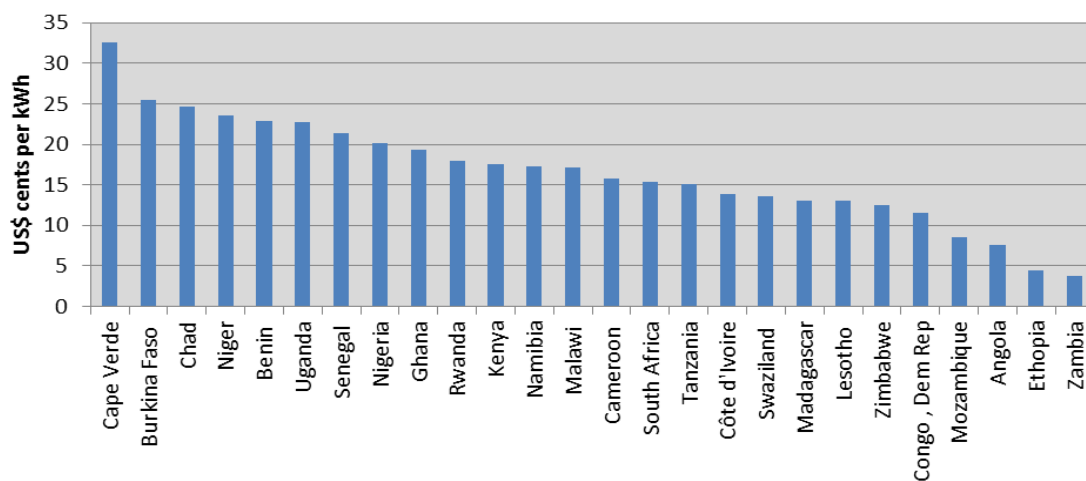
Planet

“We are determined to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.” (Agenda 2030)

63. A Small Island Development State (SIDS) in the Atlantic Ocean, Cabo Verde is an archipelago nation composed of 10 volcanic islands, 9 of which are inhabited, and 13 islets. The nation’s location and particular geomorphology — with much of the mountainous islands presenting a combination of high elevations and steep terrains in combination with the country’s extreme climate that combines long cycles of severe drought and short periods of heavy rainfall, and the presence of an active volcano — shape the country’s economic, social, and political dynamics and the overall development path.
64. Throughout the country’s history, the country’s natural features have impacted infrastructure building and human capital development, at times in very significant ways and with critical consequences for long-term growth sustainability.
65. Recurrent severe droughts in the country’s history, for instance, have caused widespread famine, forced migration and loss of lives, resulting in permanent changes in the nation’s human capital development. Only around 537,661 people are expected to reside on national soil in 2017. Negative shocks to the human resources can therefore have a significant and longstanding impact on the country’s ability to grow and develop. While the country today is less likely to face massive loss of life attributed to long periods of drought, food insecurity, low levels of nutrition and their consequences to growth, and risks associated with human settlements in areas of high disaster risks (for instance, volcanic eruptions and draughts) are some of the issues that continue to challenge the human capital development in the country.
66. Similarly, important for long-term growth and vulnerable to the country’s natural hazards is infrastructure and housing planning and building. The susceptibility of the country to landslides caused by flash floods in steep and bare terrains have on many occasions brought critical losses of infrastructure like roads and bridges, agricultural land and crops, cultural heritage sites, and housing. This also points to the need to strengthen monitoring, disaster preparedness, and infrastructure planning with a view to supporting the construction of more resilient infrastructure that is safer or more disaster-proof. Building resilient infrastructure is costly in the country; with a small population spread over 9 inhabited islands, there are limited gains from economies scale associated with the production and distribution of basic utilities, for example, water, energy, and sanitation. This brings important social, but also economic and fiscal challenges. On the social front, health is the main challenge. The high cost of infrastructure

building has also a direct impact on production costs, growth, country's competitiveness, fiscal space, and even access to basic services such as health and education. These challenges call for better and more efficient ways not only to produce but also to use and manage resources.

67. Cabo Verde is facing an increasing power deficit, which is already hampering economic and social development. In 2014 after considerable investments, the total installed capacity reached 156MW serving 95% of the population²¹. Currently, the electricity production in the 9 inhabited islands relies heavily on imported fossil fuels although around 25% is produced from Renewable Energy (RE) resources. The current dependence on imported fossil fuels for power generation has resulted in electricity tariffs of USD0.32/kWh, which are the highest in the region as shown in the table below (Figure 2).



Source: Doing Business Database, World Bank (2017)

Figure 2 - Electricity tariffs in Africa

68. The archipelago ratified the UN Framework Convention on Climate Change (UNFCCC) in 1995, and since then it has created proper conditions to implement the UNFCCC country obligations, and guided paths to intensify the use of renewable energies. Cabo Verde has over recent years become a leader in the region with respect to solar and wind energy and is home to the Headquarters of ECOWAS's Centre for Renewable Energy and Energy Efficiency. At the policy and regulatory level, Cabo Verde has developed an ambitious programme for increasing energy access tapping on the available Renewable Energy resources, mainly solar and wind. In 2008, the Government approved the National Energy Policy, which seeks to build a secure, sustainable and independent energy sector. In 2011, Decree-Law on the Promotion and Incentives for the Use of Renewable Energy (DLn.1/2011) introduced some of the support mechanisms

²¹ SE4ALL (2015), *Action Agenda for the Sustainable Energy for All: Cabo Verde*
http://www.se4all.org/sites/default/files/Cabo_Verde_AA_EN_Released.pdf, January 2017

recommended internationally such as allowing the private sector to operate through Independent Power Producers (IPPs), a licensing regime, a regulatory body (ARE) and clear responsibilities within the sector for energy policy, regulation and provision. This decree-law established a regulatory framework conducive to investment in small to medium scale Renewable Energy projects. Furthermore, it developed a national roadmap to become 100% renewable for electricity generation in the National Renewable Energy Plan of 2015 as well as a national wide-ranging pathway to implement energy efficiency targets up to 2025 in the National Energy Efficiency Plan 2015. In the Government Plan for the IX legislature (2016-2021), it is recognized that the potential of renewable energy should be harnessed through investments in financially sustainable production projects.

69. Renewable energy is alternative to other sources of energy production has also an impact in the savings of Green House Gas (GHG) emissions further contributing to climate change. Other important area to take into consideration is the use of an integrated approach to address the opportunities and challenges of the energy-water nexus. The supply of water and energy is interdependent. Water is used in all stages of energy production and electricity generation, in the same way energy is required to extract, convey, deliver water of appropriate quality and to treat wastewaters. In developing countries, energy costs often account for more than half of the operating costs of water and sanitation service providers. Nevertheless, historically, interactions between energy and water systems have been developed, managed, and regulated independently, in most cases. The high electricity costs associated with water pumping and desalination plants have been one of the main deterrents to advance water access in the country. Thus, to improve water access, the production of affordable energy is required. As stated in Cabo Verde's Energy Policy, renewable energy has been regarded as a strategic, environmental and cost-effective solution to the challenges posed by the energy-water nexus. Cabo Verde aims to adopt the energy-water nexus approach in order to produce the greatest possible holistic development impact as stated in its Intended Nationally Determined Contribution (INDC).
70. The risk to human capital and infrastructure has been intensified with the rapid process of typically unguided urbanization that is leading to an increasingly high occurrence of settlements (informal and formal) in areas of high risk in the large urban centres and to the consequent exacerbation of the socioeconomic vulnerability of poor urban dwellers. The urban population was 35.5% of the total population in 1980. This percentage increased to 45.9% in 1990, 53.9% in 2000, 62% in 2010, and is currently estimated to be around 68% (UNDESA). This trend is putting pressure on existing basic infrastructure and people's access to water, energy and solid waste disposal. With increased risks to health, this process also leads to a significant increase in household's vulnerability.
71. The process of urbanization and its impact on energy consumption has also had an impact on GHG emissions: high-energy consumption of buildings, based on the

imported model for design, construction, and use of inefficient appliances (for instance, cooling and water pumping) in Cabo Verde must avoid GHG emissions, albeit these are relatively small on a global scale. The absence of strict policy measures in the country contributes to lower energy efficiency in buildings with little expectation that the share of low-efficiency buildings in the country's building stock might decline in the next 10-15 years.

72. Urban growth has also resulted in occupation of coastal zones intensifying coastal erosion resulted mainly from sand extraction of beaches and increasing the susceptibility of these areas to storm surges and seawater intrusion. Anthropogenic action in coastal zones, associated with sand extraction for construction, exacerbates the risks of saltwater intrusion in soil and aquifers associated with climate change and sea-level rise. The rapid construction from urbanization and the development of the tourism sector and the continued urbanization process would intensify this risk to coastal zones even further.
73. The tourism sector, a central focus of the government's growth and development strategy, is very sensitive to risks associated with the country's extreme climate conditions, volcanic activity, degradation of natural resources, poor water management, and loss of biodiversity. Cabo Verde has been strongly engaged at the international levels when it comes to biodiversity conservation. In March 1995, it ratified the Convention on Biological Diversity (CBD), and shortly after initiated the draft of its first National Biodiversity Strategy and Action Plan (NBSAP); the second NBSAP was drafted and approved in 2015. In addition to the mentioned strategy, there are a range of complementary initiatives that feed into and inform NBSAP implementation processes which have permitted the implementation of other laudable planning and regulatory frameworks, such as the National Reports on the State of Biodiversity (drafted every 3 years with the latest drafted in 2015) and the Decree-Law n^o. 7/2002 and the Decree-Law no. 3/2003, which establishes measures for the conservation and protection of endangered plant and animal species, and establishes the legal regime of natural spaces, respectively. As an illustration, the volcano eruption on Fogo Island in late 2014 damaged 100% of the tourism facilities of the affected area of Chã das Caldeiras. The total effect of the eruption in the tourism sector is estimated to have reached more than USD2 million in damages and revenue losses, and is likely to have had a longstanding impact on the livelihood of about half of the families living in that region^{xxviii}.
74. The tourism sector also contributes to the growing pressure on the country's already fragile biodiversity, limited water resources, production and use of energy, poor soil, pollution and solid waste disposal, the occupation of coastal zones, and marine and coastal ecosystems. In 2015 alone, more than 569,000 tourists, a number larger than the country's population, visited the archipelago. Protecting, sustainably using, and building the country's natural assets will be increasingly important to the continued efforts to enhance nation's economic wealth and develop the tourism sector further. This need is explicitly recognized by the current Government, which refers to the need to reinforce the articulation

between tourism and the environment to create and promote sustainability in the tourism sector. Further efforts in this area could create positive synergies between environmental and tourism development efforts.

75. In promoting the blue economy, Cabo Verde would be reinforcing not only this articulation need but as recognized by the “Carta a Favor da Promoção do Crescimento Azul em Cabo Verde” (statement to promote the blue economy in Cabo Verde) fully exploit the developmental potential of the sea and the coasts as drivers of the economy, sources of public revenues, and as sectors that can promote decent job creation, social transformation and ultimately contribute to poverty reduction. The sustainable development of aqua/mariculture and fisheries is one of the strategies that seek to promote the blue economy for inclusive growth and poverty reduction, while strengthening food security measures in the country. Both aquaculture and fisheries are sensitive to and can impact the environment.
76. The long-term sustainability of fisheries in SIDS has been threatened by Illegal Unreported and Unregulated (IUU) fishing, overexploitation of living marine resources, land-based pollution, destructive harvesting methods, overexploitation, invasive alien species, oceanic acidification, natural disasters and climate change^{xxix}. Responding to these threats, legislative frameworks, such as the Fisheries Resource Management Plan was drafted and implemented by the Government of Cabo Verde to make sure fisheries policies were able to inform and to actively provide sustainable economic and conservation options, and regulations for this important industry. The effects of climate change are also anticipated to affect fisheries. Responsible fish farming can help reduce fish imports and increase employment as well as help food security. Sustainable coastal aquaculture can reduce pressure on aquatic resources including the depletion of wild fish stocks, destruction of fish habitats and declining biodiversity. Aquaculture is still underdeveloped in Cabo Verde and it is thus a sector that presents great potential.
77. Aquaculture is also an opportunity for women’s increased presence in fisheries, both in terms of labour force participation and responsibility sharing, along the value chain. Such a shift will require recognition by institutions and other stakeholders that women can contribute substantially to aquaculture development, and accordingly they should get the similar access as men to skills development, technical assistance, etc.
78. The social and economic dynamics resulting from the country’s SIDS status, climate, availability of natural resources, and archipelagic formation can also be associated with the rising trend in insecurity at the national level. Thus, the dimension “Planet” directly affects both “Prosperity” and “Peace.” Socioeconomic vulnerability resulted from the country’s natural and structural features, for instance, increases the country’s exposure to transnational organized crimes, money laundering, illicit trafficking (for instance, in drugs, arms, persons), and the associated violence, crime and human security issues. At the same time, the

rise in criminality and violence at the national level reinforces the country's social and economic vulnerability by disrupting the development of a vibrant tourism sector. Thus, promoting sustainable development practices is also an important contribution to decreasing socioeconomic vulnerabilities and the associated rising human insecurity trends.

79. The arid climate and unpredictable rains, limited fresh water and access to it, and the geomorphology of many of the inhabited islands also present significant risks to agriculture, which in 2015 employed the largest share, about 19% of the population, of which 34% women and 66% men²². Food security remains an issue as indicated by reliance on food aid and the large share of food imports, which vary each year depending on the rainfall. This uncertainty also has a fiscal impact resulting from the need to avail funds to food imports in an unpredictable fashion. With only 10% of the land being arable, the agriculture potential of the country will remain limited, especially against the backdrop of the process of desertification driven by both climate and unsustainable agricultural practices such as monoculture and the excessive use of chemical inputs. The Government of Cabo Verde ratified the United Nations Convention to Combat Desertification (UNCCD) in 1995, and therefore agreed to embark on a global agenda for action. As a convention parties, it prepared and implemented a National Action Programme committed to combating land degradation and dealing with the root causes of the problem at the national and local levels. The process of desertification manifests itself differently according to the physiographic characteristics of the different islands of the archipelago. In the islands of Boavista, Maio, and Sal, which are relatively flat and sandy, desertification results from the loss of vegetation cover and the shifting of coastal sand dunes caused by particularly strong north-west winds, and overgrazing and rapid expansion of tourism related infrastructure.
80. As far as agriculture is concerned, of the 44,506 farms surveyed in 2004, 99.87% were of the family type and only 56 are characterized as unfamiliar, including 8 agricultural enterprises, 6 producer associations and 1 consumer cooperative. The General Census of Agriculture (RGA 2004) shows that 70% of the total arable land (44,359 ha) is distributed among small farms whose areas are between 0.1 and 1 ha. Only 11% of the total arable area is associated with farms with more than 2 hectares.
81. Taking into account this particularity of Cabo Verde, with the update of the National Strategy for Food and Nutrition Security (ENSAN), the role of family agriculture was highlighted and participative governance mechanisms were proposed in this theme. Given the structural difficulties in generating the economic results that allow a greater participation of the local production in the food supply and of its capacity to generate economic dynamism in the territories where they are located, the tendency is of gradual exclusion of the farmers of the

²² INE 2015

process of development, increasing the exodus and the escalation of urbanization, with all the undesirable consequences it entails.

82. The implementation of SAN strategies includes a mechanism for the political coordination of SAN actions, of the intersectorial type (the CNSAN), the participation of different social actors in this mechanism of political coordination (governmental, non-governmental and private), the existence of a system that allows the follow-up and evaluation of SAN actions in their different dimensions, the Food and Nutrition Security Inoculation System (SISAN). With the update of the National Strategy for Food and Nutrition Security (ENSAN) repetition Horizon 2020, the Human Right to Adequate Food (DHAA) was incorporated as a guiding element in the public policies focused on SAN.
83. In some islands, the combined effect of denudation, the steep volcanic terrain and the intensity of occasional heavy rainfall cause considerable surface runoff and soil erosion. This in turn aggravates the problem of water shortage as the absence of soil infiltration causes a decrease in groundwater reserves suitable for consumption and agriculture. This situation is further aggravated by (1) the use of traditional and less efficient irrigation techniques and its impact on the efficient use of water (2) pressures on land from the growing population including through tourism, (3) growing needs for wood fuel that leads to increasing deforestation rates, (4) overgrazing, particularly by free-roaming goats that have a remarkably adverse impact on the forest vegetation in fragile, arid ecosystems and (5) the agricultural cultivation of steep slopes at high altitude (for instance, on Monte Verde Natural Park, São Vicente) without sufficient erosion control measures. Despite various initiatives being undertaken, for instance, the FAO National Program for Combating Desertification and Land Degradation for Food Security and Livelihood Improvement, 2016, these issues remain major challenges.
84. The development of the industry sector in Cabo Verde defined as an essential dimension of the new model of economic growth, for its contribution to the increase of the export capacity, decrease the importation and generation of wealth, must take into consideration its impact in environment. One of the prerequisites for industry to flourish in a sustainable manner is the availability of an assured supply of affordable and clean energy, together with improved resource efficiency. Meeting the climate challenge requires industries and institutions — both public and private — to be able to assess and understand climate change, design and implement adequate policies and to work towards resource efficient societies and low emission growth. “Decoupling” natural resource use and environmental impacts from economic growth is a key requirement for overcoming the pressing challenge of growing resource consumption levels.

85. Cabo Verde is committed with several multilateral environmental agreements (MEA)²³ and as part of them there is an obligation to implement legal, organizational and environmental management measures, including substantive technological changes, in order to comply with the requirements. Although Cabo Verde efforts in this regard, there is still room for improvement, mainly, to build the capacities in planning, developing and implementing of national phase-out plans and sector phase-out plans.
86. The current Government Program places climate change issues among the central and local authorities' top concerns. However, the global context looks increasingly uncertain. There is an increased risk of a negative outlook for climate change agreements. This will only exacerbate Cabo Verde's environment risks and associated vulnerabilities. These risks are likely to have a negative impact on the country's ability to attract foreign investment and develop a vibrant national private sector. That is particularly critical for a country such as Cabo Verde that has a low level of national savings, limited capability to mobilize resources domestically, and still relies heavily on foreign sources of financing for development. The country's efforts towards improving the efficient production, management, and use of resources (for example, energy, water) and resilience, developing in a sustainable and balanced way, and adapting and mitigating risks associated with climate change will have to increase as the country seeks to attract foreign investment and foster business opportunities.
87. The country's disaster risk profile, characterized by a vulnerability to multiple hazards, which are climatic, biological, geological, and technological, suggests that a comprehensive approach to resilience and risk reduction in development planning would be needed in order to preserve the country's development gains, and enhance prosperity as well as social outcomes.
88. The Government's Plan for the IX Legislature recognizes that National Civil Protection system is still incipient at the organizational level, and in human, material, and financial resources, as well as is needed to invest in a surveillance system with adequate resources and scientific support. However, national efforts have been made in the past, such as the Systematic Inventory Risk Assessment – SIERA in 2013, the implementation and reporting of the Hyogo Framework for Action, and the endorsement and implementation of the Sendai Framework for Disaster Risk Reduction. A growing institutional and public concern on this issue has led the Government to a process of disaster risk assessment, including child-sensitive analysis, and to undertake the elaboration of a multi-sectorial National Strategy for Disaster Risk Reduction, which will require intensive investment in the next few years, for implementation.

²³ Montreal Protocol, the Stockholm Convention, the Minamata Convention on Mercury, and the United Nations Framework Convention on Climate Change (UNFCCC)

89. Finally, specific attention is required to improve women's ability to become more resilient to climate change impacts and contribute to adaptation and mitigation efforts. Women, especially rural ones, have less access to information, capacity building initiatives, rural extension services and technologies (such as micro irrigation), and decision-making forums. Women remain overly represented in less productive lands (for example in dry farming) while men occupied more productive parcels that also receive most of agriculture's public investments²⁴. Their limited control over productive resources, financing and income limits their capacity to invest and apply adaptation measures. Women's role in natural resource management is sometimes highlighted through negative aspects (such as their role in fire wood collection, sand extraction), forgetting they are also the main victims of such negative practices (for instance, in terms of health).

²⁴ Agricultural Census, 2004

Prosperity

“We are determined to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.” (Agenda 2030)

Context and Harnessing Growth to Broad-based and Sustainable Prosperity

90. Between 1991 and 2014, Cabo Verde’s economy grew an average of 5.5% per year in real terms, above the world’s and Sub-Saharan Africa’s growth rates of 3.6% and 4.5% respectively²⁵. The service sector accounted for close to two thirds of the economy in 2014 and generates almost half of total employment, making Cabo Verde a service dependent country.
91. Services exports alone account for as much as 90% of total exports in goods and services and contribute to 34% of the country's GDP. Cabo Verde has been consistently a net services exporter during the past 10 years and the mainstay of these exports has been travel and tourism²⁶.
92. The tourism sector is the main engine of growth in the country, with an estimated contribution of 21% of GDP in 2014^{xxx}. The current Government plan seeks to strengthen the contribution of tourism and among the main objectives, it plans to attract 1 million tourists annually, positioning Cabo Verde among the top 30 most competitive countries in the tourism area worldwide by 2021.
93. A significant part of the tourism sector, the hotel and restaurant sector, which accounted for around 1% of GDP in 1992, has grown to 6.5% of GDP by 2014, being among the fastest growing sectors in the economy. It employed 7.3% of the labour force in 2014 and has grown at an average rate of 14% per year between 2008 and 2013²⁷.
94. By contrast, the agriculture and wholesale sectors, in which together represented close to 30% of the GDP and, at 32%, were responsible for the largest share of employment in 2014, have grown at more moderate paces of 3% and 2% respectively. Current agricultural production remains poorly developed and severely constrained by the arid climate, poor soil fertility, limited arable land, fragmented production and ownership structures, and antiquated techniques²⁸. As a consequence, the country’s food security is largely attained through imports (food import account of one third of all imports).

²⁵ WEO database, 2015

²⁶ UNCTAD, 2016

²⁷ INE, 2015

²⁸ DTIS, 2013

95. Manufacturing Industries represent just 5% of GDP²⁹ and are narrow in scope (with fish and fish-based products being the main outputs and almost the sole exported goods) and largely concentrated in the Island of São Vicente. The limited development of this sector reflects the difficulties for local companies to attain meaningful economies of scales and the country overall limited competitiveness. Indeed, Cabo Verdean private sector is mostly comprised of micro firms, which represent 76% of the total companies³⁰. The WEF 2016 Global Competitiveness Report rank Cabo Verde 112th out of 140 countries and single out critical areas the inefficient labour and financial markets as well as taxes and red-tape as the main obstacle hampering the development of the industrial sector. As a result, with the exception of tourism and fishery sectors (that are mainly Foreign Direct Investments based), large firms are, for the most part, public or semi-public.
96. Despite its impressive growth, tourism has had a limited impact on the local economy and labour market. This is explained in part by the prevailing all-inclusive model of tourism that relies mostly on international chains of goods and services. Partly it is also the result of the limited local capacity to better compete and tap into this sector. The concentration of tourism on only two of the country's nine inhabited islands, Sal and Boa Vista, is also critical. This geographical characteristic leaves the most populous islands, Santiago and São Vicente, excluded from a more central role in the tourism sector (Sal and Boa Vista account respectively for 3.4% and 1% of the country's population).
97. Although tourism is a sector of some concentration of women (62% of workers), jobs are mainly generated on the 2 islands mentioned above and are to a large extent seasonal (60% of workers have contracts for periods of 3 to 6 month)³¹. Cabo Verde's School of Hotel and Tourism Management is contributing to the qualification of professionals, which have high employability rates (close to 75% for both women and men), nonetheless most of the working force requiring qualification, especially women, are in the labour market, working at survival level and with little opportunities to invest time and resources in professional training to improve their labour market insertion. In developing business initiatives, women experience limitations, as they have low levels of technical knowledge, barriers to financing access, low levels of experience and perception of markets, impacting business development.
98. Cabo Verde fragmented geography and the lack of a unified domestic market bring multiple market failures when it comes to transportation and distribution systems, warehouse, cold storage and other key services especially important for agriculture and marine products, thus hampering the creation of new businesses and leaving the existing ones facing high transaction costs. Yet the country has

²⁹ BCV, 2017

³⁰ UNIDO Cabo Verde Country Programme 2015-2017

³¹ ICIEG, Tourism General Directorate, UN Women (2016) Action Plan to Mainstream Gender in Tourism

identified several promising and high-value niche products and services (for example fruits, wine, spirits, cheese, cultural and recreational as well as diaspora-related and liner shipping services) based on their high potential for domestic consumption, the tourism sector and exports³². However, the production of some of these products often does not attain the required products standard, quality and volumes that are needed for their commercialization, and this is especially the case when it comes to supply the tourism sector. Efforts to better integrate tourism with local markets will need to explicitly take into account women's position in value chains (i.e. agribusiness, creative industries), whether they are already involved or need to be involved, as gender differences and inequalities operate at all levels of the value chain, while gender awareness and skills of institutions involved in value chain development need to be supported.

99. The cost of doing business in Cabo Verde remains high and Cabo Verde is only in the 127th position among the 190 countries that were evaluated in the 2017 Doing Business Report. As mentioned, basic utilities like water, electricity and telecommunications are particularly expensive. This is compounded by persistent administrative burdens on citizens and businesses alike, that combined with shortage of skilled and specialized labour force consistent with potential demands in the labour market, undermine the competitiveness of the national businesses (especially the smaller ones) and discourage the arrival of foreign investors³³. The Government is aware that a better business environment is intimately tied to the performance of State institutions that provide services to citizens and businesses. In this sense, one of the reforms foreseen is to introduce a culture of excellence and quality in Public Administration. The improvement of the business environment allows the private sector to make a greater contribution to growth, employment, gender equality and income generation, which leads to the reduction of poverty and inequality.
100. Accordingly, Cabo Verde's Government program has placed emphasis on tourism development and its linkages with Blue and Green Economies, Agribusiness, Infrastructure and Transportation, and Culture and Creative Industries (promoting cultural tourism through the integration of the two sectors, Culture and Tourism, based in material and immaterial national heritage), particularly. The Government plan also recognizes the central role that the private sector and investments can play to this end. To promote such a broad context for prosperity and address some of these constraints listed above, measures to enhance competitiveness and a good environment for doing business are critical. To that end, there exist a vast literature and documents that have been devoted to these important issues³⁴.

³² DTIS, 2013; UNCTAD, 2016

³³ DBR, 2017

³⁴ AEO, 2016; DTIS, 2013; IMF, 2016; Programa do Governo da IX Legislatura; World Bank, 2014 and 2016

101. One of the greatest challenges is to strengthen Cabo Verde's regional and international market access, competitiveness, and consumer protection. This can only be done by promoting the country's quality system. Successful market access requires that the exports meet the standards, specifications and regulations of the importing countries and that the private sector also understands the importance of quality in being competitive. For all this, a country needs a regionally and internationally recognized quality infrastructure. Cabo Verde has made remarkable progress, in the last years — a legal framework for the establishment of a National Quality System, including the establishment of national Institute for Quality Management and Intellectual Property (IGQPI), state of art laboratories, inspections and traceability schemes. Quality is also one of the major requirements for the HORECA channel for local products.
102. In today's global knowledge-based economy, the creation, accumulation and distribution of knowledge, through institutions of human, organizational and social capital, plays an increasingly crucial role as the key factor in innovation and economic development. In addition to understanding the importance of codified and tacit knowledge, it is also important for governments concerned with competitiveness of industry to efficiently utilize the necessary instruments and internal resources (economic agents and institutions) if they are to achieve competitive advantage. Arguably, one of the most powerful frameworks that enable this process of design is the National System of Innovation (NSI). In their new model of economic growth, promotion of knowledge and innovation, especially through contracts for business innovation is one of the key strategies.
103. Given the central role of the tourism sector by the current Government as the main engine of growth, it is important to take into account that different models of tourism can have very different social, economic, and environmental dynamics. For example, the increased number of tourists and tourism-related construction in the country brings important sustainability and environmental challenges and they constitute a threat to the fragile natural habitats while increasing the demand on already sparse natural resources through the consumption of water and energy and the increase in solid and liquid waste. Tourism can also be associated with emerging social challenges related to drug issues, sexual harassment, prostitution, criminality, and housing shortages, especially in the tourist islands of Sal and Boa Vista, and the capital Praia, some of which affecting in particular men (ex. drug issues), others women (ex. sexual harassment, prostitution). Social services to support families with infants are lacking, as is the case in general in the country, but are necessary to enable women's access to the labour market, especially in islands marked by internal migrations, in search for employment opportunities, where traditional social and family network dynamics change. However, the development of sport tourism in the islands of Sal and Boa Vista is likely to have had a positive impact on the employment dynamics among young people, especially among young men. Similarly, the development of tourism around culture in general (music

particularly) and its ability to absorb a large number of young people of various level of education has likely had a positive impact on local development (for instance, Kriol Jazz Festival, Atlantic Music Expo).

104. Spreading the economic benefits from the fast-growing tourism sector more broadly, especially through job creation, will largely depend on structural reforms aimed at facilitating the integration between this sector and the local market of goods and services. As noted above, the Blue Economy, Green Economy, Agriculture and Agro-processing, Culture and Creative Industries, and Infrastructure and Transportation are primary candidates for such inter-sectorial synergies. Their inter-linkages can also address some of sustainability issues
105. The revitalization and integration of local economies in rural areas is a crucial condition for social and economic sustainability and a cohesive and balanced development in Cabo Verde, contributing to the retention of the rural population through the creation of employment and the enhancement of the territories and community's potential.
106. The central role of municipalities is well acknowledged by the Government — that sees in the relationship and association with the municipalities a key principle for its development strategy and policies — and has an adequate normative framework to unfold. Nevertheless, there is room to reinforce the municipalities' vision and capacities on their role and function as accelerators and advocates for territorial dynamics for Local Economic Development, since currently they act more from a perspective of investing in small infrastructure, services, self-employment promotion through Government aid (individual financial subsidies) and not in terms of productive development through an integrated strategic territorial framework.
107. The tourism industry, its potential domestic value chains, and other sectors and local businesses in Cabo Verde constitutes a particularly important growth opportunity. Indeed, the current Government plan stresses the approach of “prosperity for all” when discussing its proposal for a “new model of economic growth.”

Broadening Prosperity through Inclusive Employment Opportunities

108. Full participation in the labour market crucially depends on the ability of the economy to grow and create new decent jobs and absorb new entrants into the labour market. The evidence suggests that Cabo Verde's recent history of strong growth has had only a limited impact in terms of job creation at the national level. High rates of youth and female unemployment are perhaps the most obvious points that reveal these qualitative deficiencies of Cabo Verde's growth experience.
109. Youth unemployment and a gender gap in labour participation constitute one of the main challenges to broad-based prosperity in Cabo Verde. Against the

backdrop of a demographic transition in the country, they also harbour great opportunities as greater inclusion of youth and female workers has the potential to significantly enhance the country's prosperity. Lack of job opportunities and unemployment is also fuelling the desire to out-migrate among the youth.

110. Besides, there is a common understanding to foster full employment and decent work for all through a growth model that can eradicate poverty and bring prosperity for all. Although Cabo Verde has ratified the 8 ILO fundamental conventions, challenges remain regarding their effective application in law and in practice.
111. Cabo Verde's demographic transition is characterized by a youth bulge, which constitutes a deep structural change with social and economic implications that will be defining for the country's development path going forward.
112. The youth bulge implies a significant increase in the proportion of working-age people (15 to 64) and a decrease in the proportion of dependents (younger than 15 or older than 64), particularly of dependents younger than 15. It is estimated that today there are around 2 people at working age for each dependent, twice the ratio of the mid-1970s. This level is comparable to the average of middle-income country, and is almost twice as large as the average of the Sub-Saharan African region. Estimations indicate further that most of the growth in the share of people between 15 and 64 has already occurred between 2000 and 2015 and that the youth bulge is expected to peak at around 2030.
113. If properly harnessed into an appropriately targeted growth strategy, this youth bulge has the potential of paying great demographic dividends derived from changes in labour supply, savings, and human capital. Labour supply increases as people in the relatively expanding 15-64 age group are more likely to be working than people in other relatively shrinking age groups. In a secondary effect, as family sizes shrink and women are less burdened by work at home, the number of women in the workforce also increases. Savings tend to increase during a demographic transition that exhibits a youth bulge because, unlike the young and the old, working-age people tend to consume less than what they produce. Moreover, a smaller family size can also result in higher savings — resources are reallocated from investing in children to preparing for retirement. Lastly, the impact from a demographic transition on the level of investment in human capital is perhaps the most significant and far-reaching — as the population bulge moves toward working-age, there is the potential for greater resources to be invested in education and early health both in absolute terms (a greater tax base) and in relative terms (fewer children).
114. However, whether demographic dividends are in fact realized, it depends on an enabling policy environment and the broader social, economic, and cultural context. For instance, larger savings resulting from the increase in the share of working-age population will depend on this group participating actively in the labour market, thus, on the absorption capacity of the labour market. This

capacity rests on the ability of a growing economy to include and create job opportunities. Likewise, the quality of jobs — in terms of varying levels of informality in the labour market, stability of contractual employment practices, wages levels, and fit between education and work — also matters a great deal for achieving demographic dividends.

115. Overall conditions in the labour market are therefore crucial. These include wage levels and participation rates. Income from work tend to be insufficient to cover the basic needs of most households in Cabo Verde because of the number of working and non-working members that compose a typical household. While data on income is considered of limited reliability (there is no data available on wages), the available data, nonetheless, strongly suggests that the majority of people in the country — 75% — live in households where the per capita income from work is below the wage of ECV12,129.15 (USD122) per month. Indeed, around 31% of people live in households where the per capita income from work is below one third of the minimum wage, or ECV3,032.3 (USD30.50) per month, whereas the extreme poverty line is at ECV4,160 (USD41,85) per month^{xxxi}. The quality of jobs reflected in these numbers is in part the result of the weak and highly seasonal labour market and the economies' insufficient capacity to create jobs.
116. Key problems in terms of achieving broad-based prosperity are Cabo Verde's gender inequality in labour force participation and employment, high youth unemployment and a lack of high quality jobs. These conditions are also especially inimical to realizing the full economic potential of the demographic transition. This constitutes a significant loss of opportunity for Cabo Verde to grow, prosper, and improve people's lives, liftmen as well as women, young and old out of poverty. The analysis that follows suggests that, with the aging of the population, any path that can achieve Cabo Verde's goal of becoming a higher middle-income country by 2030 must include promoting gender equality on all economic, social, and political fronts.
117. Labour force participation rate of women tends to be smaller than that of men across most age groups and in both rural and urban areas. In 2015, labour force participation rate of women was 52.7% of the total female working-age population in Cabo Verde; for men, it was 64.1% of the total male working-age population. The gap between the female and male participation rate in the labour force is larger in rural areas.

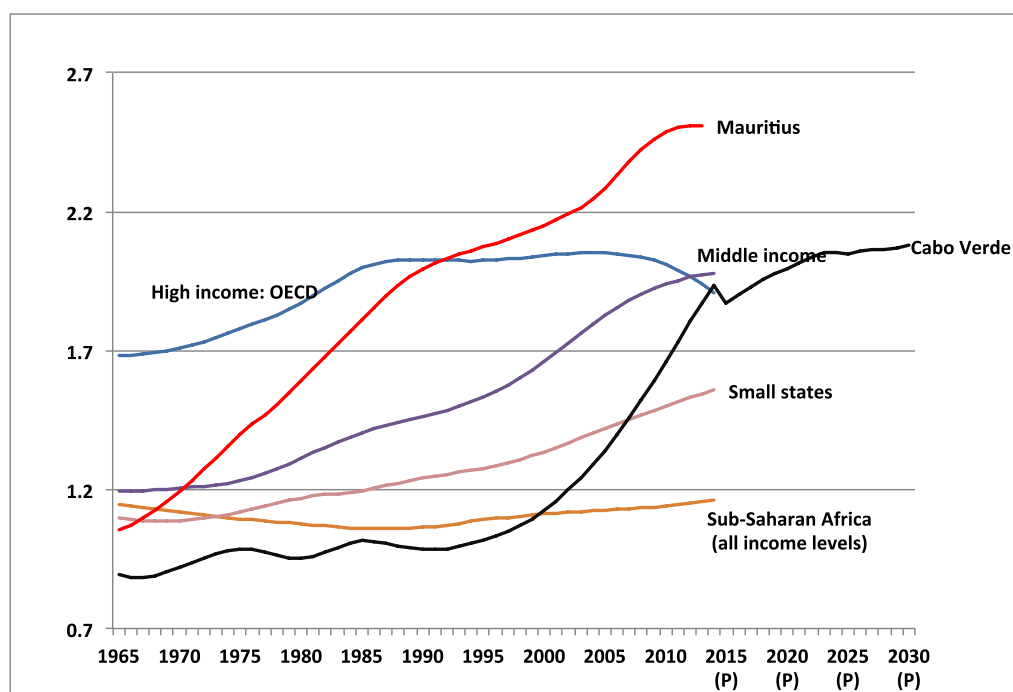


Figure 3 - Number of People at Working Age by Number of Dependents

Source: Own calculation based on WDI (2015) and INE (2012)

Note: (P) indicates projections. Working age is from 15 to 64 years old and dependents are younger than 15 or older than 64 years old.

118. Closing the gender gap in labour force participation and realizing women’s rights could raise the national workforce by more than 21,000 people and boost GDP by as much as 10%^{xxxii}. Furthermore, the implication for poverty reduction could be substantial — 33% of households headed by women are poor (among men, 25.7% are poor) and that the share of poor households headed by women increased from 51% in 2001/2002 to 56.3% in 2007³⁵.

119. Labour force participation only tells part of the story; it is also necessary to understand where the major gaps in labour force participation lie and if there are gender gaps also in employment conditions that prevent women from participating fully in the economy.

120. Analysing labour market participation across age groups³⁶ data indicate that women spend fewer years than men in the labour force — they tend to enter the labour force later (between the age of 25 and 29) and leave the labour force earlier (between the age of 55 and 59) than man. The average work-life of a man is around 40 to 44 years against an average of around 30 to 34 years for a woman. There are also differences in rural and urban areas that are worth mentioning. The gender gap in urban areas exists and tends to be fairly stable from the age of 20 to 54, after which it grows very sharply, mostly driven by the

³⁵ INE, 2004 and 2007

³⁶ Marone, 2016

drop in the labour force participation of women. In rural areas, the gender gap appears to widen much earlier in the lifecycle, after the age of 34. These differences could be partly explained by the result of patterns of migration, very common among Cabo Verdeans looking for better opportunities. Some of these differences in the gender gap between rural and urban areas are driven by differences between the two cohorts of women. The average work-life of rural women are about half of the urban women. The peak in the labour force participation rate is 60.8% for rural women at the age of 30 to 34, and 83.8% for urban women at the age group of 35 to 39. Policies aiming at encouraging higher female labour force participation need to pay particular attention to the large gender gap and the low labour force participation of women in rural areas.

121. The reasons underlying these many gender gaps in the labour market need to be further understood, nevertheless, the evidences suggest that taking care of family members and doing household tasks play an important role in explaining these gaps.
122. Indeed, the Time Use Survey³⁷ indicates that women in Cabo Verde spend on average about three and a half hours more than men on unpaid work each day; this includes household tasks, taking care of dependents (including child-rearing), supporting other families, and volunteer work. In addition, more women report being engaged in unpaid work (90%) when compared to men (73%). The survey also indicates that both the number of hours dedicated weekly to unpaid work by women and the gap in the number of hours between men and women increases with decreasing standards of living, levels of education, and an increasing number of dependents.
123. The effective participation of both women and men in the labour force depends on their ability to get employment and have decent jobs. The larger the effective participation is, the larger its impact on long-term GDP growth.
124. In 2016, 54.2% of the total working-age population — in and out of the labour force — was employed³⁸. This rate is the smallest, 18.7%, among women aged 15 to 24 and highest, 78.4%, among the men aged 35 to 64.
125. Unemployment, with a national average of 15% of the labour force, affects mostly young people in urban areas among whom the unemployment rate is as high as 60.6% (15 to 19 years). Unemployment is overall higher among women (17.4%) than men (12.9%); in 2016, the highest rates of unemployment were observed among women between the ages of 15 and 19 (74.3%) and 20 and 24 (48%) residing in urban areas. These rates among men were 47.6% and 39.2%, respectively. The largest gender gaps in the unemployment rate are observed in the younger age groups, where the levels of unemployment are also the highest.

³⁷ INE, 2012

³⁸ INE, 2016

These numbers change significantly between surveys; the drivers of the changes in unemployment figures are not well known and need to be further understood. For instance, between 2015 and 2016, unemployment rate among women between the ages of 15 and 19 in urban areas jumped from 40.4% to 74.3% accompanied by an increase from 15.2% to 22.6% in their labour market participation rate. Among men, aged between 15 and 19 and residing in urban areas, the labour participation rate also went up, from 15 to 22.8%. Nonetheless unemployment rate went up from 46.7% to 47.6% in the same 2015-2016 period.

126. High rates of unemployment especially among young people also increase the likelihood of underemployment, which is often characterized by low wages and poor conditions and tends to be associated with informal sector activities. With respect to women, the important role of women as heads of households greatly increases the risk that high unemployment at a young age is transmitted to underemployment later in life. All this increases the risk of low social mobility and persistent cycles of poverty. Observable “underemployment,” characterized by working less than 35 hours but being willing to work more hours, affects as much as 26.3% of the population. This rate is particularly high in rural areas (44.4%) and among women (29.8%). The highest rate is among women residing in rural areas where the average underemployment rate reaches 53.9%. In some municipalities, such as the rural area of Calheta de São Miguel, it is as high as 82.6%.

127. Entrepreneurship is considered to be essential for the economic and social development of a region/country and its contribution can be synthesized in four areas:

- (i) Job creation, including the self-job concept;
- (ii) Growth of innovation and competitiveness;
- (iii) Contribution of the new enterprises into wealth creation and for the development of the economy and society; and
- (iv) A career possibility for a significant part of the work force.

Cabo Verde has been very active in this area with participation of Governmental agencies, for instance, ADEI (Agência para o Desenvolvimento Empresarial e Inovação) and IEFPP (Instituto do Emprego e Formação Profissional); likewise with private sector Associations, for example, AJEC (Associação de Jovens Empresários de Cabo Verde) and ACS (Associação Cabo-verdiana de Surdos). An incubator network was created and, according to ADEI’s data, until 2016, more than 676 business promoters were supported. Cabo Verde also took steps in promoting Entrepreneurship in Schools, in order to empower youth, develop their entrepreneurial competencies and enhance their potential to generate employment — the Government adopted an Entrepreneurship Curriculum Programme (ECP) in 2014. After a pilot phase until 2016, the Government decided to expand the program to all 43 secondary schools in 9 islands, in 11th and 12th grades. During the pilot phase 4,744 students were enrolled, 3,700 students graduated (1,845 female), of which 1,525 students presented their business plan.

128. Informal labour is high in Cabo Verde — the large majority, close to 50%, of the employed reports had no labour contract³⁹. Evidence suggests that women are the majority of those working in informality. Among employed women, close to one-fourth, work in retail and another 13% work as domestic helps. Both sectors have very high levels of informality and insecurity. Indeed, the great majority of domestic workers, 92.2%, report having no labour contract, with only 3.1% reporting having any kind of contract. In retail, 77.8% of the respondent's report have no labour contracts. Workers in agriculture, which employs another 8.5% of employed women, report having no contracts 95.4% of the time.
129. In general, while both genders are affected by these broader labour market conditions, the data show that gender disparities put women at a disadvantage in terms of labour force participation and employment conditions. The legislative framework still does not encompass the concept of “work of equal value” enshrined in ILO convention No. 100, and may, therefore, hinder the progress of eliminating gender-based pay discrimination. Hence, policies aiming at promoting gender equality need to go beyond closing the gender gap in labour force participation rates and focus on gender gaps in employment conditions.
130. Unemployment tends to be higher among women than men with a post-secondary education^{xxxiii}, which implies that the education level of girls and women does not automatically translate into equal access to job opportunities. Nonetheless, education remains one of the pillars of efforts to promote gender equality in terms of higher wages, a greater likelihood of working outside the home, lower fertility rates, reduced maternal and child mortality, and better health and education, including health and education of future generations.
131. In tackling labour force participation gaps and their strong link to unpaid work and home-making tasks in Cabo Verde, there is a growing concern around the need to better integrate care in social policies and reframe care services as a societal responsibility rather than exclusively that of the care recipient's family (and typically their female members). Because this issue significantly affects female labour participation, child and elderly care bear mentioning as an important topic that affects prosperity. In addition, universal access to child care and early childhood education services are also exceedingly important components of a strategic, human-rights based approach to human capital development, where children benefit from equal opportunities for optimal development and education, hence further contributing to the prosperity agenda.
132. Promoting gender equality, and thereby prosperity, also entails policies that support changes in culture and social behaviour, and change the deeply gendered context of cost-benefit calculations. 1,702 out of 2,693 children not enrolled in primary school were girls in 2010. The 2014 MDG report suggests that, although

³⁹ INE, 2016

the reasons need to be better understood, the gender of the child may well determine a family's decision to have the child help the family as opposed to sending the child to school. Especially among poor families, the cost of sending girls to school is often considered to be high and increasing as the quality of the education and expected returns from studying declines. The inability of young women to find jobs only exacerbates the return calculation. Costs associated with fees, transportation, uniforms, and books play also an important role; thus, raising the expected return from schooling for girls is crucial to boosting enrolment ratios of girls and depends on a combination of enhancing the overall conditions of female labour participation, supporting programs such as cash-transfer initiatives targeted to low income households, and improvements in the quality of education and professional training for women.

133. Cabo Verde would gain from adopting an integrated set of policies that especially target the reasons underlying the observed late entry in labour force and higher levels of unemployment among young women. Particular attention should be given to women in rural areas and the underlying causes for the larger gender employment gap, especially low labour force participation among that group. Two main set of policies could be effective: one that would focus on decreasing the time spent by women doing unpaid work and one that would focus on increasing the employability and hiring of women. Access to affordable care services, policies and awareness campaigns to break traditional views of gender-roles, targeted cash transfer policies, and initiatives such as increased access to water and electricity all figure into this situation. As an example, to illustrate the deep interconnectedness of these issues is the access to running water that played an astonishingly pivotal role in the early development of the United States' economy because it freed up female labour^{xxxiv}.
134. Job creation strategies need thus to be integrated with enabling social development measures. This is especially important considering the growth impact and, in turn, the fiscal impact that such targeted measures could yield. The Government of Cabo Verde already makes substantial investments in social sectors and has little fiscal space for additional spending. While the country develops new strategies to expand its fiscal space in the medium to long-term, in the short-term raising the efficiency of public finance will be among the top urgent priorities. This includes improving efficacy of public policies in dealing with inequalities and the intensity of poverty, through, for instance, targeting the most vulnerable groups and the drivers of poverty cycles. In this context, the chapter "People" provides a critical overview of disparities by looking at the latest numbers of the IDRF.
135. The education and vocational training system in recent years have made remarkable progress, despite dropout rates mentioned earlier, which translates globally into: (i) reducing the illiteracy rate from 25% in 2000 to 13% in 2013 and the near elimination within the 15 and 24 years old (2%), where 88% of the population over 15 years old is literate, reaching 97% of the population aged 25, parity is reached with a gross enrolment rate of more than 100%; (ii)

consolidation of compulsory basic education, whose net rate is 96%; (iii) a high transition from basic to secondary education at 87%; (iv) increase in children's school life expectancy from 9.2 to 10.6 years; (v) gender equality in access to and permanence in the system; (vi) increase in the number of beneficiaries of qualifying vocational training, according to the demand-driven approach.

136. Education system and vocational training recorded interesting insertion rates, according to IEF data, 70% of the young graduates were integrated into the labour market during the last training. However, this rate is reduced to 54% if the results of the private sector are considered. Institutional and operational links should be strengthened to improve the impact of new training on the integration of young people into the labour market.
137. Nonetheless, there are still weaknesses to overcome in this sector, linked to the diversification of training areas and the adequacy between market's demand and offer of employment opportunities, and skills available, which demands a continuous effort and different approaches, and policies. Besides, institutional and operational links between technical education and vocational training subsystems need to be strengthened; as well as access to financing mechanisms striving to offer products according to the requests.
138. There is a need not only to make vocational and technical training available as well as adequate to the labour market, but also the support to different mechanism that can enhance skills, employability level and labour market integration — by creating a “pathway” (from training until labour market integration), where the reinforcement of the creation of self-employment and entrepreneurship are strong answers.

Peace

"We are determined to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development." (Agenda 2030)

139. Cabo Verde is a country best known for its stable and peaceful democracy and the "Morabeza" (warmth and welcoming spirit) of its people. Stable democracy, transparent institutions, and a strong civil society are some of its key achievements.
140. Democracy in Cabo Verde works. According to the Democratic Index of Economist Intelligence the country is in 32nd position worldwide, which is quite remarkable. However, the full engagement of all citizens in democratic processes is an area for improvement, particularly considering the low levels of political participation amongst youth and women. Although Cabo Verde was the 2nd country in the world to achieve in 2006 parity at cabinet level (and maintained for a decade), progress in political participation in elected positions has been modest. Women currently represent 24% of elected parliamentarians (2016 legislative elections) and 26% of local power (municipal elections of 2016). The Government is committed to women's participation, including through a parity law, which will require the establishment of a wide based consensus.
141. Despite the actual division of power among the legislative, executive and judicial, the consolidation of the democratic system is on ongoing process and an important priority for the current Government. In particular, the role of Parliament in overseeing the functioning of the democratic system is an important area of focus for the parliamentary capacity development strategy in the years to come. Overall, the capacities of internal as well as external control mechanisms, and particularly at the level of civil society, require strengthening in synch with the democratic and economic development trajectory of the country.
142. The public administration system of the Republic of Cabo Verde has generally played and continues to play a key developmental role in the country, especially in its ability to cope with the complexities of an archipelago's geography. However, the country currently weak economy, burdened by debt and fiscal constraints is challenging the capacity of the state to improve its citizens' living conditions in an unprecedented way. This is taking place at a time where citizens and businesses have greater expectations. This could potentially jeopardize social cohesion and economic inclusion at a time where considerable investments are needed to achieve the Sustainable Development Goals (SDGs). The Government recognizes that in order to achieve its strategic plan it is necessary to improve the quality of governance and the performance of public administration. For example, among the most problematic factor for doing businesses in Cabo Verde, the inefficient Government bureaucracy ranks in the 3rd position (after financing and taxation).

143. Cabo Verde is faced with a key task to revamp and make more efficient a public sector responsible for both upstream central policy formulation, and downstream front-line services. The former requires further cooperation and coordination and the strengthening on the overall economic governance, especially in the planning process (including in relation to data and statistics, gender mainstreaming in planning, and budgeting processes), oversight and accountability. The support provided by the United Nations System in its collaboration with national counterparts, in addition to the technical and functional training programs, has been to inculcate a culture of results-based management in planning in public institutions. Even if the government institutions have civil servants with high academic standards, there is still a room for improvement in the area of capacity development culture at the institutional level.
144. Accordingly, the Government of Cabo Verde has prioritized governance and public administration as reform areas while stressing the need to continue the efforts to promote a culture within the public administration of results oriented program-based budgeting to improve the efficacy of public spending.
145. Regionalization is another priority area for the Government that will likely strengthen global and local governance, improve the efficiency and efficacy of the public administration by improving transparency and accountability promoting more participation and civic engagement. In addition, through a more self-defined and governed regional approach, local economic development can play a critical role in diminishing existing regional disparities.
146. A new issue arising, demanding greater attention and that is challenging the social cohesion of the country is crime and violence. This phenomenon is affecting with greater severity the large urban centres of Praia and Mindelo. Indeed, perceptions of declining personal safety and rising crime appear to exceed the trends in criminality, leading to strong feelings of insecurity among citizens^{xxxv}. This higher level of perceived insecurity has been accompanied by what seems to be an increase in illicit trafficking of drugs and firearms which constitutes today one of the major threats to peace in Cabo Verde. As an illustration of such trends, Cabo Verde has made the largest cocaine seizure during the last couple of years of any West Africa Country^{xxxvi}.
147. According to the US OSAC Cabo Verde 2016 Crime and Safety Report^{xxxvii}, armed attacks have been occurring with some regularity in the capital of Praia and around the other islands, particularly in the Island of São Vicente. Most crimes are perpetrated by groups of youths in urban neighbourhoods and are for financial gain (for instance, pickpocketing, burglary, armed robbery). An increased availability of firearms, as well as their use in committing crimes, is a concern for the country. Cabo Verde saw an increase in deaths related to violent crimes, especially in Praia; homicides went up from 31 in 2008 to 55 in 2015. The peak was in 2011 when count homicides reached 74^{xxxviii}. With 29 homicides

registered in the first semester of 2016, security is one of the priorities of the current Government.

148. Security can be viewed under two broad dimensions that interconnect and reinforce each other: (1) an economic dimension with implications to growth and development; and (2) a human security dimension that has direct implications to disparities and poverty eradication.
149. The economic dimension of security refers to the potential impact of an increase in criminal activity and violence on the local economic development, either through the disruption of citizens' daily activities (as people feel unsafe, they tend to stay more at home), the type of economy and job creation that develops because of fear and sense of insecurity, or through the impact that criminality may have in the country's image and in its tourism sector.
150. A study on criminality in Praia indicates that close to half of respondents (46%) felt unsafe about walking around their own neighbourhood and another 57% had changed their daily routine because of the perceived increase in violence. Women's perception of insecurity was higher than men (for example, 20% of women felt unsecure when walking alone during the day, compared to just 5,3% of men). While the sense of insecurity can create jobs (for instance, security guard), these tend to have lower added value if compared to jobs in the entertainment sector for instance.
151. Crime and violence can also be detrimental to the image of the country and to tourism development. Due to increased violence in competitor destinations (for example, Arab Spring in North Africa) that Cabo Verde gained a larger share of the world's tourist flows. Indeed, the success or failure of a tourism destination depends on being able to provide a safe and secure environment for visitors^{xl}. Explicit safety warnings such as the Lonely Planet Guide's^{xli}, a well-known travel guide, are therefore a real problem. For this reason, not surprising that the current Government Program chooses security to be among the country's top priorities.
152. A higher level of perceived insecurity may also force a model of tourism development that is less integrated with local communities (for instance, all-inclusive resorts) and, as such, may bring fewer benefits to the national economy and be less inclusive. By reinforcing each other, higher insecurity and higher economic vulnerability of local communities can create vicious circles, undermining the country's ability to prosper.
153. The root causes of the increased crime and violence are perceived by the population to be the result of high overall unemployment (especially among youths), the rise of drug use and trafficking (youth not being at school or working), and alcohol consumption. These root causes may reflect a deeper institutional weakness and the failure of the state to reach out to specific groups

in the population that are being left behind in the country's development progress.

154. Deep-rooted gender stereotypes and discriminatory attitudes are also at the core of sexual violence, including against children, and other forms of gender based violence, which almost exclusively affect women and girls and are of great concern to national authorities as well. Violence against women is based on culturally accepted beliefs of male dominance and stereotyped gender roles, and men's imposed restrictions to the social relationships of their wife/companion. Additionally 39% of inquired women refer that their husband/companion mistrusts and limits their management of financial resources. Masculine control over women especially affects less educated and economically dependent women.
155. Violence against women affects 1 in every 5⁴⁰. The entry into force in 2011 of the Gender Based Violence Special Law (considering GBV as an ex-officio crime) resulted in a significant increase in complaints to the police (+300% between 2010 and 2012 and subsequent stabilization at around 3000 complains per year). Between 2011 and 2016 the Public Attorney's Office received 16,351 cases (on average close to 3,250 cases per year), nonetheless, a considerable number of complaints were then transferred to the following year. Overall, in 2013 GBV cases represented 7.7% of all crimes recorded at the Public Attorney's Office and 10.1% of solved case — this illustrates both the overall challenge with justice and its slowness in Cabo Verde, and the fact that GBV is treated as an urgent procedure. Nonetheless, between 2011 and 2016 only a total of 2,923 arrived at court level, of which 2,469 were tried, illustrating the considerable efforts that needed to be done in the judicial system. The need for capacity strengthening is still substantial and requires the implication of several sectors, including health, social inclusion and education, in terms of prevention and victim support services, in addition to access to justice.
156. Furthermore, several specific issues have not received systematic treatment, among which sexual harassment (which basically remains invisible) sexual violence against women and girls, female genital mutilation (which is not practiced in Cabo Verde, but could occurs within specific groups), trafficking of women (on which no data is available), exploitation through prostitution, and homophobia and transphobia.
157. Of great concern is also the protection of children from violence, neglect and abuse, and in particular sexual abuse and exploitation of children. The reported cases of violence and abuse against children are increasing. Data from the Public Attorney's Office for the past 3 years (2013 to 2015) show that close to 415 cases of sexual abuse of children are registered each year, only ICCA (Instituto Caboverdiano da Criança e do Adolescente) had received 149 cases in the

⁴⁰ IDSR, 2005

different programmes for children attended in 2016. The victims are almost exclusively girls; close to 1/3 of cases occur within the family and another 1/3 are perpetrated by familiar people, such as neighbours. However, the legal framework in place in the country concerning children abuse has severe gaps, namely in the institutional response and in viable statistics. The justice system presents important gaps in the special measures of protection for children in contact with the law, without specific measure and services to attend cases of children in contact with the law, with low specialized capacity among the judicial services in this area. Important gaps exist also in relation to the implementation of alternative measures for children in conflict with the law, such as internship for child recuperation and reintegration in communities, which in turn can become an important factor for communities' security and social development. The only specialized centre existent in the country (Centro Orlando Pantera), in Praia for the whole country, has an insufficient capacity (both in number and in the adequacy of services) to receive the children. In May 2017, the centre had 13 children (9 boys and 4 girls) from different islands in the ages of 13 to 19 years old. It is also important the situation of birth registration (8.1 children from 0 to 6 years without registration in 2013) and its linkages with the issue on paternity recognition: the annual report regarding justice (2014/2015) revealed 7266 pending cases (of which 5264 in Praia) of paternity investigation. Abandoned, mistreated and neglected children are also issues faced by the protection system in the country, having 58 abandoned, 302 neglected and 287 mistreated, being attended only by ICCA in 2016.

158. Cabo Verde, for its geographic location, continues to be a gateway for drug cartels to pass illegal drugs from South and Central America to Africa and Europe. In the long-run, this may indeed represent a threat to some of the country's seminal achievements, for instance its open society, rule of law, and open democratic institutions. Responses to the operations of drug cartels have, for instance, undermined such characteristics of societies in several Latin American countries. Cocaine trafficking has been a particular concern — Cabo Verde is the West Africa country that made the largest cocaine seizure during the last couple of years^{xlii}. The country's porous borders constitute a challenge to fighting drug trafficking and money laundering. Even though law enforcement is working the best they can with limited resources and with some successful operations, drug interdiction continues to be a problem for the country. There are only 100 maritime police officers to patrol all the islands. The increase in the links between different forms of organized crime makes the country also vulnerable to trafficking of persons, arms, and even to terrorism.

159. An increasingly larger portion of the trafficked drug is also staying in the country for local consumption. The age of drug consumer's averages is between 15 and 30 years old and, as mentioned, drug consumption is associated with other social problems such as unemployment, delinquency, violence and commercial sex.

160. The current Government Program’s responses focus on a “zero tolerance approach” in fighting against criminality, especially in urban centres. The Government also recognizes that dealing with security will require a holistic approach that goes beyond punishing and incarcerating perpetrators to promoting social economic inclusion. Strengthening the democratic institutions and encouraging a culture of peace will also likely increase social cohesion.
161. Such a holistic approach effectively responds to the perception of the population that the main drivers of violence and crime are unemployment and drugs rather than the lack of police presence in the streets (see Figure 4)^{xliii}.
162. Overall, crime and all form of violence presents significant challenges to the justice system. While the criminal justice system has shown increasing capacity to prevent, detect, investigate, prosecute and sentence illicit trafficking and serious organized crime cases, challenges remain. There is, for instance, a lack of capacity to conduct forensic investigations of serious crimes. Effective access to justice and the protection of citizens’ legal rights also remain a challenge, particularly with respect to vulnerable individuals including women and youth. As already mentioned, the treatment by the justice system of children and young persons who are in conflict and contact with the law is another challenge (see Figure 4). Such cases require specialized instruments, approaches, and capacities, a strong focus on restorative juvenile justice approach, and enhanced linkages between justice system, communities and child protection services.

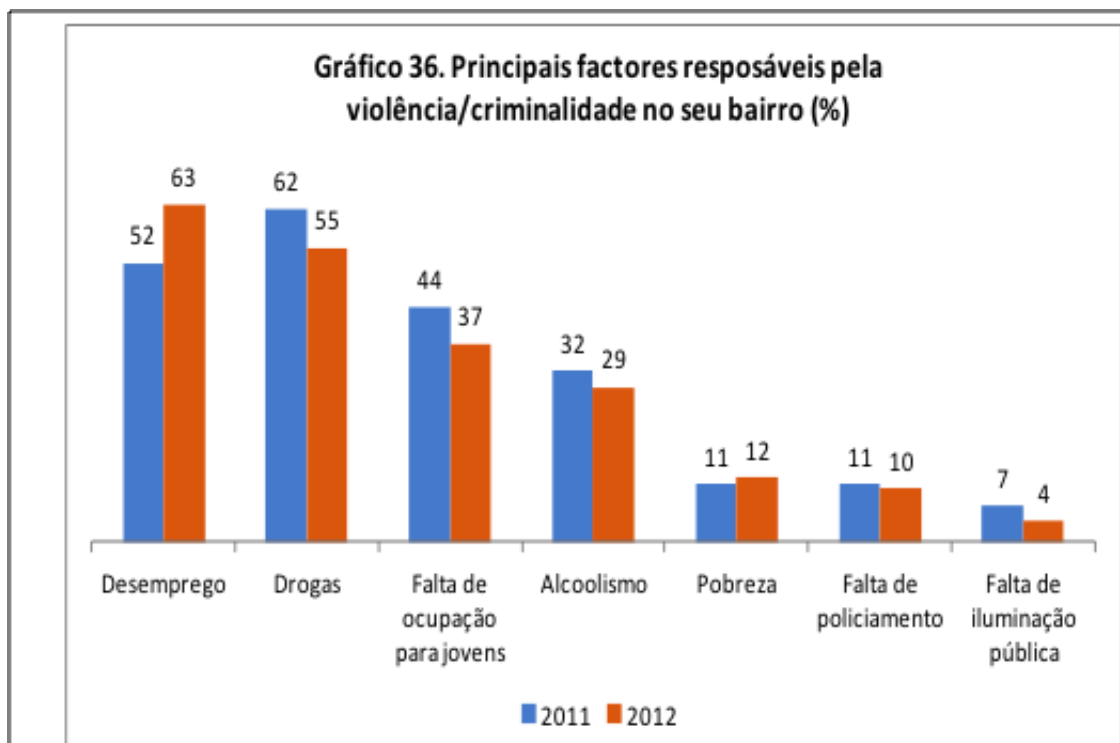


Figure 4 - Main Drivers of Violence/Criminality in Your Neighbourhood

Source: Ministry of Internal Affairs and UNODC. 2013. Study on Crime and Insecurity Perception in the City of Praia.

163. The increase in violence and crime has resulted in an increase in prison population, the rate of incarceration in Cabo Verde is estimated to be around 286 per 100,000^{xliv}; this relatively high rate reflects in part the small size of the population. Overcrowded prisons are a concern for security inside prisons — in February 2016, the prison population was 1,430, which is 254 above capacity. The prisons of São Martinho in Praia and Ribeirinha in São Vicente, are particularly affected by overcrowding. There are accounts that criminal recidivism is also very high. More data is needed on the state of juvenile detention and on the general profile of the prison population and crime offenders. A 2011/2012 survey indicates the large majority of crime (72%) offenders are younger than 24 years old: about one third of that group is younger than 18 (Figure 5).
164. In the face of this reality, the country may want to reassess the adequacy of its prison system considering its scarce human and financial resources and the detrimental impact of imprisonment, not only on individuals, but also on families and communities, as well as the economy. Human rights of prisoners must be protected and their prospects for social reintegration increased, in compliance with relevant international standards and norms. However, imprisonment is detrimental because it often contributes directly to the impoverishment of the prisoner, of his family (with a significant cross-generational effect) and of society by creating future victims and reducing future potential economic performance. Prisons have also very serious health implications and are not isolated from the society — prison health is public health. Imprisonment also disrupts relationships and weakens social cohesion, since the maintenance of such cohesion is based on long-term relationships. Taking into account these many considerations, it is essential to note that, when considering the cost of imprisonment, account needs to be taken not only of the actual funds spent on the upkeep of each prisoner, which is usually significantly higher than what is spent on a person sentenced to non-custodial sanctions, but also of the indirect costs, such as the social, economic and healthcare related costs, which are difficult to measure, but which are immense and long-term^{xlv}.

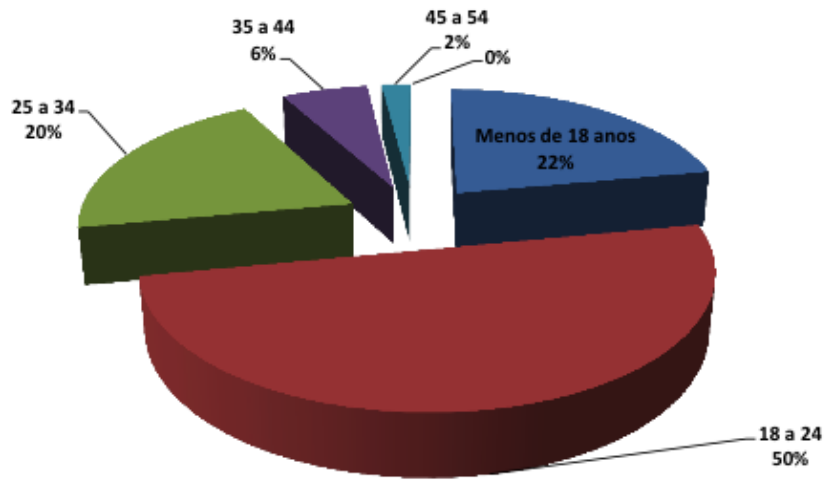


Figure 5 - Age Distribution of the Perpetrator, Praia 2011/2012

Source: Ministry of Internal Affairs and UNODC. 2013. Study on Crime and Insecurity Perception in the City of Praia.

Partnership

“We are determined to mobilize the means required to implement this Agenda through a revitalised Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focused in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people.”
(Agenda 2030)

165. Development financing constitutes one of the top challenges for Cabo Verde to move forward with its national development agenda. The Praia Declaration on the Sustainable Development Goals (SDGs) states that special consideration should be given to the challenges faced by middle income SIDS and to strengthen global partnerships to ensure that these countries have the necessary means to implement the 2030 development agenda. The current Government Plan places macroeconomic and financial stability, with a strong focus on the management of public debt, among the top of its short-term priorities.
166. Indeed, the country’s high public debt, limited fiscal space and macroeconomic context presents some urgent challenges to its financing for development capability.
167. The end of the transition period that followed Cabo Verde’s graduation out of the LDC category in late 2007 and uncertainties about the global economic outlook mark a new phase for Cabo Verde’s development financing. In more recent years, Cabo Verde has thus had to aim at strengthening and diversifying its local economy, in particular around the tourism sector, and increasing the importance of domestic resources to finance its development. The comprehensive agenda of the new Government includes conducting a fiscal consolidation to reduce public debt, resolving financial difficulties related to State Owned Enterprises (SOEs), and crowding in the private sector through improving the business environment. This new phase furthermore calls for continued efforts to build new and consolidating old strategic partnerships with both traditional and non-traditional partners.
168. The shift into this new phase of development has not been smooth. The drop in development assistance following the graduation has not been compensated by an increase in domestic resources. According to the most recent data from the Central Bank of Cabo Verde, revenues of central Government declined by ECV2.4billion, or between the last quarter of 2010 and 2013 mostly due to the drop of ECV5.6billion in grants. Tax and other revenues (not including grants) went up by ECV3.2 billion during the same period.
169. This reflects in part the weak economy driven mostly by the global financial crisis and in particular the Euro crisis — after having grown around 4% in 2011,

the country grew around 1.1% in 2012, 0.8% in 2013, and 1.9% in 2014⁴¹. It is estimated that the country grew 1.4% in 2015. With the spillovers from the external crises subsiding, the projections are that the country's growth will accelerate, reaching close to 3.2% in 2016 and 3.7% in 2017. Of course, this scenario may change depending on the global economy and trade outlook following new world political trends. Among the main drivers for the expected acceleration in Cabo Verde's growth are: the expected rising external demand in particular in the tourism sector, a very strong FDI pipeline and the gradual recovery of private sector credit^{xlvi}.

170. The changes in the Official Development Assistance (ODA) — decreasing grants and increasing net loans — of recent years have also added strain to the country's financing for development. ODA reached a total of around USD263.12 million in 2012, below the peak of USD347.2 million in 2010 but above the average of USD216 million of the 2002-2012 period. The peak in ODA in 2010 and the above-average level of 2012 reflect the increase in concessional loans (from USD28.7million in 2009 to USD162 million in 2010 and USD175 million in 2012) and the Government strategy to take maximum advantage of this type of ODA to build basic infrastructure before this window of opportunity ended. Indeed, grants dropped in absolute terms in 2012 to the lowest level since 2003. The result of changes in ODA has been a rapid increase in public debt that reached 118% of GDP in 2015 (the debt is expected to peak at close to 124% of GDP in 2017). The most recent Debt Sustainability Analysis conducted by the IMF^{xlvii} indicates that debt risks are high on account of the elevated stock of debt, while debt service indicators remain comfortable because most of the debt is concessional. The greatest risks are due to: (1) fluctuations in the exchange rate because 76% of the public debt is external and (2) the growth prospects, which affect the country's ability to service and pay back the debt.
171. To mitigate the risks associated with the increase in public debt, the authorities have been working to contain spending, in particular externally financed public investment over the next few years, prioritizing projects with the highest impact on growth and employment over the nearer term and delaying others. The limited availability of high frequency data, however, presents some significant challenges to this exercise of prioritization of projects. While the country has improved considerably the statistics on employment, for instance, through the implementation of regular surveys (for example, INE's Inquérito Multi-objetivo Continuo), and has published new poverty numbers (IDRF 2015), the information is still limited/infrequent. This does not allow for a comprehensive analysis of the impact of investment projects on employment creation and/or poverty eradication.
172. Against the backdrop of increased financial needs to service a higher level of external debt, the ability of the country to attract foreign reserves after graduation has been limited. The average current account deficit in the 5-year

⁴¹ IMF, WEO, October 2016

period after graduation increased by 50% compared to the 5-year period previous to the graduation in late 2007. On one hand, there has been a strong increase in the average exports of goods and, especially, services, despite the global crisis. This increase has been mostly driven by the tourism sector. On the other hand, there has been an increase in the repatriation of profits from foreign direct investment and a decline in remittances. Official transfers only started to decline more significantly after 2010. The increase in loans, in particular ODA concessional loans, and, more recently, the appreciation of the USD has also increased interest payments abroad. Remittances continue to be one of the three most important sources of external financing for the economy, even though its overall share in the economy has been declining over the last decade. Moreover, Foreign Direct Investment (FDI) has become one of the most important sources of external financing for Cabo Verde's economy, especially in light of dwindling ODA and remittances. However, FDI dropped after the financial crisis from 15.4% of GDP in 2008 to the bottom of 3.8% in 2013. It has recovered since 2013 and reached 7.4% of GDP in 2016^{xlvi}.

173. An important conclusion is that the debt situation in the country severely constrains fiscal space for expenditures on services and investments that are critical in facilitating the country's development. Furthermore, domestic resource mobilization will be crucial to expanding the fiscal space.

174. The mobilization efforts will involve multiple dimensions, from public to private finance, to foreign policy and the real sector. These include:

- Raising **aid effectiveness**;
- Raising **public sector efficiency** for a more transparent and efficient use of public funds;
- Enhancing the mechanisms to improve **efficacy of public policies** in reaching the most vulnerable groups and in effectively breaking poverty cycles;
- Promoting the **private sector development**;
- Developing a stronger strategy of **foreign policy** that can leverage current partnerships while reaching out to new and non-traditional partners;
- Exploring how **trade arrangements and agreements** can strengthen the local market;
- Exploring new ways to use **remittances** to leverage the impact of these flows;
- Exploring **innovative sources of banking**, like mobile banking and of **financing** like the use debt instruments, diaspora bonds or blue bonds to further diversify and sustain its financing options;
- Exploring the possibility of setting up a **stability fund to mitigate revenues volatility and uncertainty** resulted, for instance, from the impact of irregular and unpredictable rainfall in the agriculture production and food imports;
- Fostering an **inclusive growth** strategy.

175. In this regard, the following is a non-exhaustive list of potential and ongoing initiatives seeking to promote the mobilization of resources but also efficiency in the management of resources.
176. The Government has played a key role in aid effectiveness and public-sector efficiency, first through the establishment of the autonomous Audit Office (Tribunal de Contas) in 1993 to increase accountability in the use of public resources. Since 2002, an integrated system of budget and financial management (Sistema Integrado de Gestão de Orçamento e Finanças - SIGOF) enables tracking of revenues and expenditures in real time, unlike most countries in Sub-Saharan Africa^{xlix}.
177. As previously mentioned, the Cabo Verdean private sector is mostly comprised of micro firms. As one aspect of its attempt to promote the private sector, the Government of Cabo Verde has received a loan from the African Development Fund in 2015 to finance the Privatization and Public-Private Partnership Project. The broad development objective is to contribute to economic growth and reduce public debt burden by privatizing selected SOEs and increasing private sector participation in key sectors. Attracting well-known international private partners to conduct business in some sectors is expected to have a significant positive impact in achieving economic transformation and improving the business environment, thus facilitating inclusive growth^l.
178. Cabo Verde has engaged in South-South Cooperation projects with countries like Brazil, Russia, China, India, and South Africa in many sectors. The country has also extended its scope of collaboration by formalizing technical agreements with other countries like Cuba^{li}. Yet South-South Cooperation has still considerable growth potential and Cabo Verde is well positioned to benefit more from it. The last UNDAF evaluation also mentions the need for the UNCT to continue supporting South-South Cooperation. Cabo Verde could also leverage some of its successful South-South partnership experiences to strengthen its foreign policy. For instance, with the support of development partners, Cabo Verde could build initiatives of providing technical assistance to Portuguese speaking countries in Africa and sharing its experience of building partnerships with other countries in key areas.
179. Cabo Verde's high degree of vulnerability to extreme natural hazards could benefit from existing and forthcoming climate finance schemes. For example, in 2015 the AfDB Africa Climate Change Fund (ACCF) approved grants totalling over USD2.53 million for five African countries, including Cabo Verde, to advance and scale-up their readiness for accessing climate finance necessary to achieve national sustainable development goals^{lii}. Alternative financing options to grants that include the private sector present interesting potential for a country like Cabo Verde. However, there remain important capacity challenges for Cabo Verde to tap into these kinds of complex financing.

180. The Diaspora has been a steady source of remittance inflows ever since independence, demonstrating the maintenance a very close tie between the country and the Cabo Verdean communities spread around the world. In all of its strategic plans, the Government affirms its policy of attracting savings and investments from the Diaspora^{liii}. Cabo Verde has already made good use of remittances through effective policies, for example by channelling remittances through the local banks by considerably reducing the cost of transmission while capitalizing local banks and increasing access to credit. The current Government plan seeks to promote the mobilization of knowledge and technical resources through the Diaspora, which would expand even further its role in the country's development.

181. Cabo Verde is a core member of ECOWAS and it is committed to free movement. Cabo Verde is working and will continue to work closely with ECOWAS to ensure correct implementation of the free movement protocol as it understands the development benefits that free labour mobility can bring about, while ensuring that appropriate measures and precaution are taken to limit any possible negative effect.

182. In Cabo Verde, the “leave no one behind” approach constitutes not only a human rights issue but also an economic and mobilization resource strategy. According to the latest estimations⁴², of the 511,254 residents, 179,184 live below the absolute poverty line in 2015^{liv}. In contrast, the number of people at working-age employed is estimated to reach 194,485 in 2015⁴³. This implies that for every 10-people employed in the country, more than 9 live below the absolute poverty line. This ratio of employed to poor people illustrates very strongly the country's fiscal challenge of poverty eradication.

183. The strategy of mobilization of domestic resources must thus rely strongly on the country's ability to expand and diversify the economy and foster growth that is more inclusive and that can create decent job opportunities in the formal market. Current demographic shifts provide a unique opportunity for the country to accelerate economic growth going forward. The analysis of demographics, gender, and growth (Prosperity chapter) suggests how investing in youth and women can contribute to effectively unleashing the country's growth potential in the short to medium-term.

The next UNDAF needs to consider, in addition to the analysis of Cabo Verde's development context according to the pillars of the 2030 Agenda, the findings from the last UNDAF evaluation, which include the good coordination of the UN entities in Cabo Verde to address multi-sectorial issues and the flexibility to react to urgent challenges. The recommendations from the UNDAF evaluation include, among other,

⁴² IDRF, 2015

⁴³ IMC, 2015

the need to increased focus within the programmatic areas, while the UNCT gender scorecard point to key ways to strengthen UNCT's accountability to advancing gender equality and the empowerment of women. Preparing the next UNDAF around the five pillars of the Agenda 2030, and based on its key principles, and also aligned with national priorities and the country's Strategic Plan for Sustainable Development pillars (Social, Economy, Sovereignty), could be a way to benefit from the comparative advantages identified for the UNCT in support to national priorities and the achievement of the Sustainable Development Goals, in areas of intervention such as the Social State, human capital and eradication of inequalities, protection and management of natural resources, inclusive economic growth and improved and new models of partnerships.

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- ⁱ Cabo Verde has ratified eight of the nine core UN human rights treaties, including CERD (1979), CEDAW (1980), CAT (1992), CRC (1992), CCPR (1993), CESC (1993), CMW (1997), CRPD (2011), and signed the CED (2007). Additionally, the following Optional Protocols have been ratified: CCPR-OP2-DP (2000), CRC-OP-AC (2002), CRC-OP-SC (2002), CAT-OP (2016). The following individual complaints procedures have been accepted: CCPR-OP1 (2000) and CEDAW-OP (2001).
- ⁱⁱ INE 2017b.
- ⁱⁱⁱ UNDESA 2014.
- ⁱⁱⁱ Governo de Cabo Verde and UNHABITAT. 2016. Conferencia das Nações Unidas sobre a Habitação e o Desenvolvimento Urbano – Habitat III – Relatório Cabo Verde
<http://www.governo.cv/index.php/destaques/6925-conferencia-das-nacoes-unidas-sobre-a-habitacao-e-o-desenvolvimento-urbano-habitatiii-relatorio-de-cabo-verde>
- ^{iv} Cabo Verde has 9 inhabited islands and 22 municipalities: the Islands of Brava, Maio, Sal, Boa Vista, and São Vicente constitute each one municipality. The island of Santiago has 9 municipalities: Praia, Ribeira Grande de Santiago, São Domingos, São Lourenço dos Órgãos, São Salvador do Mundo, Santa Catarina, Tarrafal, São Miguel e Santa Cruz; the Island of Santo Antão has 3: Ribeira Grande, Paúl, Porto Novo; the Island of Fogo has 3: São Filipe, Mosteiros, Santa Catarina do Fogo; and the island of São Nicolau has 2: Ribeira Brava, Tarrafal de São Nicolau. Population size differs according to the municipality: Praia, the capital, which represents close to 30 percent of the country's population, the island and municipality of São Vicente (15.4 percent) and the municipality of Santa Catarina (8.5 percent) are the most populous municipalities. Tarrafal de São Nicolau, Santa Catarina no Fogo and Brava are the least populous municipalities and account altogether for close to 1 percent of the total population.
- ^v IMF 2016b.
- ^{vi} Cabo Verde ratified the freedom of association, protection of the right to organise and collective bargaining conventions No. 87 (in 1999) and No. 98 (in 1979); the forced labour conventions No. 29 (in 1979) and No. 105 (in 1979); the child labour conventions No. 138 (in 2011) and No. 182 (in 2001); the equal remuneration and discrimination conventions, No. 100 (in 1979) and No. 111 (in 1979).
- ^{vii} Republic of Cabo Verde 2017, p.39.
- ^{viii} United Nations General Assembly 2015.
- ^{ix} INE 2015; INE 2016b.
- ^x In 2015, 24.2% of people residing in Cabo Verde live below the relative poverty line (ECV198 per day) and 9.9% lived below the extreme relative poverty line (ECV132 per day).
- ^{xi} Inequality in landholdings, human capital, and physical capital (the “stock” side to the “flow” side of the coin of inequality) may affect growth because such inequality may go hand in hand with market imperfections—for instance, in the credit market—that limit borrowing and investment. Inequality may also affect growth through the political process: a high degree of inequality increases the likelihood of social and political unrest, perhaps because of intense pressures for redistribution, which has a direct effect on investment decisions and growth (Marone 2012).
- ^{xii} Gini coefficient is 0 with complete equality and 1 with complete inequality, if income is non-negative.
- ^{xiii} Republic of Cabo Verde 2017, seção 3.2.13, pp. 68-69.
- ^{xiv} Cabo Verde ratified the freedom of association, protection of the right to organise and collective bargaining conventions No. 87 (in 1999) and No. 98 (in 1979); the forced labour conventions No. 29 (in 1979) and No. 105 (in 1979); the child labour conventions No. 138 (in 2011) and No. 182 (in 2001); the equal remuneration and discrimination conventions, No. 100 (in 1979) and No. 111 (in 1979).
- ^{xv} UNICEF 2011.
- ^{xvi} UNICEF 2012.
- ^{xvii} INE 2016a.
- ^{xviii} Ministério da Educação e Desporto 2014.
- ^{xix} Ministério da Educação e Desporto 2014.
- ^{xx} Ministério da Educação e Desporto 2015.
- ^{xxi} Ministério da Saúde. 2016. Programa de Luta contra a SIDA do Ministério da Saúde 2016

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- xxii Brito et al. 2015.
- xxiii CCCD and UNODC. 2013. Survey on Drug prevalence among general population
- xxiv Report of the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context, on her mission to Cabo Verde (A/HRC/31/54/Add.1, 23 December 2015)
- xxv Centro Internacional de Políticas para o Crescimento Inclusivo. 2015
- xxvi INE 2017a.
- xxvii Varela 2016.
- xxviii Cabo Verde Post-Disaster Needs Assessment (PDNA) 2016
- xxix UNECA 2014.
- xxx African Economic Outlook 2016
- xxxi Centro Internacional de Políticas para o Crescimento Inclusivo. 2015
- xxxii Based on IMC 2015 data and Marone (2016).
- xxxiii Cabo Verde 2014.
- xxxiv Gordon's (2012) analysis of long-term growth in the US includes an assessment of the importance of living standards, a measure that includes running water in the house, as a contributor to what he calls the second industrial revolution beginning in 1870: "Every drop of water for laundry, cooking, and indoor chamber pots had to be hauled in by the housewife, and wastewater hauled out. The average North Carolina housewife in 1885 had to walk 148 miles per year while carrying 35 tons of water There was no more important event that liberated women than the invention of running water and indoor plumbing, which happened in urban America between 1890 and 1930." (Gordon 2012, 7)
- xxxv Ministério da Justiça/CCCD and UNODC. National integrated Programme on Drug and Crime 2012-2016
- xxxvi UNODC 2016.
- xxxvii United States Department of State 2016.
- xxxviii UNODC 2013.
- xl WTO 1996.
- xli "Violent crime is on the rise in Praia, where it's highly advisable to take taxis at night, no matter where and how far you're going. Take caution in Mindelo, too, where pickpocketing and muggings are not uncommon. Some hiking trails have become sites of banditry in recent years, as on Boa Vista and around Tarrafal on Santiago; always ask locals before you set out. The rest of the country is very safe, though petty crime like pickpocketing is always a possibility." (Lonely Planet)
- xlii UNODC 2016.
- xliiii Afrosondagem 2013. Estudo de Seguimento da Opinião sobre a Criminalidade e insegurança na Cidade da Praia.
- xliv Wikipedia.
- xlv UNODC 2011.
- xlvi IMF 2016c.
- xlvii IMF 2016a.
- xlviii Banco de Cabo Verde 2017, African Development Bank 2012, p.33.
- xliv African Development Bank 2012, p.29.
- ¹ African Development Bank 2015.
- li South-South cooperation agreement between Cuba and Cabo Verde signed in 2000 paved the way for Cuban experts and technicians to introduce drip irrigation technique for adoption by local farmers, which proved to be cost effective and suitable to the very dry conditions of Cabo Verde (The Reality of Aid Management Committee 2010, p.3).
- lii African Climate Change Fund 2015. Cabo Verde received a grant of US \$ 495,000 to enhance its capacity to access climate finance in support of its low-carbon, climate resilient development goals. The project, which will be executed by the National Directorate of Environment, will focus on the development of National Appropriate Mitigation Actions (NAMAs) for the key strategic sectors of energy and waste.
- liii African Development Bank 2012, p.35.
- liv Relative poverty is at 24.2%, IDRF 2015.

