

**ECONOMIC COMMUNITY OF WEST AFRICAN STATES
(ECOWAS)**

PARLIAMENT OF THE COMMUNITY – 4th LEGISLATURE

CAPE VERDE COUNTRY REPORT

ORDINARY SESSION – 20 November - 14 December 2019



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Index

I. Political Situation:

II. Security Situation:

III. Human Rights Situation:

IV. Status of Implementation of Community Texts:

- a) Freedom of Expression
- b) Freedom of Information / Freedom of the Press
- c) Freedom of Meetings and Manifestations
- d) Protection of Children's Rights
- e) Women's Rights
- f) Rights of Racial Minorities and Immigrants.

V. Status of Implementation of Community Programs and Projects:

VI. Economic and Social Situation:

- a) Financing the Economy
- b) Social and Regional Inclusion
 - 1. Education - Free enrollment and attendance at schools for people with special needs
 - 2. Promotion of social inclusion in the fight against poverty.

VII. Status of Implementation of Macroeconomic Convergence Criteria

- a) The External Framework of Cape Verdean Economy
- b) National Economic Perspectives in 2019
- c) Economic Growth
- d) Inflation
- e) Budget Policies for 2019
- g) Fiscal Policies.

VIII. Environment and Climate Change:

IX. Payment of ECOWAS Community Fees:

X. Awareness-raising Activities Realized by Deputies:

I. Political Situation:

In January 1991 the first free and transparent multi-party democratic elections were held in Cape Verde making it truly democratic.

Since then a new modern democratic Constitution with independent judicial powers, public and private truly free press with democratic and transparent Municipal Elections were held in the twenty-two municipalities of the Country with strong, autonomous, competent local power close to the population. We are talking about a new phase, with a political system based on a multi-party democracy, where the freedoms and rights of citizens are respected, with good governance and transparent management of public goods and where the legal certainty of people and goods is an unavoidable fact.

Several Legislative Elections, with peaceful democratic alternations of ruling parties, were held in the Country. Similarly, Presidential Elections have been held within the constitutionally prescribed deadlines, and three (3) different Presidents of the Republic were elected since 1991.

The approval of a set of Diplomas, aiming at the search for modern Models of Administrative Management of the Country and Municipalities has been carried out over the years. The framework for political dialogue between the main political forces and with civil society is systematic and permanent. At this moment, the dialogue for Constitution and consensus is under way, namely for the ordinary revision of the Constitution and the Electoral Code. Increasingly, there has been a focus on healthy coexistence between the different organs of sovereignty in the exercise of their functions, based on strict respect and fulfillment of their respective powers, the Constitution and the entire legal framework.

The configuration of Cape Verde's political system is a Semi-Presidential regime, also referred to as Mitigated Parliamentarism.

The organs of sovereignty are the President of the Republic, the National Assembly, the Government and the Courts, which, in their reciprocal relations and in the exercise of their functions, respect the separation and interdependence of powers, under the terms of the Constitution.

The constitutional law of the Country expressly states that justice is administered, on behalf of the people, by the courts and non-judicial bodies of conflict composition, created under the terms of the Constitution and the law, in accordance with the rules of jurisdiction and legal process. Equally, justice may be administered by Courts established through International Treaties, Conventions or Agreements to which Cape Verde is a party, in accordance with their respective rules of jurisdiction and procedure. The Constitution does not allow any other court order, namely popular or religious courts. Consequently, there are, no traditional and / or religious court is in place or functioning in Cape Verde.

II. Security Situation:

The Government's commitments are to promote Man-Centered Security, with strong control over the national maritime space; along with participation in international systems to combat international trafficking of drugs, arms and human beings.

The Country adopted a new paradigm in the struggle against **Organized Crime and Security** with priority being : Zero Tolerance towards crime with a combination of means, such as: preventative proximity intervention; redefining the role of the State in security matters, supranational intervention and international co-operation; more effective and faster police response to crimes; motivation of security agents, objective management and immediate reinforcement of means; overcome judicial slowness; combating drug addiction and drug use; effective and efficient civil protection., among others.

A human security policy that addresses a global and integrated perspective, covering conceptual terms, public security and crime fighting, legal security, social security, public health, food security, preservation of the environment, transport safety, plant and floral protection, civil protection, such as macroeconomic issues that have an impact on the life and comfort of the people of the islands, and international security cooperation is already being implemented.

Urban security, through clear rules of conduct, municipal codes and organization of cities, is fundamental for the maintenance of order in public spaces, defense of the environment and respect for the tranquility of people, for public and private property.

Security is a priority of governance, given the location of Cape Verde at the junction of routes used by transnational organized crime, along with its geographic dispersion of numerous port shelters on all the Islands, making it difficult to control the Country.

III. Human rights situation:

As referred to in past reports, the National Commission for Human Rights and Citizenship (CNDHC) is the national institution for the promotion of general human rights.

Alongside of this, there are specific institutions for the promotion of human rights, namely the Cape Verdean Institute for Children and Adolescents and the Cape Verdean Institute for Gender Equality and Equity.

Of all three, the oldest is the Cape Verdean Institute for Children and Adolescents, whose origins date back to 1984, when the Cape Verdean Institute for Minors was created.

The creation of all three (3) institutions represented an important added value in the promotion of human rights in the Country, giving political and social visibility to the theme and thus contributing to the strengthening of citizenship and the extension of the enjoyment of rights, freedoms and guarantees.

The CNDHC has not registered many cases of human rights violations, but when they do occur, complaints are made directly to the Commission or through institutions that are dedicated to this purpose.

IV. Status of Implementation of Community Texts:

We continue to make enormous efforts to ratify the various Community texts that have not yet been ratified. We note recent visits by representatives of various ECOWAS institutions, where several dossiers were discussed, which will allow Cape Verdean Deputies in ECOWAS to put more pressure on the Government in achieving this objective.

It is important to highlight the publication of some Agreements that have to do with our integration. As an example, we have the recent publication in the Official Gazette No. 39, I series, of 4 April; the approval of Resolution No.114 / IX / 2019 by the Headquarters of the National Assembly of the Agreement between Cape Verde and the Banjul Group Accident Investigation Agency, totaling 44 (forty four), the Agreements, Conventions and Treaties ratified.

Similarly, advances are noted on the Dossier on the Mobility of ECOWAS citizens. Cape Verde is finalizing its internal action plan that will allow it to comply with the decision taken in June 2012, by the Heads of State regarding the introduction of Biometric Identity Cards and Passport in all Member States.

There is still an increasing flow of immigration to Cape Verde, so the authorities are committed to planning and implementing improvement measures, especially legal and administrative, to ensure adequate and sustainable immigration, with a guarantee of decent

work with social protection, rights and duties, at all levels, to all citizens who have chosen to reside in Cape Verde.

Thanks to the Principle of Free Movement of Persons and Goods, immigrants from the ECOWAS sister countries continue to be among the largest number of immigrants in Cape Verde.

a) Freedom of Expression

At this level, there are no concerns linked to any blockages on people's exercise of freedom of expression. There are no reports of violation of this great Constitutional right in its various forms of expression, nor direct censorship of any kind. On the contrary, certain free spaces have allowed the vibrant exercise of various forms of expression and opinion, sometimes crossing the boundary between the promotion of freedom of expression and opinion and the protection of honor and image.

b) Freedom of Information / Freedom of the Press

These two freedoms, (Information and Press), are a fact in Cape Verde. There is no indication that there are any obstacles placed by the public authorities, or limited access to information of any title, for example by blocking web pages or censoring newspapers, news content or any other form of censorship.

Cape Verde is increasingly making progress in the Press Freedom Ranking. The last entry from April 2019, in the NGO Reporters Without Borders World Ranking of Press Freedom, reveals that of the 180 countries evaluated, Cape Verde comes in the prestigious 25th position.

It should be noted that according to the report of Reporters Without Borders, Cape Verde comes ahead of major Asian countries such as Japan and South Korea; in Europe countries such as Spain, Italy, France, Great Britain; or in American countries such as USA, Argentina and Brazil. Our country being in 2nd place in Africa, is only preceded by Namibia.

This is at least the 4th report of prestigious international institutions published in 2019, evaluating Cape Verde positively.

It should be noted that in January two reports were published, one from the Democracy Index in the prestigious London magazine, "The Economist", ranking Cape Verde in the 26th position out of a total of 167 countries. The second being "Transparency International", (an international organization based in Berlin), in its presentation of yet another ranking of the perception of corruption, placing Cape Verde in 45th place among 180 countries.

As early as February, it was Washington DC based Freedom House's turn to put the Country at the world's freest level, with a score of 90 out of 100, and top scores on political freedoms and rights.

c) Freedom of Meeting and Demonstration

There are no reports or accusations of unlawful infringements of this fundamental right in Cape Verde. There are no reports or denunciations in this regard. As a fundamental right which includes negative obligations for public authorities and positive obligations at the legislative and administrative level, in particular by guaranteeing institutions (police and City Councils), thus there is very little need for any other public policies on this area. There is no information of any plans to change the law currently in effect. The assessment of the compatibility between the exercise of these freedoms and the concrete reality, lead us to conclude that there are no major constraints regarding their exercise. There is no evidence that public authorities unconstitutionally violate this right by action or omission.

d) Protection of the Rights of the Child

In 1991 Cape Verde ratified the Convention on the Rights of the Child and it entered into force in the national legal system through Law No. 29 / IV / 91 of 30 December. Since then, there were numerous reforms to respond to the recommendations made to the State of Cape Verde.

Among these reforms, the highlight goes to the Education System, where the legislation was empowered and strengthened, increasing some penal frameworks on sexual abuse and violence against children and adolescents. The reform of the educational system was strengthened; legislation was strengthened by a number of penal frameworks on sexual abuse and violence against children and adolescents; improvements were made in childhood policies and other social policies, to meet the recommendations made to the State by the Committee. The Statute of the Child and Adolescent (ECA, Law no. 50 / VIII / 2013, of BO I Series, no. 70, of December 26), was approved by the National Assembly, a regulatory instrument on Children and Adolescents was adopted as a transversal axis for the superior interest of the child as a fundamental principle.

The Statute of the Child and Adolescent (ECA) is guided by the principle of the highest interest of the child and the adolescent, legal value and criterion of measurement of the decisions related to that sector of our society. It deals first with the fundamental rights, freedoms and guarantees of children and adolescents, specifically addressing the rights to life, personal integrity, freedom, identity, health, education, as well as rights of assembly, manifestation and participation, the right to live in the family and the opportunity to have an adequate standard of living.

With regard to the measures taken to combat and prevent child labor, it is worth mentioning the progress made in terms of the legal framework, including the entry into force of a List of Dangerous Work prohibited for children and adolescents, approved by Law no. 113 / VIII / 2016.

The National Action Plan for the Prevention and Eradication of Child Labor (PANPETI), approved by the Council of Ministers through Resolution no. 43/2014 of the BO, I series, no. 35 of 2 June was elaborated.

Regarding the measures adopted to guarantee basic education, the Basic Law of the Educational System, in relation to minors in conflict with the Law, in 2006 a new tutelary regime for minors between 12 and 16 years old was approved.

With regard to sexual offenses against minors, in 2015 the Decree Legislative No 4/2015 of 11 November (with amendments to Legislative Decree No 4/2003), entered into force on 12 December 2015. The amendments adopted retained the criminal offenses related to sexual offenses, including three new types, specifically: Article 145° A - Recourse to prostitution of minors; Article 147° A - Indecent assault; and 152° A - Consented artificial procreation.

A study process is underway to finalize a draft law to change the criminal framework of sexual crimes against minors.

Also, in order to combat sexual crimes against minors, the National Plan to Combat Sexual Violence Against Children and Adolescents - 2017-2019, which follows on from the two previous plans to combat sexual violence, respectively, was approved in 2005. and 2010.

e) Women's Rights

Government created the Ministry of Family and Social Inclusion as a Government Department that addresses the sectors of family and social inclusion, especially children, the elderly, people with disabilities, combating poverty and promoting gender equality. Thus, for the first time, a Ministry has attributions on gender equality, in addition to superintending the ICIEG.

Cape Verde has been making continuous efforts to analyze the situation of women from all walks of life, and to identify areas of persistence of inequality. In some areas it has considered the implementation of special temporary measures, namely; for the participation of women in decision-making, in particular in politics, for the economic empowerment of women, through policies and guidelines in the programs, especially in the field of poverty reduction and the promotion of economic opportunities.

Data from the Police and the Attorneys' Offices in Cape Verde do not reveal complaints about the practice of female genital mutilation (FGM) performed in the Country. FGM is considered a crime of gender-based violence (GBV), punished by the GBV Act as a serious offense against physical integrity, and even punishment of the agents is possible even when the fact has not occurred in Cape Verde, but the perpetrators are here.

The trainings conducted on GBV Laws refer to FGM as a harmful practice and GBV offense. In training aimed at health professionals, it is focused on the obligation to report cases that they may become aware of, as well as the referral of the victim and parents to support services.

In 2016, three (3) elections were held in Cape Verde; the Legislative, Municipal and Presidential. In the Legislative elections, 17 women were elected, (2 more than in 2011), with the female parliamentary rate increasing from 20.8% to 23.6%. In the Municipal Elections, it rose from 22% in 2012 to 26.3% in 2016. The proportion of MPs in Municipal Assemblies (AM) is now 29.4%; Municipal Councilors is 21 % (with 2 Municipal Chambers reaching parity - Praia with 44.4% and Brava with 60%), and Head Table Presidents of the Municipal Assemblies being 13.6%. However, no female mayor was elected. In the Presidential elections there were no women candidates.

In the Supreme Court of Justice, of the seven (7) magistrates two (2) are women (28.6%), with the President being a woman. The Superior Council of the Judiciary, which is responsible for the administration of magistrates, courts and judicial secretaries, is also presided over by a woman. The Bar Association is occupied for the second consecutive time by a woman. In the Magistracy, the proportion of women magistrates has varied between 35% and 37% in the period from 2009 to 2015. In the civil service, in 2014, among 106 leaders, 37 (35%) are women and 69 (65%) are men. In the Education sector, there were changes in terms of the decentralized management positions traditionally occupied by men: 45.5% of the Education Delegates in the municipalities are now women (2017), while this proportion was 18.2% in 2014. There is also an evolution in the position of director of the Secondary Schools, with the proportion of female principals rising from 31% to 39% in the same period.

Noteworthy is an important milestone in the Cape Verdean Parliament on 31 October in relation to gender equality in Cape Verde. The Parity Law has been approved. From now on, parity becomes mandatory in all spheres of power and public administration in the Country. An important step for Cape Verdean women.

It is worth recalling the great role of the Cape Verdean Women's Parliamentary Network in promoting gender equality and equity.

f) Rights of Racial Minorities and Immigrants

The Constitution of the Republic includes a set of precepts applicable to racial discrimination and the rights of immigrants and foreigners, which in their context are explicitly convergent with major international principles. Any foreign citizen in Cape Verde enjoys the same fundamental rights as Cape Verdeans, with some exceptions, such as political rights.

Our Constitution expressly prohibits privileged treatment and or discriminatory treatment, expressly mentioning the prohibition of racial discrimination, whose beneficiaries are both domestic and foreign.

As an example, the Immigrant Social Integration Project is being implemented and information and awareness-raising sessions are being held for immigrant women on fundamental rights, including gender equality and the prohibition of early marriage; Sexual and Reproductive Health (SRH) and women's empowerment; and GBV, which includes FGM. There are plans to raise awareness among immigrant men and young people, with the same themes, through a partnership with the Laço Branco Network

V. Status of Implementation of Community Programs and Projects:

Infrastructure in the Country has been a major priority of successive governments. For roads, ports, airports and telecommunications alone, Cape Verde has made extraordinary efforts to provide the archipelago with a modern and competitive system to invest in the regional and international service sector.

On the Regional level, Cape Verde continues to await for the transport policy measures long advocated by the Commission (**the Priority Action Plan for West Africa, in particular the Africa Infrastructure Development Program**), for Continent defines the strategy for regional integration which calls for the construction of motorways and railways. In the case of Cape Verde, integration will have to be done through the improvement of sea-to-air links.

The connection between Praia City and the Dakar in Senegal has improved considerably and entered the Air Senegal company route. The Cape Verdean company has already taken this route again. This improvement of the link between Cape Verde and Senegal is mainly boosting trade, not only between the two countries but with potential for the whole Region. The Cape Verde / Lagos connection is also foreseen; a measure which will have serious commercial impact.

Regarding energy, we believe that within a short time we will achieve the goal of 100 % of the population having access to energy, and consequently eliminate the use of firewood and thus protect the environment.

Similarly, the renewable energy network continues to expand, with a target of 50% expected in the coming years.

Within these parameters, we consider ourselves able to participate actively in the implementation and adoption of a Regional Policy Framework for ECOWAS, which is one of the main tasks of the Regional Center for Renewable Energies and Energy Efficiency, based in the Country's Capitol.

In the transport sector, it is intended to build an integrated, competitive and secure Integrated Transport System, with a relevant contribution to the national wealth, to the Balance of Payments and to employment.

Concerning maritime, air cargo and passenger transport systems, it is intended to ensure the unification of the national market. Infrastructures and means of transport deserve special attention in order to ensure safety, efficiency and quality in the movement of people and goods.

Air transport and its infrastructures are being developed to respond efficiently and at an acceptable cost to emergency / urgent needs in the economic context. A public air transport service policy is being defined, prioritizing the connection between the Islands and between the Country and the Diaspora, and the routes that are the object of a public service.

In terms of Maritime Transport:

As part of the restructuring and reorganization of the “inter-island” maritime public transport system, the model of concession contracts with individual operators that is being materialized has already been revised. Note, on 15 August, a new Inter-Island Transport company began its activities, linking the Islands of the Country using this new model.

As a way to encourage private investment in the sector, the proposed budget for the year 2019 included a set of tax incentives where, for example, CIN licensed entities engaged in activities related to the international maritime transport of persons or goods, may opt for a special system for determining the tax base, provided that they fulfill certain conditions, such as all ships or vessels, and that they hold and are registered in the Cape Verde International Ship Register.

It should be noted that an amount in the 2020 budget should be included to subsidize inter-island transport, all with a view to ensuring the full integration of the Country.

In terms of Air Transport:

Within the reorganization of the management of the national airline - TACV, an Air Hub was installed on the Island of Sal and work has been developed to stabilize air transport both internally and internationally. Tourism has been developing in the Country and has greatly contributed to its economic development.

Tourism has been placed as one of the main activities of our economy. A new National Strategic Plan for Tourism is already under way to guarantee the achievement of the desired objectives. The plan for public sector policies organized around the focus on the individual tourist, the freedom of the private sector, the opening of the sector to the challenges of the future and knowledge about the activity.

These development objectives of the main sector of the economy will only be achieved with an efficient and quality transport service that is very competitive, so several actions are under way such as:

- Make the tariff system of air travel between the Country compatible with the issuing centers in ECOWAS, Europe and others abroad, with what is practiced internationally.
- Organize the provision of service so that domestic air transportation offers a service in line with gains in competitiveness.
- Organize the interfaces in airports, ports, roads and in general in all the touristic routes, facilities suitably equipped in strategic points to stimulate the consumption of the tourist and revert to the local and national economies and to the citizen about the advantages of tourism, among others.

VI. Economic and Social Situation:

Cape Verde reaffirms its support for the idea that economic integration is a determining factor for the political and social stabilization of the West African Region and therefore reinforces the need for ECOWAS to focus on the objectives of increased economic and trade cooperation between States which compose it.

a) Financing of the Economy.

The Government continues to promote improvements in financing conditions for productive activities and to execute a strong program to attract and retain Foreign Direct Investment (IED) and export incentives. Focusing on investment is the key to business recovery and to ensure a new cycle of growth and employment.

Both the 2019 and 2020 State Budget clearly reflect this new vision, an option based on the Strategic Plan for Sustainable Development for the 2017-2021 horizon, which essentially aims to promote the competitiveness of the economy, employability and territorial and social inclusion.

To accommodate the Country Development Strategy, the State Budget for 2020 provides for an overall amount of seventy-three million, one hundred eighty-nine thousand Escudos (**\$ 73,189,000,000.00**), an amount intended to ensure the functioning of the State, as well as some investment projects, with a large portion going to the social area.

b) Social and Regional Inclusion

The Government considers social development an essential element in the strategy of the Country's development process and places, as its priority of priorities, the struggle against social inequalities prevailing in the Country. In this sense, one cannot speak of social inclusion without adopting measures of Regional Inclusion, since social policy must be a promoter of the dignity of the human person and of his/her autonomy, with an inclusive Country, through employment, income and education.

1. Education - Free Enrollment and Attendance at Schools for People with Special Needs

From this school year 2019/2020, which began in September, enrollment and attendance at public and private pre-primary, secondary, tertiary and vocational schools for persons with special needs has become free in terms regulated by Ordinance No. 27/2018, of 8 August. In fact, the 2019 State Budget provided for a Budget Item to that effect.

2. Promotion of Social Inclusion and Combating Poverty

The new strategy of social policies will privilege social insertion rather than mere subsidization of risk. This model will be based on a change in the State's paradigm and the conditioning of citizens to bet on the construction of a broad partnership between the State, local authorities and civil society, recognizing a central role for churches and private institutions of social solidarity.

Inclusive development presupposes, in addition to active policies to minimize social inequalities and gender equality, decent employment, in order to promote the social advancement of the most disadvantaged, based on access to work and the constant improvement of their conditions, income and quality of life, adoption of measures to promote the creation of a system of care for children, the elderly and people with disabilities (especially those belonging to the most vulnerable families), which could reduce the negative impact of that care crisis has on social cohesion and to contribute effectively to gender equality, recognizing the crisis of care within families as a collective problem that requires collective social responses.

It is in this sense that throughout the year the Government will continue to promote assistance to those who are affected by: disability, old age, incapacitating diseases, unemployment and other vulnerabilities; created an inclusion income for the most vulnerable, (in the sense of families with children at risk), is working to reduce the waiting list in health facilities, in close partnership with the private sector, particularly in the most critical areas of gynecology, ophthalmology and orthopedics, assuming the financial results for the poorest population, with reinforcement of the human and material resources of health structures.

Measures to encourage microcredit financing have also been defined.

VII. State of Implementation of Macroeconomic Convergence Criteria:

a) International Framework

Cape Verde's external economic environment remained slightly favorable until the end of 2018. This is due to the fact that inflationary pressures, mainly driven by the significant increase in oil prices, have to some extent conditioned the economic performance of the Country's main partners. However, there are uncertainties in trade policy given the trade war between China and the US, coupled with the outcome of the Brexit that may affect the performance and dynamics of the national economy.

The world economy in 2017 grew by 3.7% and was marked by the expansion of the international market, improvement in the labor market and recovery of commodity prices that began at the end of 2016. According to the IMF, July estimates for this year indicate that world GDP grew by 3.6% in 2018 (-0.2 pp over 2017). Advanced and emerging and developing economies grew by 2.2% (-0.2 pp) and 4.5% (-0.3 pp), respectively. In addition to the known risks in 2018, the year 2019 is marked by a bottleneck in the German auto sector and tighter external financing conditions impacted the economic performance of the main domestic foreign market: Eurozone and the United Kingdom. For Cape Verde's partner economies in the Euro Area and the United Kingdom, projections indicated in 2018 a deceleration compared to 2017's performance, while for the United States of America (US), the

outlook was to reinforce growth. In 2017, the Euro Area economy grew by 2.4% and according to the IMF, in 2018 to around 2.2%. Eurostat data show that Euro Area GDP grew by 2.3% in 2018, driven by consumption and exports. Regarding the labor market and price levels, the average unemployment rate was 8.4%, the lowest since December 2008 and the average inflation rate in the same period was approximately 1.5%.

Regarding the outlook for 2019, the world economy continued to show signs of a slowdown in economic activity in the second quarter of the year, although the intensity of the process is not yet clear. Growth forecasts have been revised downwards: compared to the January World Economic Outlook report. The World Bank reduced its forecast for 2019 by 0.3 percentage point (pp) - to 2.6% - and by 0.1 pp - to 2.7% - by 2020. In addition, geopolitical tensions, commodity prices (especially energy prices), the effects of less accommodative monetary policy constitute, among others, risk factors that may affect the performance of global economic activity for years to come.

b) National Economic Perspectives - 2018-2019

Based on the current macroeconomic scenario, the confidence of economic agents and State Budget 2019 instruments to facilitate access to productive credit, boosting “inter-island” connectivity and reducing factor costs, improving the business environment, the Cape Verdean economy is expected to continue its growth process that began in 2016.

According to the Ministry of Finance projections, the most dynamic components of GDP include investments and exports.

For 2019, this momentum is accompanied by a rise in final consumption expenditure, an increase in exports and a decrease in imports, leading to an improvement in net exports and the current account balance, despite the 18.9% reduction in foreign direct investment.

National economic activity grew 5.1% in 2018 and is expected to grow between 4.5% and 5.5% in 2019, according to the IMF (International Monetary Fund).

The favorable performance of exports in the first half of this year results from increases in travel and tourism (+ 11.9%), exports of frozen fish (+ 7.2%) and footwear (+ 2.0%).

From the supply side, the first six (6) months of the year were marked by a slight recovery of the primary sector by 0.1%, which together with the secondary and tertiary sectors contributed to better performance of the economy.

Regarding the external context, the framework assumptions, according to the most recent perspectives, though less optimistic, outlooks of the International Monetary Fund (IMF) and the European Central Bank (ECB), continue overall to favor external demand and financing for national economy.

The strategic guidelines for the 2019 Budget, aligned with the Strategic Plan for Sustainable Development for the 2017-2021 horizon, essentially aim at promoting economic competitiveness, employability and territorial and social inclusion. To accommodate the strategy, the Operating and Investment Budget is expected to amount to 63.193 million Escudos (compared to 59.035 million in 2018), and is to be funded 95 percent by collected revenues (75 percent by tax revenues, which an increase of 6.2 per cent, driven by the dynamics of the economy and continuous improvement of the efficiency of tax administration).

C) Economic Growth

Regarding the domestic economy, after GDP grew by 4.7% in 2016, growth in 2017 was 3.7%, and in 2018 it was 5.1%, even under the drought of the last two (2) years.

According to the Ministry of Finance, Cape Verde's public debt, which in 2018 stood at 123.2%, is expected to fall to 122.3% in 2019 and to 118.5% the following year (2020).

The Bank of Cape Verde points to a Gross Domestic Product (GDP) growth of around 5.0%, supported by higher investment dynamics (public and private) and a significant increase in public consumption.

The gradual consolidation of the public deficit becomes imperative. The path of the public deficit has reflected this firm commitment, with a deficit of 7.6% and 4.6% in 2014 and 2015 respectively, rising to 3.1% in 2017 and 2.6% in 2018.

A deficit of 2.2% and 1.7% is projected for 2019 and 2020 respectively, reinforcing the consolidation path.

The assessment of the hypotheses for 2019 supports a strengthening of the contribution of gross fixed capital formation to growth, materializing the prospects for faster execution of ongoing projects by major tourism promoters, reducing constraints in the preparation of debt contracting processes. both private and state-owned, as well as increased capital position and effective investments by foreign operators already established in the Country. With a more limited impact, public initiatives should contribute positively to the reinforcement of investments in 2019, as well as to the process of restructuring of public enterprises under privatization.

Prospects for increased emigrant remittances, stagnant wage incomes, as well as some increase in agricultural and business and property incomes, along with the expectation of maintaining consumer prices, should underpin the dynamics of private consumption.

According to the medium-term fiscal framework projections, the fiscal impulse for growth will be higher in 2019, due to the expected increase in final consumption in nominal terms by 3.6%, with private consumption growth of 4.1%. %, probably due to the increase in household disposable income.

It is also expected that the air hub business will be consolidated, with positive results in service exports, at a time when external demand directed to the national economy should remain relatively stable.

c) Inflation

Consumer prices maintained a moderately upward trend throughout 2018, with the average annual inflation rate standing at 1.3% (compared to 0.1% and 0.8% respectively) in August and December 2017).

Consumer price behavior continued to predominantly reflect developments in world energy commodity markets.

The upward trend in oil prices continues to be transmitted directly to the prices of administered goods and services and indirectly, with the increase in domestic production costs and the main suppliers of the Country to the other consumption prices of goods and services that make up the bulk of Cape Verdean consumers. As a result, prices in all classes of the consumer price index, except for clothing and footwear, increased, with housing, water, electricity, gas and other fuels and transport rents taking into account average annual inflation rates, both around 3%.

Maximum monthly fuel prices increased by an average of 6.0 percent in August compared to December, with gasoline, diesel and oil prices increasing by 10, 13 and 11%. It should be noted that the administered prices of electricity and water supply, public transport and fuel respectively grew by 8.3, 3.1, 2.6 and 9.6% in 2017.

The 2017 and 2018 agricultural campaigns, conditioned by low rainfall, also influenced the evolution of consumer prices. Average annual inflation rates for unprocessed food and seasonal products, (prices of which have maintained a markedly rising profile since the second half of 2017), stood at 1.7 and 5.5% in 2018, determining the important contribution of food and non-alcoholic beverages to increase the general consumer price index, despite the reduction in processed food and beverages (mainly imported) prices by 0.7.

The average annual inflation rate is expected to remain in 2019 and 2020 at the same level as that of 2018, largely reflecting the expectations and consequent impacts of consumer prices in line with expected developments in energy and non-energy commodity prices in the international markets.

The underlying inflation profile corroborates the tendency of some containment of inflationary pressures more associated with the behavior (moderation) of domestic demand.

e) Budgetary Policies for 2019

The State is implementing measures necessary for the strict containment of public expenditures and the control of their efficiency. These measures consist in particular of:

- Monthly monitoring of the execution of the State Budget, with a view to taking the necessary measures to meet the budget deficit target and the programmatic norms contained in this law.
- Definition through the Budget Implementing Decree, rules and procedures for the rigorous management of public revenue and expenditure.
- Ensure the reinforcement of the inspection and enforcement action of bodies and services with competence in the area, in a systematic and programmed manner, to ensure rigorous budget execution, avoid misuse of public resources and ensure strict compliance with laws.

- Taking measures for the effective rationalization of autonomous funds by enhancing transparency in budget execution, as well as carrying out all of its operations via banks to ensure the integrity of the budgetary and financial management of the State.

The implementation of all these measures aims to achieve the objectives of reducing the budget deficit and making better use of public resources.

f) Fiscal Policies

Measures are being implemented to achieve the best fiscal environment in the history of the Country. In the next eight (8) to 10 years it is intended to reach the top 15 in the world in terms of fiscal competitiveness. This is why a highly competent, efficient, motivated and strong Inspection and Technological Tax Administration is recommended, as well as strengthening the Country's competitiveness in attracting investment, namely through the amendment of the Tax Benefits Code, promoting low taxation, high confidence and fiscal stability. As well as policy measures are being implemented for a modern, highly competent, efficient, motivated and strong technological capability, aligned with the new challenges of international trade, especially with regard to facilitating licit trade, reducing inherent operating costs by reducing the customs clearance time. On the other hand, it intends to revisit the Customs Code and the corresponding regulation, aiming at a greater integration of Cape Verde in the African Continent, safeguarding the specificities of the Country.

VIII. Environment and Climate Change:

Climate change is a major challenge for Cape Verde. Integrated policies are being implemented in the field of environment, aiming at ensuring greater environmental sustainability, competitiveness and territorial organization, i.e. better use and management of environmental resources in order to balance the satisfaction of current needs with the just expectations of future generations.

The Country recognizes that the sustainable management of environmental resources, territorial reorganization and the enjoyment of adequate quality environmental should constitute the main strategic orientation of the Country.

It should also be noted that Cape Verde faced three consecutive years of drought, with very low rainfall. The Country has faced and continues to face serious problems with lack of grazing for animals. The Government has been required to implement emergency

mitigation plans to address years of drought. Fortunately, it has been able to count on some of its partners.

For this and not only that, particular attention must be paid to the issue of climate change and a serious approach to the issue on the internal level must necessarily involve regional bodies and specialized agencies of the United Nations.

The potential effects of climate change in the Country recommend that the issue should be at the center of the authorities' concerns, supported by an appropriate scientific approach, involving national knowledge centers.

The approach to the potential effects of climate change in the Country must be shared by the municipalities, as it will affect areas under their responsibility, as well as by the real involvement of communities and citizens in the precautions to be taken.

Cape Verde continues and will continue to participate in global and regional environmental research networks, particularly those dealing with investigation of its effects of the phenomenon of climate change.

IX. Payment of ECOWAS Community Fees:

The Country continues to make efforts to meet its debt commitments to the organization. A Debt Relief Plan has been discussed with the ECOWAS Commission and we believe that we will soon begin to realize that plan.

X. Awareness-Raising Activities Realized by Members:

Within the perspective of intensifying the activities of ECOWAS., which is also a fundamental objective of the Fourth Legislature, and aware of the importance of institutional communication for achieving the objectives of the Strategic Plan of the 4th Legislature, on the one hand and the 2020 vision of ECOWAS, our Deputies have executed a strategic communication agenda, together with the media in our Country. Also, the Delegation of Cape Verde continues to make a strong commitment to aliment its Facebook page, which has thousands of followers and has functioned as a source of the Cape Verdean media. The page is called: "*DEPUTADOS DE CABO VERDE NA CEDEAO*" ("DEPUTIES OF CAPE VERDE IN ECOWAS") and can be accessed through the link: <https://web.facebook.com/Deputados-de-Cabo-Verde-na-Cedeao-697364060416609/>

This media agenda is based on the publication of issues in order to raise the awareness and knowledge of national citizens about the importance of the ECOWAS Parliament and its role in harmonious and productive regional integration.

The agenda for the participation of the Deputies of Cape Verde in meetings of mixed commissions and meetings of the Parliament of ECOWAS continues to be shared with the national press through publications of texts on its Facebook page, in the city newspapers and communiques in the press. In addition, Members have been involved in

public radio and television programs, as well as conferences organized at the highest level of the State, which deal with ECOWAS and / or the Parliament of the Community.

In general, at present, all Cape Verdeans know the meaning of the acronym ECOWAS and what its mission is in the context of the African Sub-Region.

All this happens because the Deputies of Cape Verde, with the selfless work of the journalist who accompanies us, continue to be engaged and firm in their work of disseminating the ECOWAS Parliament to the population.

THANK YOU VERY MUCH!
