



# CABO VERDE

THE MID - ATLANTIC GATEWAY  
TO THE WORLD'S ECONOMY

**BLUE ECONOMY**  
SECTOR

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TO THE WORLD'S ECONOMY



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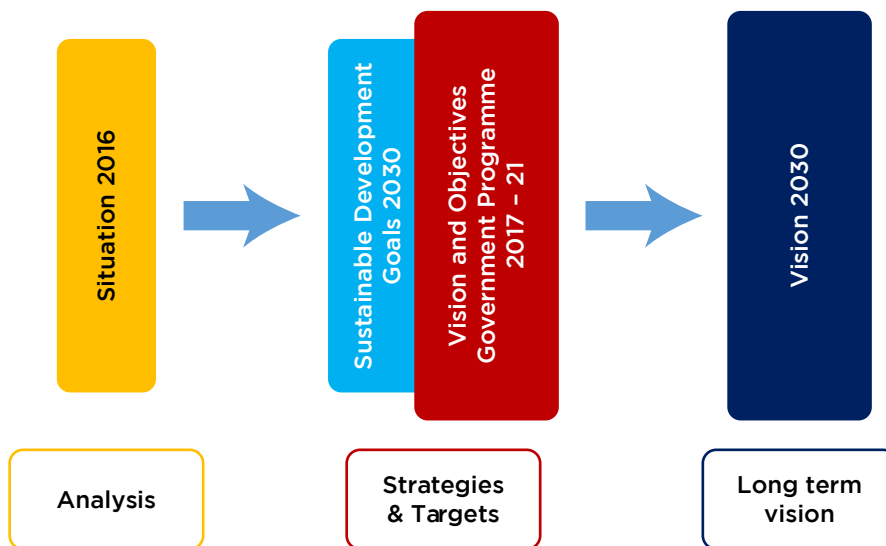
# INTRODUCTION

The Strategic Plan for Sustainable Development (PEDS, using the Portuguese acronym) sets out, in programmatic and operational terms, the vision and objectives of the Government of Cabo Verde and establishes 39 ambitious development targets for the period 2017-2021 for the sustainable development of Cabo Verde. But the PEDS strategy for the short term is underpinned by a longer-term vision for Cabo Verde’s sustainable development for the period 2018-2030 that is aligned with the 2030 sustainable development agenda and the sustainable development goals as means to build a better future for all Cabo Verdeans.

The PEDS was conceived using a participatory and inclusive approach with great efforts being made to ensure the involvement of not only the central administration and local governments and other national entities and institutions, but carefully including a range of civil society organisations, the private sector, and Cabo Verde’s development partners.

The strategy and objectives of the PEDS are conceived on the basis of the reality of the national and the global context in which Cabo Verde is situated and presents a profound analysis of the country’s development in 2016.

Fig. 1: PEDS Methodology



## VISION AND LONG-TERM OBJECTIVES

The Government Programme for the IX Legislature (2016-2021) sets out a clear vision which is adopted by the PEDS:

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

The PEDS seeks to promote the dynamic

insertion of Cabo Verde into the global economy considering this the only realistic and viable alternative for its long term, sustainable development. The long-term vision is established through four inter-related strategic objectives:

1. **Make Cabo Verde a Circulatory Economy in the Mid-Atlantic**, through strategic capital investments in connectivity, the blue economy, tourism development, and business, industry, and financial services.
2. **Sustainable Economic and Environmental development** through structural reforms such as investment

in sustainable tourism, strengthening its link with the country's productive value chain through agribusiness and domestic industry and export promotion, while safeguarding environmental sustainability;

- 3. Ensure social inclusion and reduce inequalities** through improving education and professional training, health and social safety nets, youth and gender equality;
- 4. Strengthen democracy, justice and international diplomacy**, and engage the diaspora in the country's development.

The PEDS foresees the need to promote investment in key strategic and transformative areas such as the maritime economy, renewable energy and water and sanitation, which will have a catalytic impact on the wider economy and particularly on sectors such as tourism, agriculture, industry and commerce.

Each of these objectives are linked to a set of country specific outcome indicators with a baseline value and annual targets up to 2021.

## PEDS STRATEGIES FOR 2017-21

The overall objective of the PEDS is 'sustainable development with full employment' that will be achieved through exploiting Cabo Verde's geo-strategic position to create a "Mid-Atlantic Hub Economy"

### OBJECTIVE 1: TRANSFORMING CABO VERDE INTO A CIRCULATORY ECONOMY

The PEDS strategy identifies the development of 7 priority hubs, or platforms, on which the country's future economic growth will be based:

**TOURISM PLATFORM** Inclusive tourism that benefits all islands and takes advantage of Cabo Verde's natural environment, history and culture

**AIR TRANSPORT HUB** For passengers and freight in all countries bordering the Atlantic

**MARITIME PLATFORM** Supplying and providing services to freighters, cruise ships, and other vessels

**COMMERCIAL AND INDUSTRIAL HUB** Transforming Cabo Verde into an international business centre

**FINANCIAL HUB** Creating an international finance platform

**ICT PLATFORM** Creating a digital platform for technological innovation

**ETHNIC & CULTURAL PLATFORM** Promoting investment by the diaspora and ethnic tourism

To achieve this, Government recognises that profound reforms and structural adjustments will be required to make Cabo Verde more competitive and to reduce business costs in order to take advantage of its endogenous resources. These will include:

1. Placing Cabo Verde in the top rankings in relation to international indicators for doing business, good governance and economic freedom
2. Fundamental reforms in the development of human capital in four areas:
  - Strengthening scientific and pedagogical capacities
  - Exploiting opportunities for the use of ICT, video-imaging and distance learning
  - Adapting curricula to the needs of the market
  - Institutional development

## **OBJECTIVE 2: GUARANTEEING ECONOMIC AND ENVIRONMENTAL SUSTAINABILITY**

The PEDS strategy for promoting economic and environmental sustainability has three components:

1. Consolidating tourism development, ensure its sustainable and inclusive growth;
2. Promoting domestic production and exports particularly in the following sectors:
  - Fisheries
  - Agriculture
  - Light industry
  - Creative Industries
3. Implementing Structural Reforms (to reduce factor costs) through:
  - Reform and modernisation of the public administration
  - Improving the business and

investment environment

- Introducing new models for financing development and the economy
- Investment in transportation and Infrastructure
- Investing in renewable energy and reducing electricity cost

The PEDS recognizes the significance and developmental value of Cabo Verde's environmental resources, adopting integrated environmental policies to ensure their sustainable management, enhancing the value of the environment as an asset and key factor in economic competitiveness, whilst recognising the need to maintain a balance between meeting current needs and the expectations of future generations.

## **OBJECTIVE 3: ENSURE SOCIAL INCLUSION AND REDUCE INEQUALITIES**

PEDS strategies include:

1. Improving the living conditions of families
2. Promoting social inclusion
3. Developing education of excellence
4. Increase access to quality housing
5. Creating decent employment and strengthening the relevance of vocational training
6. Improve the conditions for youth
7. Increase the national health system and access to social security
8. Promote gender equality
9. Promote culture and sport

## **OBJECTIVE 4: STRENGTHEN DEMOCRACY, JUSTICE AND INTERNATIONAL DIPLOMACY**

The PEDS strategy is to:

1. Strengthen Democracy;

2. Enhance a culture of peace, human rights and justice
3. Reinforce security
4. Strengthen territorial defence
5. Strengthening foreign policy and use diplomatic resources to mobilise strategic partnerships and the Cabo Verdean diaspora

Gender equality, ensuring that that women and girls, as well as men and boys, have the same opportunities to participate in and benefit from the development process, is a fundamental principle of sustainable development and is integrated as a cross cutting issue in the PEDS. Through the execution of the PEDS Government will ensure measures are taken to address gender inequalities in different sectors to promote justice and social inclusion in the country's sustainable development.

## IMPLEMENTATION

The operationalisation of the PEDS to achieve its 4 prescribed objectives PEDS, is to be achieved through sectoral and transversal programmes, each comprising a set of projects.



The 35 PEDS programmes are grouped into 3 cross-cutting pillars designed to achieve the objectives set, within the time horizon 2017-2021 and contributing to the realization of the long-term vision for the future of Cabo Verde.

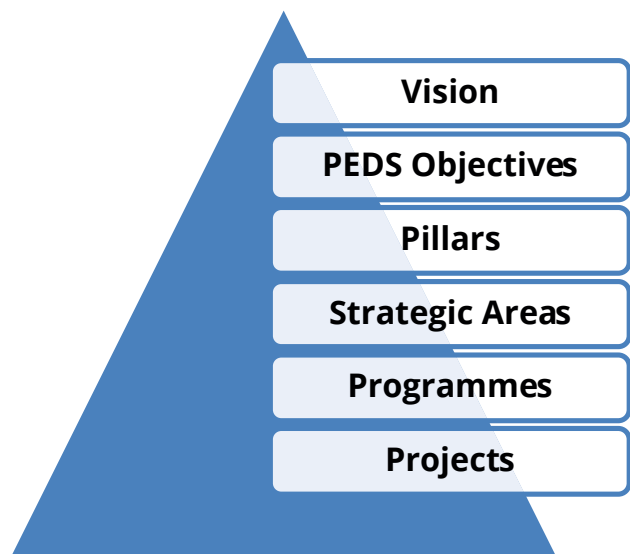
**PILLAR 1, Economic Growth:** programmes that will promote a new model of economic that will introduce reforms and restructure the economic sectors

**PILLAR 2, Social Development:** programmes that will develop the country's human capital, quality of life and combat inequalities and asymmetries.

**PILLAR 3, Sovereignty:** programmes that will develop a new state model for the strengthening of sovereignty, creating value in democracy and orientation of diplomacy to the challenges of the country's development.

Each pillar is linked to a subset of the Sustainable Development Goals (SDGs). For every programme an objective and a budget has been defined, and links to the PEDS indicators and the SDGs are presented.

Fig. 2: The logic of the PEDS Strategy:



## REGIONALISATION AND TERRITORIALISATION OF THE PEDS

Cabo Verde is a country of regional asymmetries and inequalities with its insular nature making universal access to basic services challenging, and compromising the creation of economies of scale. Thus, the regionalization of the PEDS is a firm Government commitment.

The situation analysis that underpins the PEDS incorporated an analysis of the different regions of the country, where the specificities of development dynamics and challenges were addressed, weighted and used in the definition of regional targets aimed at exploiting the potential and value of each island and their endogenous resources to reduce regional asymmetries and to ensure that nobody is left behind.





**SECTOR BACKGROUND PAPER**

# MARITIME ECONOMY

## FACTS AT GLANCE

### Commercial shipping and freight, infrastructure & logistics

- The islands are equipped with nine ports capable of berthing ships up to 9 meters draft.
- Porto Grande, Mindelo, S. Vicente has the largest port infrastructure in the country.
- All the ports are equipped with heavy lifting equipment
- In the deep-sea trading sector in 2017, 556,048 tonnes in 61,518 TEU were either discharged or loaded, an increase of 22.6% from 2016.

### Inter-island transport (people & freight)

- In 2017, 838,736 passenger movements took place over the nine inhabited islands
- An average annual growth rate in passengers of 3.1%
- Inter-island cargo shipment of 974,109 tonnes, with a year-on-year increase of 12.5%

### Fishing

- In 2016, 212 boats engaged in industrial and semi-industrial fishing and more than 1,500 wooden boats engaged in artisanal fishing.
- São Vicente plant processes c.30,000 tonnes of fish per year and permanently employs more than 1,200 people
- Newly constructed storage facilities at Porto Grande have a capacity of 3,000 tonnes.

## Tourism

- The tourism sector occupies a central position in Cabo Verde's economy contributing 23.6% to GDP in 2016.
- The number of tourists has quadrupled in 16 years, from 162,000 in 2001 to c.717,000 in 2017
- Number of people employed in tourism has increased from 2,043 in 2002 to 8,825 in 2017.
- Cruise tourism is an emerging niche with high potential for Cabo Verde.
- Porto Grande is Cabo Verde's leading port from cruise tourism
- Estimated that 70% of cruise passengers disembark and spend an average of \$45 a day

## CHARACTERISTICS OF THE SECTOR

As a Small Island Developing State, Cabo Verde's oceans are perhaps its greatest source of wealth and one of the essential elements of its national identity. The Exclusive Economic Zone (EEZ), extends for 200 nautical miles from the coast and currently covers some 740,000 km<sup>2</sup>, with a possible extension of up to 350 nautical miles along the continental shelf, bringing its total area up to 1 million km<sup>2</sup>.

The EEZ offers great opportunity in the context of mineral extraction from the seabed, harnessing algae for the production of biofuels, and other natural resources.

### Ports, logistics & Maritime Transport

Cabo Verde enjoys a privileged geographical location in the context of maritime transport, and the promotion of the country as a 'Maritime Platform' is a key priority in the Government's strategic plan for and long-term vision for sustainable development, and of strategic importance in the integration of the country into the global economy. Its geo-strategic position

in relation to major shipping routes is very advantageous for a container port, and freight and transshipment facilities:

- Proximity to principal shipping lanes/axes: EU-Latin America, EU-West Africa, Latin America-West Africa
- Close to shipping loops in the West African region
- Growing strategic relationship between Brazil and ECOWAS

Cabo Verde currently offers a chain of ports with 5,000 meters of quayside, more than 22,000 m<sup>2</sup> of covered storage space, and cold storage facilities, with a capacity of 3,000 tonnes. In Porto Grande, São Vicente, there are conditions for bunkering services, for which there is growing demand, and which is expected to reach 100,000 tonnes this year (2018).

Freight traffic has grown in Cabo Verde by an average of 7% over the last 4 years and port infrastructure for container docking and stowage has been expanded and modernised. Greater volumes of freight are being containerised, and traffic in the sector is growing by an average of more than 12% (over the last 3 years), creating enormous opportunities for business and considerable comparative advantages for Cabo Verde.

Commercial shipping passing through Cabo Verde's territorial waters or nearby, can also take advantage of naval repair and maintenance facilities and services, and the Port of Mindelo, São Vicente, already offers an array of maritime and related services that are sought by international freight shipping companies and fishing operators alike. Once productivity levels related to ship repair and maintenance are raised, through carefully targeted investments, the prospects for future growth are good with multiplier effects in the local economy.

As a dispersed island state, the maritime transport subsector plays a critical role in terms of domestic trade, particularly for the agricultural and livestock sector. Demand for inter-island transport has increased over recent years due to population growth, migratory flows and increases in tourism. Each year more than 800,000 passengers

embark and disembark at Cabo Verdean ports. The movement of merchandise has also been increasing with more than 2.3 million tonnes of goods loaded or unloaded in 2017.

## Fishing

The Middle Atlantic Ocean is rich in fish resources and one the most important fishing zones in the world. According to the Food and Agriculture Organization (FAO) the fishing volume of the central and eastern Atlantic Ocean has exceeded 4M tonnes a year since 2009 and reached 4.8M in 2016. The fish catch to the east of Cabo Verde is in the order of 2.33M tonnes.

Successive governments have designated fisheries as a strategic sector of vital importance to the country's social and economic development. The sector's contribution to the economy has experienced positive developments, mainly due to increased exports of canned fish. But while production has risen in recent years (from 20 tonnes in 2007 to 34 tonnes in 2015) its contribution to GDP has fallen, from 2% in 2000 to 1.2% in 2015. In 2000, around 5% of the labour force worked in the fisheries sector, but this dropped to 3% in 2013. Creating conditions for a sustained improvement in the sector's productivity and competitiveness, based on an ecologically and economically sustainable approach, is a high priority for Government.

There are six fishing grounds in Cabo Verde with abundant resources, including mainly, tuna and pelagic species and some demersal species. Estimates of the potential catch is in the order of 36 to 46,000 tonnes per year, about 2/3 of the total catch.

Fishing is a traditional industry in São Vicente and a large component of the maritime economy, playing a significant role in the national economy and contributing to employment and exports. In 2016, there were close to 200 boats engaged in fishing activities, although mostly practicing artisanal fishing. But some 50 boats are engaged in industrial and semi-industrial fishing away from the coastline. Data from

2010 to 2016 indicates a steady growth of the fish catch, particularly deep-water fish such as tuna.

São Vicente is the headquarters of the biggest fish processing plants in Cabo Verde, namely, FRESCOMAR and ATUNLO, the former with an annual processing capacity of 25,000 tonnes and providing more than 1,300 local jobs. ATUNLO has freezer storage capacity of 3,000 tonnes and provides employment to more than 300 people.

## Tourism

Tourism is considered a sector of transformative and strategic importance in terms of creating business and employment opportunities, and thus promotion of Cabo Verde as a 'Tourist Platform' is a key priority for Government.

Cruise ship tourism represents an emerging and interesting niche with high potential. Given its position in the mid-Atlantic, tourism based around cruise ships could generate significant benefits to the country and open new markets. Some 95 cruise ships called at different ports of Cabo Verde in 2017, and this year it is expected that more than 160 ship will call with more than 55,000 passengers. There are no official estimates on the number of passengers that disembark, during a typical docking time of 1-2 days, but ENAPOR (the national port operator) estimates that number to be about 70%, with expenditures per tourist averaging €45 during a day.

## Investment

In the last 10 years, tens of millions of dollars have been invested in the port sector to make it more competitive. Two new vessels were acquired, representing an investment of around €14 M and a cold storage complex with a capacity of 6,000 tonnes was built from scratch at a cost of €12.8 M.

Investment of between €100 to 150M per year is expected over the next 10 years in the various subsectors of the maritime

economy.

## Legal and regulatory framework

The legislative framework suits the needs of the country and the challenges it faces. There is specific legislation that provides tax incentives, and a modern maritime code, and the country is signatory to all of the international conventions that regulate maritime activity.

Cabo Verde has a Fiscal Incentive Code for foreign investments and the mechanisms for its implementation exist in all municipalities. Regulatory policies are transparent and simple to apply.

## TRANSFORMATION STRATEGY

The promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and long-term vision for sustainable development, and of strategic importance in the integration of the country into the global economy.

The Government's vision for the maritime economy seeks to exploit the potential of the ocean, and Cabo Verde's identity and culture, in a sustainable way to contribute to inclusive growth with a view to optimizing its economic and social benefits, whilst minimising the impact on the environment and the degradation of marine and coastal ecosystems. The strategic and transformational importance of the marine economy will make a major contribution to positioning Cabo Verde as a circulatory economy in the Mid-Atlantic and facilitate its integration in the global economic system.

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a 'Maritime Platform' to be of strategic importance in the integration of the country into the global economy and making a critical contribution to the PEDS objectives of creating job opportunities and underpinning long-term, sustainable development
- Cabo Verde's geo-strategic position in relation to shipping routes and proximity to international markets make it a very advantageous location for transshipment and freight related services
- Availability of auxiliary services such as ship repair yards, supplying services to vessels,
- Cabo Verde's location in relation to commercial fishing grounds make it an ideal location for fish processing for re-export
- Opportunities for private sector investment in fish processing and the commercialisation of fish and fish products
- Investment in port infrastructure, efficiency and competitiveness will create enormous potential and opportunities for business
- Cabo Verde is increasingly becoming a more popular destination for tourists
- 4 Ports are suitable for receiving large cruise ships
- Development and diversification of the tourist sector is a high priority for Government with a target of attracting 3 million tourists a year to the country by 2030
- Favourable local labour laws and regulations, disciplined work force, and a good business environment
- Fiscal Incentive Code for foreign investments, free movement of capital, and simple and transparent port regulations
- International development partners currently providing Eu.74M to the sector

## CURRENT PARTNERS

| PARTNER   | SUMMARY OF INVESTMENT                                  | VALUE (EURO) |
|---|--|--------------|
| <b>Tourism</b>                                  |  |              |
| WB  | Competitiveness for Tourism Development                | 4.2M         |
| WB/GEF  | Biodiversity Integration in the Tourism Sector         | 2.1M         |
| UNDP  | Integration of Biodiversity in the Tourism Sector      | 200K         |
| OFID/ The Netherlands                           | Cruise Terminal  | 15.2M        |
| <b>Infrastructures &amp; Maritime Transport</b> |  |              |
| AfDB  | Expansion and Modernization Porto Palmeira (2nd Phase) | 1.4M         |
| AfDB  | Modernization Expansion of the Port of Maio            | 2M           |

Source: QDMP 2018-2021 (MF)

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**FEATURED PROJECTS**



## MARECON01 CONTAINER TERMINAL

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €500M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** São Vicente

**Status:** Project conception and design phase

**Duration:** 5 years construction

**Beneficiaries:** 300 direct jobs, port operators, shipping agents and commercial operations in general

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### CONTEXT

Cabo Verde enjoys a privileged geographical location in the context of maritime transport and the promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and long-term vision. Greater volumes of freight are being containerized and traffic in this particular sector is growing, creating enormous opportunities for business and considerable comparative advantages for Cabo Verde. The construction of a container port on the island of S. Vicente (in Saragaça) will serve as a distribution centre for neighbouring countries in the ECOWAS region without increasing the final cost of transport.

Traffic volumes and income is expected to be as follows:



|                      | YEAR 1     | YEAR 5      | YEAR 10     | YEAR 15     | YEAR 20     |
|----------------------|------------|-------------|-------------|-------------|-------------|
| Annual Lifts (units) | 150.000    | 1.102.500   | 1.407.100   | 1.795.856   | 2.292.018   |
| Total Revenues, Eur  | 14.100.000 | 116.157.372 | 173.997.526 | 257.699.728 | 379.679.318 |

## Investment will result in:

- The introduction and enforcement of quality standards in relation to the treatment and final destination of waste
  - The recovery and recycling of waste leading to the optimization of waste transportation costs
  - The correct and safe disposal of urban waste, a reduction in GHG emissions, production of organic compounds, reduction of soil pollution, improvements to air quality, and protection of fauna and flora
  - Revenue generated from the disposal of organic material and sale of recycled products and renewable energy
  - Increased efficiency in waste management
- » Availability of storage space and a “business orientated” port (e.g., existence of Free trade zone)
  - » Favourable capital and labour costs and labour legislation
  - » Conducive “doing business” environment (e.g. administrative, fiscal, legal, and banking environment, informality and transparency)
- The container port will stimulate further investment related to maritime transport and transshipment activities, and the handling of goods creating high quality job opportunities
  - Opportunities for private sector investment in the construction and operation of the container port

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a ‘Maritime Platform’ to be of strategic importance in the integration of the country into the global economy, contributing to the PEDS objectives of creating job opportunities and underpinning long-term sustainable development
- Cabo Verde’s geo-strategic position in relation to shipping routes makes it a very advantageous location for container and transshipment facilities:
  - » Proximity to principal lines/axes: EU-Latin America, EU-West Africa, Latin America-West Africa
  - » Close to shipping loops in the West African region
  - » Growing strategic relationship between Brazil and ECOWAS
- The island of S. Vicente is strongly competitive in terms of infrastructure:
  - » Depth potential - 17m draft (natural)
  - » Navigable and available all year round
- Feeder centre for ECOWAS region providing a safe and secure depot and quick deployment time;
- Unrestricted flows of capital to and from Cabo Verde
- Reduce taxes, namely vat, income tax, etc.
- Simple and transparent regulatory framework

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **HIGH:** The Container Port will make a significant contribution to establishing Cabo Verde as a Maritime Platform and its integration in the regional and global economy.

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** The container port will lead to greater efficiency in the handling of cargo both domestically and potentially for the ECOWAS region.

**SUSTAINABLE DEVELOPMENT** **HIGH:** Investment will have significant economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, and substantially contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Promotion of Cabo Verde as maritime platform is a key strategic priority in the Government's strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low income and high levels of poverty.

**INVESTMENT OPPORTUNITIES** **HIGH:** Opportunities for private sector investment in construction and operational management of the container port and in related shipping and transshipment activities and services.



## MARECON02 COMMERCIAL FISHING TERMINAL

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €50M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Saragaça, São Vicente

**Status:** Project conception and design phase

**Duration:** 5 years construction

**Beneficiaries:** Port operators & commercial fishing operators, tourism and hotel sector

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### CONTEXT

Successive governments have designated fisheries as a strategic sector that is of vital importance to the country's social and economic development. The sector makes a very positive contribution to the economy mainly due to increased exports of canned fish. But while production has risen in recent years (from 20 tonnes in 2007 to 34 tonnes in 2015) its contribution to GDP has fallen, from 2% in 2000 to 1.2% in 2015. In 2000, around 5% of the labour force worked in the fisheries sector, but this dropped to 3% in 2013. Creating conditions for a sustained improvement in the sector's productivity and competitiveness, based on an ecologically and economically sustainable approach, is a high priority for Government.

The mid Atlantic Ocean is rich in fish resources and one the most important fishing zones in the world. According to the Food and Agriculture Organisation (FAO), the fishing volume of the central and eastern Atlantic Ocean has exceeded 4M tonnes a year since 2009 and reached 4.8M in 2016. The fish catch to the east of Cabo Verde is in the order of 2.33 million tonnes.

There are six fishing grounds in Cabo Verde with abundant resources, including mainly, tuna and pelagic species and some demersal species. Estimates of the potential capture is in the order of 36 to 46,000 tonnes per year, about 2/3 of the total catch.

Fishing is a traditional industry in São Vicente and a major component of the maritime economy, playing a significant role in the national economy and contributing to employment and exports. In

2016, there were close to 200 boats engaged in fishing activities, although most practicing artisanal fishing. But some 50 are engaged in industrial and semi-industrial fishing away from the coastline. Data from 2010 to 2016 indicates steady growth in the fish catch, particularly for deep water fish such tuna.

São Vicente is the headquarters of the biggest fish processing plants in Cabo Verde, namely, FRESCOMAR and ATUNLO, the former with an annual processing capacity of 25,000 tonnes and providing more than 1,300 local jobs. ATUNLO has a cold storage capacity of 3,000 tonnes and provides employment to more than 300 people.

To contribute to improving infrastructure and services for the fishing industry, Government is proposing the construction of a logistics and port management facility to support the discharge of local and international fishermen, offering services for the processing, refrigeration, freezing and re-export of frozen fish.

- The fishing terminal and container port will stimulate further investment in activities, increase supply to domestic markets, and create job opportunities.
- Investment will contribute to the development of the blue economy offering opportunities for sustainable and inclusive exploitation of marine resources.
- Opportunities for private sector investment in the construction and operation of the fishing terminal and in fish processing activities and the commercialisation of fish and fish products.
- Favourable local labour laws and regulations, disciplined work force, good business environment
- Availability of auxiliary services such as ship repair yard, vessel supply services, and proximity to international markets.
- Fiscal incentives, free movement of capital, simple and transparent port regulations.

## Investment will result in:

- An increase in the capacity of the Port of São Vicente to discharge catches due to its cost effective, safe and secure facilities.
- Greater use of nearby ship repair and maintenance facilities by boats discharging their catch and taking maintenance and repair facilities.
- São Vicente becoming a centre for replacement crew for vessels calling at the port, creating great opportunities for air travel agencies, local transport, car rental, and the hotel, food and tourism industry.
- Increase in employment as fishing tends to be labour intensive, plus an increase in shore-based employment related to fish handling and processing.

## REASONS TO INVEST

- Improving infrastructure and services for commercial fishing operations is a high priority for Government given its potential economic impact and job creation potential.
- Cabo Verde's geo-strategic position in relation to commercial fishing make it an ideal location for fish processing for re-export.

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **HIGH:** The fishing terminal will have a significant impact on the fishing and fish processing industries and the export of fish products, strengthening Cabo Verde's integration in the regional and global economy.

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** Greater efficiency in the handling and processing of fish products.

**SUSTAINABLE DEVELOPMENT** **HIGH:** Poverty amongst families associated with the fishing industry is high. Investment will have economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Strengthening of the infrastructure and logistical organisation of the fishing sector is a high priority in the Government's strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and high levels of poverty, particularly in the fishing sector.

**INVESTMENT OPPORTUNITIES** **HIGH:** Opportunities for private sector investment in construction and operational management of the fishing terminal, and related fish processing and commercial activities.



# MARECON03 NAVAL CONSTRUCTION AND REPAIR FACILITIES

## CONTEXT

The promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and long-term vision. Freight traffic has grown in Cabo Verde by an average of 7% per year, and port infrastructure for container docking and stowage has been expanded and modernised. The geographical position of Cabo Verde means that commercial shipping passing through its territorial waters or nearby, could take advantage of naval repair, and maintenance facilities and services if they are internationally competitive. Moreover, the Port of Mindelo already offers an array of maritime and related services that are sought by international freight shipping companies and fishing operators. Investment in CABNAVE's existing facilities will enable Cabo Verde to receive larger ships and raise productivity, making it more competitive. Once productivity levels related to ship repair and maintenance are raised, the prospect for future growth are considered good with multiplier effects in the local economy

### Investment will result in:

- Increase productivity and competitiveness, leading to higher turnover and availability of financial resources to invest in further maintenance programmes.
- Recruitment of new employees and the possibility of more training courses.
- Better care of the environment in line with international best practice.
- Higher quality of services.

## KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €12M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 5 years construction

**Beneficiaries:** Port operators & commercial fishing operators, tourism and hotel sector

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- Increase in capacity from 2,000 to 3,800 tonnes
- Increased safety in the operations of dry-docking and discharging of vessels from a slipway
- Increase in available space leading to productivity gains
- Higher turnover, possibly doubling
- Internal rate of return on investment in the range of 12.5%

- Cabo Verde's geo-strategic position in relation to shipping routes makes it a very advantageous location for ship repair and maintenance if they can be internationally competitive
- Growth in ship repair and maintenance will stimulate further investment and economic activity related to maritime activities and services, creating business and job opportunities
- Opportunities for private sector investment in the construction, engineering and the sale and maintenance of port equipment and technology
- Opportunity to exploit potential high demand from fishing vessels using the Porto Grande (Mindelo)
- High return on investment after 2 to 5 years

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a 'Maritime Platform' to be of strategic importance in the integration of the country into the global economy and making a critical contribution to the PEDS objectives of creating job opportunities and underpinning long-term sustainable development

## INVESTMENT IMPACTS

|                                     |  |
|-------------------------------------|--|
| <b>TRANSFORMATIVE POTENTIAL</b>     | <b>HIGH:</b> Upgrading Cabo Verde's naval construction and repair facilities will make a significant contribution to establishing Cabo Verde as a Maritime Platform and its integration in the regional and global economy.                                |
| <b>EFFICIENCY AND EFFECTIVENESS</b> | <b>HIGH:</b> Investment will lead to greater productivity and efficiency in naval construction and repair.   |
| <b>SUSTAINABLE DEVELOPMENT</b>      | <b>HIGH:</b> Investment will have significant economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, substantially contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14. |
| <b>COUNTRY OWNERSHIP</b>            | <b>HIGH:</b> Promotion of Cabo Verde as maritime platform is a key strategic priority in the Government's strategic plan (PEDS).   |
| <b>RECIPIENT NEEDS</b>              | <b>HIGH:</b> Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low income and high levels of poverty.  |
| <b>INVESTMENT OPPORTUNITIES</b>     | <b>HIGH:</b> Opportunities for private sector investment in construction, engineering, operational management of facilities and the sale and maintenance of ship building and repair equipment and technology.   |



# MARECON04 CRUISE TERMINAL BUSINESS DEVELOPMENT

## KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €30M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 1 year

**Beneficiaries:** 100 direct jobs, local tourism operators, commerce and business related to tourism in general

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## CONTEXT

Cabo Verde enjoys a privileged geographical location and the promotion of Cabo Verde as both a 'Maritime Platform' and a 'Tourist Platform' are key priorities in the Government's strategic development plan and long-term vision.

Cruise ship tourism represents an emerging and interesting niche, with a high potential for Cabo Verde. Given its position in the mid-Atlantic, home-based cruise ships could generate significant benefits to the country and open new markets. The Port of Mindelo (Porto Grande) is Cabo Verde's leading cruise ship port with 57 ships calling in 2013, followed by Praia with 39, and Santo Antão with 15. There are no official estimates on the number of passengers that disembark from cruise ships, which typically dock for 1-2 days, but ENAPOR (the national port operator) estimates it to be about 70%, with expenditure per tourist averaging €45 a day.

Investment in a cruise ship terminal will improve facilities and the efficiency with which tourists visiting Cabo Verde are handled and will encourage other cruising companies to include the country in their itinerary or use it as a starting point for cruises in the region.

### Investment will result in:

- The generation of 120 to 215 local jobs in the inception phase.
- Stop-over tourism and the promotion of



Cabo Verde as an attractive tourist destination. Experience after 30 years of development of the cruise industry suggests that cruise tourism can trigger longer periods of stay.

- The strengthening and creation of new business and employment opportunities.
- Increasing involvement of the local private sector in developing tourist services and products
- Passenger spending positively supporting reductions in the fiscal deficit and growth in foreign

economy and create jobs.

- Cabo Verde is increasing becoming a more popular destination for tourists.
- Development and diversification of the tourist sector is a high priority for Government with a target of attracting 3 million tourists a year to the country by 2030.
- Cabo Verde offers more than “sun, sea and sand”. A wide range of opportunities for investment in niche sectors taking advantage of the country’s natural beauty, landscapes, history and culture exist.
- A cruise terminal would create significant opportunities for private sector investment in the hotel, restaurant and transport sectors and other related tourist services.

## REASONS TO INVEST

- The Government considers tourism to be intrinsically linked to the achievement of its development objective of ensuring “Economic and Environmental Sustainability” given its catalytic significance for a number of interlinked value chains.
- Improved management of the cruise tourism business and tourists themselves, and especially the development of the concept of Cabo Verde as a starting or ending point for cruises, could have significant multiplier effects for the

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **MEDIUM:** Significant opportunity to make cruise tourism a important component of Cabo Verde’s tourism model

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** Considerable improvements to the efficiency of handling cruise ships and their passengers

**SUSTAINABLE DEVELOPMENT** **HIGH:** Investment will have significant economic multiplier effects and create local business and employment opportunities, raising incomes and reducing poverty, substantially contributing to Cabo Verde’s sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Promotion of Cabo Verde as maritime and tourism platform is a key strategic priority in the Government’s strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and high levels of poverty

**INVESTMENT OPPORTUNITIES** **HIGH:** opportunities for private sector investment in the hotel, restaurant and transport sectors and other related tourist services and products.



## MARECON05 OCEANARIUM

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €17M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 2 year

**Beneficiaries:** 1100 direct jobs, local tourism operators, commerce and business related to tourism in general

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### CONTEXT

Tourism is considered a sector of transformative and strategic importance in terms of creating business and employment opportunities, and thus promotion of Cabo Verde as a 'Tourist Platform' is a key priority in the Government's strategic development plan and long-term vision.

The Government has proposed the development of an "Oceanarium" in Mindelo, São Vicente, that will serve as a showcase for Cabo Verde's marine environment and diverse species and contribute to the tourism value chain in conjunction with the nearby construction of a cruise terminal that is expected to increase tourist volumes. Projections suggest that the Oceanarium could receive up to 100,000 visitors per year, with the vast majority being foreign tourists, giving a significant economic boost to the City of Mindelo, and the windward islands.

Moreover, the Oceanarium will contribute to the architectural value of the City of Mindelo through the restoration of old and abandoned buildings in a historical part of the city, and create real estate opportunities in both the commercial and residential sectors.

## Investment will result in:

- Value added to cruise ship tourism and other forms of tourism.
  - Local business and employment opportunities in tourist services and products.
  - Environmental education of the local population, particularly the young generation (students of primary and secondary school).
- A cruise terminal would create significant opportunities for private sector investment in the hotel, restaurant and transport sectors and other related tourist services.

## REASONS TO INVEST

- The Government considers tourism to be intrinsically linked to the achievement of its development objective of ensuring “Economic and Environmental Sustainability” given its catalytic significance for a number of interlinked value chains.
- Cabo Verde is increasingly becoming a popular destination for tourists.
- The development and diversification of the tourist sector is a high priority for Government, with a target of attracting 3 million tourists a year to the country by 2030.
- As a show case for Cabo Verde’s marine resources, the Oceanarium could stimulate great interest in the potential of the ‘blue

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **MEDIUM:** The Oceanarium, coupled with the cruise ship terminal, could be catalytic components of the tourism market, increasing the number of tourists visiting and having economic multiplier effects.

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** Considerable improvements to the efficiency of handling cruise ships and their passengers

**SUSTAINABLE DEVELOPMENT** **HIGH:** Investment will have significant economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, substantially contributing to Cabo Verde’s sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Promotion of Cabo Verde as maritime and tourism platform, and exploitation of the potential of the blue economy, are key strategic priorities in the Government’s strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and high levels of poverty.

**INVESTMENT OPPORTUNITIES** **HIGH:** opportunities for private sector investment in the hotel, restaurant and transport sectors and other related tourist services.



## MARECON06 UPGRADING OF PORT INSTALLATIONS

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €12M

**Promoter:** National Ports Authority, ENAPOR

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 2 year

**Beneficiaries:** Shipping lines, port operators, shipping agents and commercial operations in general

**For More Information:** **Rogério Soulé**, Technical Director, National Port Authority, Mindelo, S. Vicente, E-mail: rogerio.soule@enapor.cv

### CONTEXT

The promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and long-term vision but requires the upgrading of the country's port facilities and the acquisition of port equipment, especially for those ports with the highest increase in port traffic.

Freight traffic has grown in Cabo Verde by an average of 7% per year over the last 4 years and port infrastructure for container docking and stowage has been expanded and modernised. Nevertheless, to achieve greater efficiencies and capture greater market share, it is necessary to equip ports with modern equipment and cargo handling technology.

The beneficiary ports will be Praia (Santiago), Porto Grande (S.Vicente), Palmeira (Sal), Sal-Rei (Boavista) and other small ports. The equipment portfolio will include high capacity cranes (greater than 50 tonnes) capable of handling heavy cargo, fork lifts, trailers, and tractors.

With acquisition of new equipment, the port operator would be free from renting/leasing heavy equipment from local operators at high rates, and shippers, shipping companies and other economic operators would benefit from reduced costs and greater efficiency.

### Investment will result in:

- Reduced costs for port operators leading to greater efficiency and productivity

through reducing vessel turnaround times.

- Increased competitiveness of ports making them more attractive as an option.
- Removal of uncertainty, making operations more transparent, and maritime transport between islands more viable, particularly with regard to perishable goods.
- Reduction in maintenance and repair costs, and down time, of port equipment.
- Improved safety in port operations.

the modernisation of port facilities and equipment.

- Upgrading of port facilities will stimulate further investment and economic activity related to maritime trade, transshipment activities and the handling of goods, creating business and job opportunities
- Opportunities for private sector investment in construction, engineering and the sale and maintenance of port equipment and technology

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a 'Maritime Platform' to be of strategic importance in the integration of the country into the global economy and making a critical contribution to the PEDS objective of creating job opportunities and underpinning long-term sustainable development.
- Cabo Verde's geo-strategic position in relation to shipping routes makes it a very advantageous location for port and transshipment facilities, and it could capture greater market share through

## INVESTMENT IMPACTS

### TRANSFORMATIVE POTENTIAL

**MEDIUM:** Upgrading of port equipment and technology will make a significant contribution to establishing Cabo Verde as a Maritime Platform and its integration in the regional and global economy.

### EFFICIENCY AND EFFECTIVENESS

**HIGH:** Investment will lead to greater port and cargo handling efficiency.

### SUSTAINABLE DEVELOPMENT

**HIGH:** Raising port efficiency will have economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, and contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14.

### COUNTRY OWNERSHIP

**HIGH:** Promotion of Cabo Verde as maritime platform is a key strategic priority in the Government's strategic plan (PEDS).

### RECIPIENT NEEDS

**HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and high levels of poverty.

### INVESTMENT OPPORTUNITIES

**HIGH:** Opportunities for private sector investment in construction, engineering and the sale and maintenance of port equipment and technology.



## MARECON07 PORT LOGISTICS CENTRES

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €24M

**Promoter:** National Ports Authority, ENAPOR

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Praia, Santiago, Mindelo, S. Vicente and other islands

**Status:** Project conception and design phase

**Duration:** 2020 - 2023 construction, 20 + years commercial operational

**Beneficiaries:** 1,000 direct jobs, 250 indirect jobs. Port operators, import/export businesses

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### CONTEXT

The promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and part of its long-term vision for integrating the country into the global economy. Freight traffic has grown in Cabo Verde by an average of 7% per year and port infrastructure for container docking and stowage in Cape has been expanded and modernised. Nevertheless, to achieve greater efficiencies, and capture greater market share, the productivity and safety of ports requires further improvement.

The creation of the Port Logistics Centres (CLPs) will modernize freight logistics for international and inter-island traffic. The proposal is to develop Port Logistics Centres on all the islands, but with the principle centres being in the two largest ports, Praia (Santiago) and Mindelo (S. Vicente).

#### Investment will result in:

- Reorganisation of the country's maritime logistics system.
- Increases in demand and supply of services in the maritime transportation value chain, especially in agricultural goods.
- Reductions in port cargo handling costs and the costs of maritime transportation.
- Increased safety in port operations, and the road and maritime transportations of inter-island cargo traffic

- Compliance with the International Shipping and Ports Safety Code (ISPS Code) requirements and recommendations.
- New business opportunities for the private sector.

other products) will add value to goods, improve distribution and expand markets

- Promotion of port synergies through convergence of economic operators, customs and health authorities, and logistics operators, including carriers, shipping agencies and customs brokers
- Promote safety and productivity in maritime and port traffic.
- Opportunities for private sector investment in the construction, engineering and the sale and maintenance of port equipment and technology.

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a Maritime Platform to be of strategic importance in the integration of the country into the global economy and making a critical contribution to the PEDS objectives of creating job opportunities and underpinning long-term sustainable development.
- Cabo Verde's geo-strategic position in relation to shipping routes makes it a very advantageous location for port and transshipment facilities which could be captured through the modernisation of port facilities and equipment.
- Upgrading of port facilities will stimulate further investment and economic activity related to maritime trade, transshipment activities and the handling of goods, creating business and job opportunities.
- New systems for storage and packaging of inter-island cargoes (agricultural and

## INVESTMENT IMPACTS

### TRANSFORMATIVE POTENTIAL

**HIGH:** Upgrading port logistics will make a significant contribution to establishing Cabo Verde as a Maritime Platform and its integration in the regional and global economy.

### EFFICIENCY AND EFFECTIVENESS

**HIGH:** Investment will lead to greater port and cargo handling efficiency

### SUSTAINABLE DEVELOPMENT

**HIGH:** Raising port efficiency will have economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14.

### COUNTRY OWNERSHIP

**HIGH:** Promotion of Cabo Verde as a maritime platform is a key strategic priority in the Government's strategic plan (PEDS).

### RECIPIENT NEEDS

**HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and poverty

### INVESTMENT OPPORTUNITIES

**HIGH:** Opportunities for private sector investment in construction, engineering and the sale and maintenance of port equipment and technology



# MARECON08 UPGRADING OF MARITIME PASSENGER FACILITIES

## KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €3.5M

**Promoter:** National Ports Authority, ENAPOR

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Praia (Santiago), Mindelo (S.Vicente), and other islands

**Status:** Project conception and design phase

**Duration:** 2 years, 15+ years commercial operational

**Beneficiaries:** 1,000 direct jobs, and 1,000 indirect jobs. Port operators, commerce and tourism operators

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## CONTEXT

The promotion of Cabo Verde as both a 'Maritime Platform' and a 'Tourist Platform' are key priorities in the Governments strategic development plan and long-term vision. Port infrastructure for freight handling has been expanded and modernised in recent years, but concomitant improvements to facilities for the more efficient management of passengers, with regard to inter-island traffic, have not followed.

Investment is required to improve the safety and comfort of passengers when using maritime transport in terms of upgrading check in / check out systems, waiting and embarkation facilities, and to allow the more efficient control of passengers and their luggage to increase capacity to deal with a growing number of visitors.

Improvement to passenger infrastructure and control systems are envisaged for the ports of Tarrafal (São Nicolau), Sal Rei (Boa Vista) and Port Inglês, (Maio). Furthermore, at the Port of Praia (Santiago) and Porto Inglês, (Maio) Roll On/Roll Off ship facilities will be upgraded to improve vehicle transport between the two islands.

### Investment will result in:

- Construction of a Flexi Terminal system for passengers in Praia.
- Improved check-in and check-out facilities for passengers and commodities.



- Greater comfort and increased safety for passenger in port areas.
- Compliance with the International Shipping and Ports Safety Code (ISPS Code) requirements and recommendations.
- Cabo Verde offers more than “sun, sea and sand”. A wide range of opportunities for investment in niche sectors taking advantage of the country’s natural beauty, landscapes, history and culture exist.
- Opportunities for private sector investment in the hotel, restaurant and transport sectors and other related tourist services and products.

## REASONS TO INVEST

- The Government considers tourism to be intrinsically linked to the achievement of its development objective of ensuring “Economic and Environmental Sustainability” given its catalytic significance for a number of interlinked value chains, and in particular wants to promote inter-island tourism.
- Improved maritime facilities for the management of passengers and tourists will enhance inter-island transportation and trade and commerce and could have significant multiplier effects for the economy and create jobs.
- Cabo Verde is increasing becoming a more popular destination for tourists.
- Development and diversification of the tourist sector to include all islands is a high priority for Government with a target of attracting 3 million tourists per year to the country by 2030.

## INVESTMENT IMPACTS

|                                     |   |
|-------------------------------------|---|
| <b>TRANSFORMATIVE POTENTIAL</b>     | <b>MEDIUM:</b> Supports Government objectives through the promotion of more inclusive tourism and inter-island commerce.  |
| <b>EFFICIENCY AND EFFECTIVENESS</b> | <b>HIGH:</b> Considerable improvements to the efficiency of handling inter-island passengers and cargo.   |
| <b>SUSTAINABLE DEVELOPMENT</b>      | <b>HIGH:</b> Economic multiplier effects resulting from the investment will create local business and employment opportunities, raising incomes and reducing poverty, contributing to Cabo Verde’s inclusive and sustainable development and SDGs 1, 8, 9, 10 and 14. |
| <b>COUNTRY OWNERSHIP</b>            | <b>HIGH:</b> Promotion of Cabo Verde as a maritime and tourism platform is a key strategic priority in the Government’s strategic plan (PEDS).  |
| <b>RECIPIENT NEEDS</b>              | <b>HIGH:</b> Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and poverty.   |
| <b>INVESTMENT OPPORTUNITIES</b>     | <b>HIGH:</b> opportunities for private sector investment in the hotel, restaurant and marine and other transport sectors and other related tourist services and products.   |



## MARECON09 CONSTRUCTION OF A CONTAINER FREIGHT STATION

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €5M

**Promoter:** National Ports Authority, ENAPOR

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo (S. Vicente)

**Status:** Project conception and design phase

**Duration:** 1 years

**Beneficiaries:** 1,000 direct jobs, and 1,000 indirect jobs. Port operators, commerce and tourism operators

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### CONTEXT

Investment will involve the construction of a Container Freight Station (CFS), in the northern expansion zone of Porto Grande (Mindelo, S.Vicente), where the demolition of existing warehouses will make way for a cruise terminal thus freeing up some 3,000m<sup>2</sup> of high value, prime waterfront real estate close to the centre of the city of Mindelo for a mixed development of hotels, residential and other commercial and tourist related uses.

The construction of the CFS will facilitate the stuffing and destuffing of goods leading to the more efficient organization of the port area as the storage and deconsolidation zone for containers will be contiguous with the storage space of containers and exit from the port. This will lead to a reduction in operating costs.

#### Investment will result in:

- Improved port organization leading to cost reductions. Increase in port productivity and efficiency by using the equipment in full operational mode
- Compliance with ISPS Code.
- Land becoming available in a prime area for real estate and tourist investment.

## REASONS TO INVEST

- Existing warehouses are situated at a long distance from the operational area
- Increase number of containers require a CFS
- The redeployment of the warehouses will ease compliance with the ISPS Code
- A prime area for the real state investment related with the cruise terminal project will become available

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **MEDIUM:** Supports Government objectives through the promotion of more inclusive tourism and inter-island commerce.

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** Considerable improvements to the efficiency of handling inter-island passengers and cargo.

**SUSTAINABLE DEVELOPMENT** **HIGH:** Economic multiplier effects resulting from the investment will create local business and employment opportunities, raising incomes and reducing poverty, contributing to Cabo Verde's inclusive and sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Promotion of Cabo Verde as a maritime and tourism platform is a key strategic priority in the Government's strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and poverty.

**INVESTMENT OPPORTUNITIES** **HIGH:** opportunities for private sector investment in the hotel, restaurant and marine and other transport sectors and other related tourist services and products.



## MARECON10 REAL ESTATE DEVELOPMENT ADJACENT TO THE CRUISE TERMINAL, MINDELO

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €12M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 2 year

**Beneficiaries:** 150 direct jobs, 250 indirect jobs

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### CONTEXT

Tourism is considered a sector of transformative and strategic importance in terms of creating business and employment opportunities, and thus the promotion of Cabo Verde as a 'Tourist Platform' is a key priority in the Government's strategic development plan and long-term vision.

The Government is investing in the construction of a Cruise Terminal in Mindelo, that will include quays for cruise vessels and the mooring of luxury yachts and sport vessels, together with a passenger terminal and parking facilities.

Surrounding the cruise terminal facilities, a prime space of around 3.3 ha will be available for residential, hotels, restaurants, and offices buildings together with tourism, leisure and cultural facilities.

Some 6,000m<sup>2</sup> will be available for building hotels, commercial and residential buildings. It is calculated that the costs for the construction of two, eight floor buildings providing a floor area of 2.500 m<sup>2</sup>, will be around €12M.

### Investment will result in:

- Greater choice in the availability of hotels and other tourist services.
- More facilities for the promotion of the Cruise Port of Mindelo as a turnaround port.
- Residential development for local and in-

ternational investors.

- Local economic development, commercial development and job creation..

## REASONS TO INVEST

- The Government considers tourism to be intrinsically linked to the achievement of its development objective of ensuring “Economic and Environmental Sustainability” given its catalytic significance for a number of interlinked value chains.
  - Cabo Verde is increasingly becoming a more popular destination for tourists.
  - The redevelopment of the site for hotels and other commercial uses related to tourism next to the cruise terminal will have significant multiplier effects for the local economy and create business and employment opportunities.
  - Development and diversification of the tourist sector is a high priority for Government with a target of attracting 3 million tourists per year to the country by 2030.
- Cabo Verde offers more than “sun, sea and sand”. A wide range of opportunities for investment in niche sectors taking advantage of the country’s natural beauty, landscapes, history and culture exist.
  - The site is located in a prime position in the city of Mindelo offering significant opportunities for real estate development and related commercial and tourist services to the private sector.

## INVESTMENT IMPACTS

|                                     |  |
|-------------------------------------|--|
| <b>TRANSFORMATIVE POTENTIAL</b>     | <b>MEDIUM:</b> The redevelopment of the site and the adjacent cruise terminal could be catalytic components in the tourism market, increasing the number of tourists visiting and creating economic multiplier effects.                                    |
| <b>EFFICIENCY AND EFFECTIVENESS</b> | <b>HIGH:</b> Redevelopment will result in more efficient and intense use of the existing site.   |
| <b>SUSTAINABLE DEVELOPMENT</b>      | <b>HIGH:</b> Investment will have significant economic multiplier effects and create local employment opportunities, raising incomes and reducing poverty, substantially contributing to Cabo Verde’s sustainable development and SDGs 1, 8, 9, 10 and 14. |
| <b>COUNTRY OWNERSHIP</b>            | <b>HIGH:</b> Promotion of Cabo Verde as maritime and tourism platform are key strategic priorities in the Government’s strategic plan (PEDS).  |
| <b>RECIPIENT NEEDS</b>              | <b>HIGH:</b> Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and poverty   |
| <b>INVESTMENT OPPORTUNITIES</b>     | <b>HIGH:</b> opportunities for private sector investment in real estate, hotels, restaurants, residential and other commercial uses especially related to tourism.   |



## MARECON11 RELOCATION OF NAVAL CONSTRUCTION AND REPAIR FACILITIES

### KEY INFORMATION

**Type of Opportunity:** Public Private Partnership

**Resources Required:** €50M

**Promoter:** Ministry for Maritime Economy

**Seeking:** International Development Partners, Private Sector Investors

**Location:** Mindelo, São Vicente

**Status:** Project conception and design phase

**Duration:** 25 years

**Beneficiaries:** Shipping lines and port operators, maritime and shipping suppliers

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### CONTEXT

The promotion of Cabo Verde as a 'Maritime Platform' is a key priority in the Government's strategic development plan and long-term vision. Freight traffic has grown in Cabo Verde by an average of 7% per year and port infrastructure for container docking and stowage has been expanded and modernised. The geographical position of Cabo Verde means that commercial shipping passing through its territorial waters or nearby, will take advantage of naval repair and maintenance facilities and services if they are internationally competitive. Moreover, the Port of Mindelo already offers an array of other maritime and related services that are sought by international freight shipping companies and fishing operators alike.

The relocation of the existing CABNAVE shipyard to an alternative location on the island will free up the present location for tourism and commercial investments, and the new CABNAVE shipyard facilities will enable Cabo Verde to receive larger ships and raise productivity making it more competitive. Once productivity levels related to ship repair and maintenance are raised, the prospect for future growth are considered good with multiplier effects in the local economy. Moreover, the availability of land in a high value area in the centre of Mindelo for tourism and commerce will lead to high quality investment in hotels and other uses which will bring benefits to the local economy.

## Investment will result in:

- Higher productivity since the new yard will be able to dry-dock larger vessels and reliable ship repair activities.
- Employment opportunities, particularly high-skilled jobs
- Creation of auxiliary businesses related to ships supplies, supplies of marine paints and epoxies, air transport, hotels and restaurants, entertainment business, etc.
- Improved environmental management in line with international best practice.

## REASONS TO INVEST

- The Government considers the development of Cabo Verde as a 'Maritime Platform' to be of strategic importance in the integration of the country into the global economy and making a critical contribution to the PEDS objectives of creating job opportunities and underpinning long-term sustainable development
- Cabo Verde's geo-strategic position in

relation to shipping routes makes it a very advantageous location ship repair and maintenance if it can be internationally competitive

- Growth in ship repair and maintenance will stimulate further investment and economic activity related to maritime activities and services, and business and job opportunities.
- Opportunities for private sector investment in the construction, engineering and the sale and maintenance of ship repair and maintenance equipment and technology
- Added value to other sectors in the blue economy related to shipping, maritime transport, bunkering, exchange of crew, etc.
- Fiscal benefits for investors, free flow of capital, and a good labour environment

## INVESTMENT IMPACTS

**TRANSFORMATIVE POTENTIAL** **HIGH:** Upgrading Cabo Verde's naval construction and repair facilities will make a significant contribution to establishing Cabo Verde as a Maritime Platform and its integration in the regional and global economy.

**EFFICIENCY AND EFFECTIVENESS** **HIGH:** Investment will lead to greater productivity and efficiency in naval construction and repair services.

**SUSTAINABLE DEVELOPMENT** **HIGH:** Investment will have significant economic multiplier effects and create high quality local employment opportunities, raise incomes and reduce poverty, substantially contributing to Cabo Verde's sustainable development and SDGs 1, 8, 9, 10 and 14.

**COUNTRY OWNERSHIP** **HIGH:** Promotion of Cabo Verde as maritime platform is a key priority in the Government's strategic plan (PEDS).

**RECIPIENT NEEDS** **HIGH:** Cabo Verde is a SIDS and African State with high levels of vulnerability and fragility, low incomes and poverty

**INVESTMENT OPPORTUNITIES** **HIGH:** Opportunities for private sector investment in construction, engineering, operational management of facilities and the sale and maintenance of ship building and repair equipment and technology.

GOVERNMENT OF  
**CABO VERDE**  
WORKING FOR ALL.

