

Cabo Verde



Introduction

Cabo Verde is an island country spanning an archipelago of 10 islands in the central Atlantic Ocean. Cabo Verde is in Western Africa off the coast of Senegal with a strategic



location near major north-south sea routes. The geography of the islands is rugged, rocky, and volcanic. The government system is a republic; the chief of state is the president, and the head of

government is the prime minister. Cabo Verde has a market economic system in which the prices of goods and services are determined in a free price system. Cabo Verde is a member of the Economic Community of West African States (ECOWAS).

Location: Western Africa Capital City: Praia (-1 GMT) Chief of State: President Jose Maria Neves Head of Govt.: Prime Minister Jose Ulisses Correia E. Silva Currency: Cabo Verdean Escudo (CVE) Major Languages: Portuguese (official), Krioulo (a)

- Major Languages: Portuguese (official), Krioulo (a blend of Portuguese and West African languages)
- Primary Religions: Roman Catholic 77.3%, Protestant 4.6% (includes Church of the Nazarene 1.7%, Adventist 1.5%, Assembly of God 0.9%, Universal Kingdom of God 0.4%, and God and Love 0.1%), other Christian 3.4% (includes Christian Rationalism 1.9%, Jehovah's Witness 1%, and New Apostolic 0.5%), Muslim 1.8%, other 1.3%, none 10.8%, unspecified 0.7% :(2010 est.)

Calling Code: 238

Voltage: 220

Key Websites

Main Government Page: governo.cv Investment Promotion cvtradeinvest.com Agency:

Key Economic Facts

| Income Level (by per capita GNI): | Lower Middle Income | |
|--|---------------------------|--|
| Level of Development: | Developing | |
| GDP, PPP (current international \$): | \$5.39 billion (2022) | |
| GDP growth (annual %): | 17.71% (2022) | |
| GDP per capita, PPP (current international \$): | \$9,082.84 (2022) | |
| External debt stocks, total (DOD, current US\$): | \$2,059,769,905.90 (2021) | |
| Manufacturing, value added (% of GDP): | 4.66% (2022) | |
| Current account balance (BoP, current US\$): | -\$0.08 billion (2022) | |
| Inflation, consumer prices (annual %): | 1.86% (2021) | |
| Labor force, total: | 245,779 (2022) | |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 13.57% (2022) | |
| Imports of goods and services (current US\$): | \$1.32 billion (2022) | |
| Exports of goods and services (current US\$): | \$0.89 billion (2022) | |
| GDP Composition % | | |
| Agriculture Services | Industry Manufacturing | |
| 57 | | |

57 4 17 5

*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy. Rankings

| Index | Rank |
|---------------------------------|-----------|
| Corruption Perceptions Index | 38 / 178 |
| Global Competitiveness Index | 112 / 141 |
| Index of Economic Freedom | 47 / 176 |
| KOF Index of Globalization | 132 / 185 |
| Networked Readiness Index (NRI) | 85 / 139 |

Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior. Corporate default probability is still acceptable on average. Business Climate rating: B - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

Strengths

- · Stable and effective political institutions
- Tourism sector fully recovered from the Covid-19
 hiatus
- Solid potential for the development of renewable energies (target of 50% of the energy mix by 2030, compared with 18% in 2024)
- Developing the blue economy with promising fish stocks
- Gradual conversion of the debt contracted with Portugal into an environmental fund (€140 million in fine)
- Two financing agreements with the IMF, an Extended Credit Facility (ECF) and a Resilience and Sustainability Facility (RSF) totalling EUR 94 million

Weaknesses

- Low economic diversification and dependence on tourism (40% of jobs)
- Highly dependent on the economic performance of eurozone countries
- Exposure to climate change as well as volcanic, seismic and cyclonic risks
- Aging and poor-quality infrastructure (particularly for inter-island transport)
- Insularity means dependence on imported food and energy products
- High level of debt
- Many state-owned companies are under-performing and uncompetitive

U.S. Embassy





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https://cv.usembassy.gov