

WORLD TRADE ORGANIZATION

RESTRICTED

WT/ACC/CPV/3

1 July 2003

(03-3504)

**Working Party on the
Accession of Cape Verde**

Original: English

ACCESSION OF CAPE VERDE

Memorandum on the Foreign Trade Regime

In a communication circulated in document WT/ACC/CPV/1 on 11 November 1999, the Government of the Republic of Cape Verde applied for accession under Article XII of the Agreement Establishing the World Trade Organization (WTO).

The General Council established a Working Party (WT/GC/M/57) on 17 July 2000 with the following terms of reference: "To examine the application of the Government of Cape Verde to accede to the World Trade Organization under Article XII, and to submit to the General Council recommendations which may include a draft Protocol of Accession."

In accordance with established procedures (WT/ACC/1), the Secretariat is circulating the attached Memorandum on the Foreign Trade Regime received from the Government of the Republic of Cape Verde. WTO Members wishing to submit questions on the Memorandum are invited to do so by 15 August 2003 for transmission to the authorities of the Republic of Cape Verde.

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I. INTRODUCTION

The Government of Cape Verde submits this Memorandum on the Foreign Trade Regime to the World Trade Organization (WTO) in support of its application to accede to the WTO under Article XII of the Marrakesh Agreement Establishing the World Trade Organization.

Cape Verde, with a per capita income of less than US\$1,500 per year in 2002, is a least developed, peripheral insular country as defined by the United Nations and recognized by the WTO. The relatively small Cape Verdean economy has a number of structural weaknesses that affect its economic growth. Limited natural resources, a small manufacturing base, and a lack of agricultural crops for export result in a serious trade imbalance, and Cape Verde's relatively large external debt and increasing urban unemployment compound the country's economic problems. The Cape Verde economy relies heavily on development and donor assistance to balance the external account.

Despite these challenges, in recent years Cape Verde has made progress in improving its economic condition. During the 1990s, the Government successfully launched an economic liberalization program that emphasized market reform and private sector-led growth. Almost all State-owned enterprises have been privatized, and the Government has created a favorable legal climate for foreign investment. Due to policy implemented from independence on, the country benefits nowadays from a labor force with comparatively high educational and skills levels.

While a relatively small player in international trade (exports of CVE1,201 million and imports of CVE30,519 millions), Cape Verde is affected by events and changes taking place in the world economy. The Government's objectives are to promote exports, especially of manufactured goods, tourism, and transportation services, and to attract a higher level of foreign direct investment. Membership in the WTO will assist Cape Verde in meeting those objectives. Moreover, as a net importer of almost everything needed for commerce and consumption, the country cannot afford to be isolated from the processes that shape international trade. Regardless of the size of its economy, Cape Verde is of the view that it has much to offer the WTO, particularly by providing a better understanding of the problems facing least developed countries in their trade relations. (Obs.: CVE110.265 = 1 Euro)

Cape Verde wishes to join the WTO on terms appropriate to its status as a least developed, peripheral insular country, where the production and distribution costs are very high affecting their trade relations.

II. ECONOMY, ECONOMIC POLICIES AND FOREIGN TRADE

1. Economy

(a) General description

Cape Verde is a small archipelago, consisting of ten Islands and eight islets, archipelagic sea, and adjacent and economic exclusive zones, located off the shore of a vast semi-arid and arid zone of the Sahel (approximately 650 km from the African Coast, between the parallels at 17°, 12' 5" and 14° 48' of latitude North and the meridians at 22° 44' and 25° 22' of longitude West). The Islands are distributed in two groups according to their relative positions to the dominant winds. The Islands of Santo Antão, São Vicente, São Nicolau, Sal and Boa Vista form the Barlavento or Windward Islands, and the Islands of Maio, Santiago, Fogo and Brava make up the Sotavento or Leeward Islands.

With an arid to semi-arid tropical climate tempered by trade winds from the Atlantic Ocean, the Islands experience a diversity of microclimates. Precipitation is meagre and very erratic, averaging 200mm per year, and despite the torrential downpours that come with the rainy season

(from July to September), water remains a scarce commodity. There are no permanent streams or fresh water wells, and the rains do not adequately recharge the underground water deposits, thus aggravating the desertification process. Cape Verde's mountainous geography increases and accelerates the run-off of water during the rainy season. Vegetation is sparse due to low humidity and erosion brought on by the torrential rains and exacerbated by deforestation and overgrazing.

Cape Verde's islands are volcanic in origin, and most are rocky and mountainous. The total land area of the archipelago is 4,033 km². The national territory consists of approximately 403.3 thousand hectares. Land use is as follows: arable land, 9.68 per cent; permanent crops, 0.5 per cent; other, 89.82 per cent (1998 estimates). The dearth of cultivated land adversely impacts rural employment and food production efforts. The production of staple foods such as corn and beans covers less than 10 per cent of the population's needs. Food aid compensates for the shortfall, representing approximately 40 per cent of food imports. Bananas are the only crop with some export potential. Its industrial production began in the 1950s, peaked in the 1960s and declined continually from then on. Since 1994 there has been no banana export.

The Islands have few natural resources. The fishing sector is not commercially significant because Cape Verde does not have a continental platform. The few mineral resources identified are basalt, pozzuolana (a siliceous volcanic ash, which can be used to produce hydraulic cement). There are small deposits of calcarium, gypsum, kaolin, limestone, clay, and mineral water. There is a significant potential for increased salt production.

According to the 2000 Census, Cape Verde's population totals 434,625, unevenly distributed among the nine inhabited Islands of the archipelago. Santiago is the most populous island with 236,627 inhabitants, followed by São Vicente with 67,163. The least populous Island is Boa Vista with 4,209 inhabitants, although area-wise it is the third largest island of the archipelago. The annual population growth-rate is 2.4 per cent.

(b) Current economic situation

With a population of 434,625 and a Gross National Product of CVE62,198.3 million or approximately US\$1,218 per capita, Cape Verde's small island economy faces a number of challenges. Nevertheless, the country is harnessing its resources to best advantage.

Cape Verde's economic structure is different from that of the majority of countries on the African Continent. The services or tertiary sector commands 60 per cent of GDP and absorbs 66 per cent of employment (1998 figures). The primary sector represents only 12 per cent of GDP due to the enormous structural constraints facing agricultural production (1998 figures). The secondary or industrial sector represents a mere 19 per cent of GDP and 18 per cent of employment (1996 figures). These figures help to explain why Cape Verde did not have an export industry prior to 1995.

The absence of structural incentives to allocate resources to local productive activities – for example, the small size of the territory and domestic market, the lack of rain, and the isolation of the Islands – constitutes a weakness of the Cape Verdean economy. These constraints compel Cape Verde to continue to depend on external resources to finance its economy, mainly foreign aid and remittances from emigrants, which represent 20 per cent and 14 per cent respectively of GDP. The commercial balance is in a deficit; from 1991 to 1997 exports covered on average about 4 per cent of imports.

In spite of these challenges the economy is growing. After a slow period in 1990-1991, real economic growth in 2002 was on the order of 4 per cent to 5 per cent, and the inflation rate dropped from 4.3 per cent to an estimated 1.7 per cent in 2002. According to data from the Institute of Labour and

Professional Training, in the 1990s about 25 per cent to 26 per cent of the active population was unemployed, but current trends point to a reduction in those figures.

2. Economic policies

(a) Main directions of the ongoing economic policies

- Independence and the development of a directed economy

Cape Verde gained its independence from Portugal in 1975 after five centuries of colonial administration. The country was able to harness the trust of the international community, which translated into substantial support for Cape Verde's development process and the reconstruction of its economy.

From independence to 1990, Cape Verde was governed by a one-party regime whose primary focus did not include the development of exports. There were serious constraints to the private sector. The development plan of that period focused on strengthening the internal market through import substitution and State control of the economy. Several public and mixed economy enterprises were created in a variety of economic sectors, including: transportation (sea and air), fuel, agriculture, poultry and livestock production, fishing, pharmaceuticals, civil construction, naval repair, insurance, hotel services, and commercialization of basic goods. The State played a significant role in the economy, and by the end of 1988, 19 State owned and 14 mixed enterprises had been created.

The Government also took control of the poor existing financial sector. The Bank of Cape Verde (BCV) was created as Treasury Repository and Central Bank, taking over the functions of the Portuguese Banco Nacional Ultramarino. By 1974, the "Banco de Fomento" (the Foment Bank) a public investment bank was created but the financial system regressed and came to be constituted by BCV and "Caixa Económica e Postal" (credit union). Subsequently, the Government converted the "Caixa Económica e Postal" into "Caixa Económica" as a commercial bank and created the Social Providence Institute. Three financial institutions thus constituted the financial sector, all created as public enterprises.

The development and creation of State-owned enterprises, the lack of managerial expertise and qualified manpower, and the priority roamed to the internal market created negative effects on the efficiency and competitiveness of the national economy. Moreover, this strategy discouraged foreign and private investment. By 1985, the Government acknowledged that its economic policy had outlived its usefulness, leading to a series of problems, including:

- production-factors inefficiency;
- increased public indebtedness;
- weak productivity and profitability of certain public investments;
- underdeveloped private sector;
- growing informal sector;
- limited competitiveness; and
- reduction and stagnation in development assistance.

Economic liberalization

Confronted with a multitude of challenges, the Government determined that a radical restructuring of the economy was in order. Cape Verde's conversion to multi-party rule in late 1990 followed by its consolidation and democratic liberalization from 1991 onward galvanized the economic restructuring process. The State's role in the economy diminished substantially as the

Government looked to increase Cape Verde's participation in the global economy, and the private sector emerged as the engine for development.

One of the first tasks undertaken by the Government was to create the legal framework to allow for market liberalization. Cape Verde revised its Constitution to redefine the concept of public property, removing certain sectors from the public activity reserve in order to stimulate private sector initiatives and to open up to foreign investment. As a result, over 20 State-owned enterprises were privatized, and Cape Verde saw a marked increase in economic activity. A list of some of the privatized State-owned enterprises is indicated in the Table that follows.

Table 1

Privatized Enterprises

Original enterprise	New privatized enterprise
Agência nacional de viagens	7 new agencies
Agripec	Agripec
Cabetur	Cabetur
Conchave	Conchave
Enavi	Sociave (mindelo) Enavi (praia)
emprofac	7 pharmacies
Fap	Aripec Coopechaves Prolac
Justino lopes	Associação sector argícola justino lopes, Carmac, Propec
Interbase	Salmar
Macsobil	Macsobil
Metalcave	Metalcave
Morabeza	Morabeza
Onave	Recoref, Belcab, Funcave, Lusonave
Sita	Sita
Ultra	Ultra
Electra	Enacol
Enacol	Electra
Bca	Bca
Caixa economica	Caixa economica
Garantia insurance company	Garantia
Promotora	Promotora
Cabo verde telecom	Cabo verde telecom

Source: Report on the Technical Assistance to the Privatization, (GARSEE, 1997)

In the financial sector, the Government adopted a law removing banking activities from the exclusive control of the State (Law. No. 52/III/89). The sector progressively has become more vibrant; Cape Verde currently has 4 commercial banks, with a total of 35 branches, and a few parabanking and international financial institutions. BCV serves exclusively as the central bank, notwithstanding the fact that, as an issuing bank, its power is limited because the Cape Verdean currency is linked to the Euro and secured by the Portuguese Government. However, BCV continues to licence qualified banks and other financial institutions in order to increase competition and promote the development of a competitive financial sector.

- Pricing policies

The pricing policy in effect is governed by Decree Law No 1/99 (Official Bulletin No. 1, first Series 1 February), which regulates domestic prices of goods and services based on a policy of transparency and truthful pricing. Decree Law No. 29/2002, of 9 December [Official Bulletin No. 35, first Series of 9 December 2002], removes the monopoly from the import of corn, rice, sugar and

wheat grain. According to Resolution No. 14/2002, of 15 April [Official Bulletin No. 10, first Series, of 14 April 2002] wheat flour can only be imported by MOAVE because of an existing contract with the Government. However this monopoly and the price control on wheat flower will end in 2004. Cape Verde maintains a maximum price on rice, corn, sugar, wheat grain, wheat flour, bread, potato and onion. Fuel is subject to a fixed price.

The current framework for pricing policy, as stated in the Government Program for the Sixth Legislature for 2001-2005, is founded on macroeconomic stability and on fostering the convertibility of the Cape Verdean Escudo to the Euro (Resolution No. 5 – A/2001, Official Bulletin No. 6, first Series of 13 March).

(b) Monetary and fiscal policies

- Monetary policy

The Bank of Cape Verde's Organic Law calls for BCV to work with the Government in defining and executing monetary and exchange policies, and in guiding and supervising the monetary, financial, and exchange markets (Law No. 10/VI/2002 of 15 July). BCV's function as the central bank is to further the principal objective of Cape Verde's monetary policy – maintaining price stability – while simultaneously regulating the nation's money supply.

Initially, the instrument utilised to exercise monetary policy was the control of credit expansion through administratively established interest rates, and limits on credit. The result was a tendency to create excess liquidity in the banks, at enormous costs at the level of financial intermediation. In the framework of financial systems reform initiated in 1993, the BCV abandoned the administrative methods of monetary controls in 1999 and started making monetary management through indirect methods, namely through mandatory cash reserves and rediscount rates. At present the Central Bank uses market mechanisms almost exclusively for monetary management.

Regulation of monetary policy currently is achieved through open market operations, variations in the cash reserve coefficients; and variations in the central bank rediscount rate, a little used instrument. The abandonment of credit limits in favour of the progressive utilisation of indirect monetary policy instruments eliminated market distortions, and it allowed interest rates to constitute a true vehicle through which to transmit monetary policy.

Cape Verde's monetary policy in 2002-2003 aims at stabilizing the macroeconomic situation and supporting the exchange rate peg to the Euro. BCV is committed to actively utilising the monetary instruments at its disposal – including discount rates, open market operations, and its liquidity absorption facility – in order to control liquidity and achieve its monetary targets. In this respect, the Government's Program for 2001-2005, specifies:

"Within the context of the Cape Verdean economy, price stability and maintaining external credibility are pivotal objectives for monetary policy. Being so, the effective real and nominal tax stability and the convertibility of the currency are crucial elements. Thus, some policy consensus shall be reached and reinforced for the fulfilment of the target objectives."

- Fiscal policy

Cape Verde's fiscal program reaffirms the Government's commitment to providing and expanding the level of key social services, developing Cape Verde's infrastructure, and fostering private sector-led economic growth, while maintaining overall fiscal discipline. Following the significant improvement in fiscal performance in 2001, current fiscal policy is geared towards continuing the consolidation, which will, among other things, support the BCV's policy of pursuing

lower interest rates in the context of a sustainable balance of payments. The overall fiscal deficit is targeted to remain at 3 per cent of GDP (CVE2.2 billion), after falling from 19 per cent of GDP in 2000. The Government will continue to run a sizable primary recurrent surplus in the context of increased outlays for health, education, and security.

With regard to Cape Verde's taxation regime, prior to 1991 the system was a constraint on the execution of sound macroeconomic policy. The complex administrative procedures instituted to calculate and estimate taxes, tax fraud, and tax evasion resulted in social injustice. Cape Verde took the first steps in 1991 to reform its fiscal policy. One of the great objectives of the fiscal reform program, consecrated in the country's Development Plan (III PND), was to endow Cape Verde with a modern, adequate, simple, and efficient taxation system. The new system allowed the State to collect more revenue, establish relatively moderate taxes, and broaden the tax base to include public employees who previously did not pay taxes. The program also included:

- creation of a more effective collection system;
- collection of a Single Tax on Income for individual and collective persons (*e.g.*, partnerships and corporations) rather than the several taxes that previously existed; and
- creation and application of a Single Property Tax to substitute for the several municipal property taxes.

The reforms engendered some improvements in the quality of services provided to end-users, but several constraints remained that need to be overcome. Some of these constraints include the lack of adequate information on tax and fiscal obligations, the existence of a large number of undeclared taxpayers, and a lack of qualified personnel to administer the new system.

The taxation sector remains a challenge, and modernization reforms continue to be a priority in order to reinforce Cape Verde's capacity to manage public finances. During the last two years the Government introduced amendments to the Single Tax on Revenue, primarily to update the tax brackets, accelerate tax liquidation, and authorize a fiscal census of taxpayers and enterprises using the estimate method. Cape Verde has adopted a Value Added Tax (VAT), which will be implemented in 2004. The VAT assumes great importance within the country's fiscal policy considering its immediate impact on the national economy. There continues to be a need to introduce the Special Tax on Consumption, which will be applied to the value added to products and goods by retail economic operators.

(c) Foreign exchange and payments system

- Foreign exchange and controls

Recognizing the importance of stability in exchange operations to balance external accounts and maintain price stability, Cape Verde's exchange policy initially focused on two key components: rigorous control of operations with the outside, and maintaining the stability of the exchange rates to ensure that they reflected the real value of the national currency. The exchange rate was calculated on the basis of a group of currencies from Cape Verde's principal commercial partners. Given the high degree of openness to the outside that characterizes Cape Verde's economy, the exchange rates were sensitive to internal inflation.

After Cape Verde liberalized its exchange operations, it was necessary to reformulate the country's entire exchange policy. In 1998, Cape Verde signed an Exchange Cooperation Accord with Portugal, which establishes a fixed parity between the Cape Verde Escudo with the Portuguese Escudo, and consequently the Euro (Resolution No. 81/V/98 of 11 May). The rate of exchange is 1 Euro to CVE110.265. Under the terms of the Accord, Cape Verde commits itself to adopting

macroeconomic guidelines that safeguard this fixed parity, which has repercussions on the definition and execution of budgetary and monetary policies.

With respect to foreign exchange controls, the system in effect facilitates 100 percent the transfer of foreign investment capital as long as the foreign investor is registered as such in the Bank of Cape Verde and is authorized by the Minister of Finance and Planning to carry out foreign investment operations (Law No. 89/IV/93 of 13 December). There are no restrictions on opening bank accounts in foreign currency, and BCV's authorization is not required to obtain currency to import merchandise valued at up to CVE5,000,000 (Decree Law No. 25/98 of 29 June). Interest payments on loans or credits previously authorized by the same institution, in any amount, do not require prior authorization. BCV may, however, require the transfer of capital arising from the sale, liquidation or dissolution of an enterprise to be effectuated in quarterly instalments if transferring the sum in full is likely to cause serious disturbance to the Balance of Payments (Foreign Investment Law No. 89/IV/93, published in Official Bulletin 13/12/93) (see also Section VI.2 (f)).

- Relations with International Monetary Fund

On 4 April 2002, the Executive Board of the International Monetary Fund approved a three-year arrangement for Cape Verde under the Poverty Reduction and Growth Facility (PRGF) for approximately US\$11.6 million (90 per cent of quota). In December 2002, the IMF completed the first review of Cape Verde's performance under an economic program supported by the PRGF. The IMF commended Cape Verde on its significant progress in stabilizing public finances, regularising domestic and external arrears, rebuilding international reserves, and continuing its structural reform agenda.

(d) Foreign and domestic investment policies

Cape Verde's major policy objectives on investment are to promote and encourage a transparent and fair business environment for both domestic and foreign investors, and to increase the role of the private sector in Cape Verde's development process. To achieve these objectives, the Government adopted the Foreign Investment Law (Law No. 89/IV/93, published in Official Bulletin 13/12/93) and the Industrial Statute (Decree Law No. 108/89 published in Official Bulletin 30/12/89).

The Foreign Investment Law sets the conditions for foreign direct investment made in any sector of economic activity. All sectors are open to investment, unless the enterprise is a threat to national security, the environment or public health, or it violates domestic laws and regulations (see section IV.3 (d) for further discussion on the Foreign Investment Law).

The new investment policy ensures that applicable procedures are open, efficient, and transparent. Investors can easily obtain clear guidance on these procedures from the Center for Tourism and Export Promotion of Cape Verde, a government department under the supervision of the Ministry of Economy, Growth, and Competitiveness charged with promoting trade and investment opportunities in Cape Verde.

(e) Competition policies

The regulation of competition policy in Cape Verde is based on the need to provide for product diversity, economical, rational, and technical advances (Preamble of Decree Law No. 2/99). These underlying principles have led to the creation of Competition Advisory Council, an independent quasi-judicial government entity, which is not yet operational. The Council's primary function would be to adjudicate unfair trade claims, but it would also propose draft legislation to the government. Decisions of the Council would be appealed to the courts.

The Government also created independent regulatory agencies with competence over negotiations of quality, quantity, and price with the monopolistic concessionaries, resulting mainly from the privatization of some enterprises (Resolution No. 70, 71, 72/98 published in the Official Bulletin No. 48, I Series, fifth Supplement of 31 December). Of the three agencies created, ANSA (National Food Security and Staple Goods Agency) which regulates food security is the only one that is operational [Decree Law No. 29/2002 of 9 December, Official Bulletin No. 35, first Series, of 9 December 2002]. The functions of the other two agencies – ARM (Multisectorial Regulatory Agency), regulating fuel, telecommunications, water and power, transports, civil aviation, environment and similar, and ARFA (Regulatory and Supervisory Agency for Pharmaceuticals and Food Products), regulating pharmaceuticals drugs – presently are conducted by the relevant government ministries.

Within the above stated framework, the Government proposes:

"To reinforce and update the State sectors with leadership responsibilities with the necessary skills for the performance of their tasks. Within this framework, special attention shall be paid to the newly created regulatory agencies by clearly stating their competences so as to prevent mechanisms of accusations on the performance of their duties, with the view of safeguarding the consumer's interests, and assuring fair competition practices. The Government will assure that ethical principles prevail between the State and the market, and amongst the market operators at large".

3. Foreign trade in goods and services

Cape Verde has a significant trade imbalance, as evidenced by the data in the tables below. Specifically, in 2001 exports were US\$9.7 millions and imports were US\$247.7 millions. The country's small island economy, limited natural resources, small growing acreage, and inadequate agricultural base, cause Cape Verde to be dependent on imports for the bulk of its manufactured goods and food products requirements.

Portugal, Cape Verde's colonial administrator until 1975, is the country's principal trading partner. In 2001, 79.1 per cent of exports and 45.8 per cent of imports by value were from or destined for Portugal. By region, Europe was Cape Verde's major trading partner, accounting for 80 per cent of exports and 77.3 per cent of imports. Interestingly, while Africa is close geographically, it provided only 1.7 per cent of exports and 2.2 per cent of imports by value in 2001. The United States by contrast accounted for 17.7 per cent of Cape Verde's exports in 2001 and only 3.2 per cent of imports in 2001.

Cape Verde's exports increased from CVE1,016 millions of in 1998 to CVE1,201 millions of in 2001. Although not a spectacular increase, the export trend is upward. Most of the exports were in footwear, textiles, fish and fish products. On the import side, the preponderance of Cape Verde's consumer goods came from Portugal.

The following tables list Cape Verdean exports and imports by economic zone.

Table 2

Exports of Goods and Services by Economic Zones (in thousands of dollars)

Economic Zones	1998		1999		2000		2001	
	Value	%	Value	%	Value	%	Value	%
Europe	10,286.8	99.2	11,275.6	99.0	9,276.8	85.2	7,832.2	80.3
Portugal	9,266.3	89.4	10,068.2	88.4	8,552.0	78.6	7,710.4	79.1

Economic Zones	1998		1999		2000		2001	
	Value	%	Value	%	Value	%	Value	%
Spain	847.0	8.2	779.0	6.8	379.7	3.5	24.35	0.2
Germany	-	-	-	-	241.6	2.2	64.93	0.7
Others	173.5	1.7	428.4	3.8	103.6	1.0	32.46	0.3
America	51.0	0.5	87.6	0.8	1,346.2	12.4	1,728.8	17.7
U.S.A.	51.0	0.5	87.6	0.8	1,329.0	12.2	1,728.8	17.7
Others	-	-	-	-	17.26	0.2	-	-
Africa					189.9	1.7	162.3	1.7
South Africa					60.41	0.6	-	-
Senegal					-	-	81.16	0.8
Others					129.4	1.2	81.16	0.8
Rest of the World	30,615	0.3	29.2	0.3	69.04	0.6	24.35	0.2
Total	10,368.4	100	11,392.4	100	10,881.9	100.0	9,747.6	100.0

Source: INE/BTCE

Table 3

Imports of Goods and Services by Economic Zones (in thousands of dollars)

Economic Zones	1998		1999		2000		2001	
	Value	per cent	Value	per cent	Value	per cent	Value	per cent
Europe	181,610.4	78.8	199,639.7	76.2	185,856.1	78.3	191,364.3	77.3
France	11,317.5	4.9	6,368.1	2.4	11,114.9	4.7	8,286.7	3.3
Holland	15,950.6	7.0	22,366.1	8.5	14,247.5	6.0	19,252.7	7.3
Portugal	107,245.6	46.5	119,961	45.8	114,118.1	48.1	113,408.0	45.8
Spain	5,561.8	2.4	7,468.4	2.8	6,437.7	2.7	10,356.3	4.2
Germany	10,633.7	4.6	8,899.7	3.4	6,662.1	2.8	7,807.8	3.2
Others	30,901.1	13.4	34,576.4	13.2	33,275.8	14.0	33,398.3	13.5
America	21,747.1	9.4	21,937.7	8.4	17,975.5	7.6	17,165.8	6.9
Brazil	5,551.6	2.4	6,816.0	2.6	6,049.4	2.5	5,616.4	2.3
U.S.A.	13,195.2	5.7	13,748.8	5.2	10,657.6	4.5	7,994.5	3.2
Others	3,000.3	1.3	1,372.9	0.5	1,268.6	0.5	3,563.0	1.4
Africa	6,572.1	2.8	9,376.8	3.6	4,746.3	2.0	5,470.3	2.2
South Africa			-	-	914.7	0.4	1,728.8	0.7
Ivory Coast	1,602.2	0.7	2,142.2	0.8	1,398.0	0.6	2,012.8	0.8
Senegal	1,765.5	0.8	1,460.6	0.6	1,268.6	0.5	933.4	0.4
Others	3,204.4	1.4	5,774.1	2.2	1,314.5	0.5	795.4	0.3
Asia	17,287.5	7.5	27,887.0	10.6	25,630.0	10.8	29,218.4	11.8
Japan	8,582.5	3.7	13,680.6	5.2	12,659.6	5.3	14,528.0	5.9
Others	8,705.0	3.8	14,206.4	5.4	12,970.3	5.5	14,690.4	5.9
Rest of the World	3,388.1	1.5	3,232.7	1.2	3,270.6	1.4	4,480.2	1.8
Total	230,605.2	100	262,074.0	100.0	237,478.4	100.0	247,699.1	100.0
Value in 1,000 US\$			Fonte: Boletim de Estatísticas (Banco de Cabo Verde)					
Taxa de cambio (Valores medios)								
1998 = 97,99								
1999 = 102,7								
2000 = 115,88								
2001 = 123,21								

Source: INE/BTCE

4. Domestic trade in services

The services sector is of critical significance to the Cape Verdean economy, with particular emphasis on tourism and related services. In view of the importance of attracting foreign capital for development, Cape Verde has established an investment regime that is fair, open, and transparent. The laws regulating foreign direct investment are the Foreign Investment Law, the Tourism Utility Law, and the Industrial Law (for further discussion on investment and services, see sections II.2 (d) and VI.1).

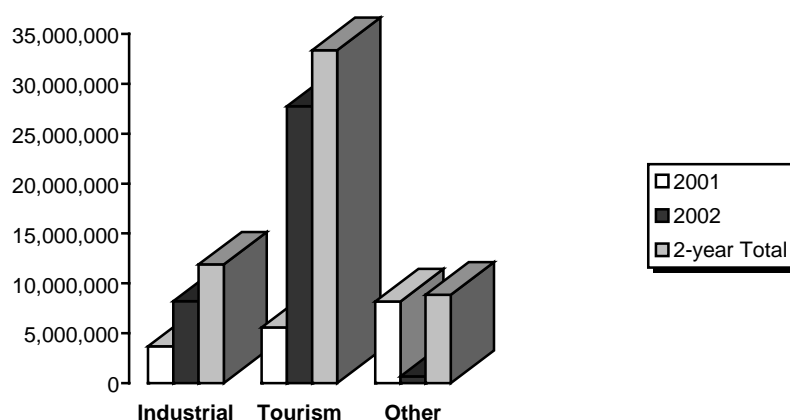
In recent years, Cape Verde's efforts have met with some success, as the level and quality of investments continue to improve. In 2002, investments in both the industrial and tourism sectors increased dramatically. Cape Verde's largest investors by country are Portugal, Italy, and Germany. Data on foreign investment for approved projects in 2001 and 2002 are as follows:

Sector	Year	Amount - (US\$)
Industrial	2001	3,687,000
	2002	8,198,000
	Total	11,885,000
Tourism	2001	5,586,000
	2002	27,762,000
	Total	33,348,000
Other	2001	8,181,000
	2002	687,000
	Total	8,868,000

Source: PROMEX

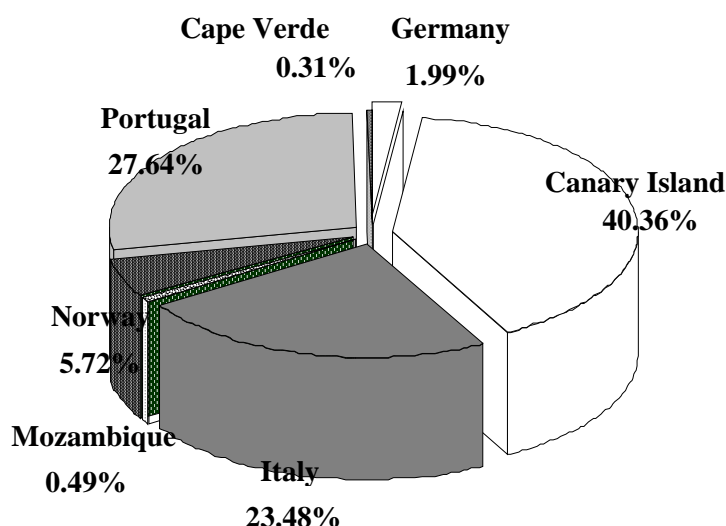
Table 4

Foreign Direct Investment in Cape Verde 2001-2002 (in dollars)



Source: PROMEX

Table 5
Foreign Direct Investment by Country 2001



Source: PROMEX (note that Cape Verde accounts for 0.31 per cent of investments).

5. Information on financial movements relating to nationals working abroad, remittances, etc.

Throughout Cape Verde's history emigration has been a significant economic phenomenon. The migration flows serve as an "escape valve" for the country's fragile economy, which suffers from periodic droughts and the consequent hunger, mortality, and unemployment they produce. Estimates are that Cape Verde's emigrant population is larger than the resident population. Many emigrants settle in the United States, but there are also large groups in Portugal, France, Holland, and Italy, and Angola and Senegal.

Remittances from emigrants¹, many of whom increasingly are highly educated young professionals, play a crucial role in Cape Verde's economy, representing about 14 per cent of GDP. Given the deterioration in the global economic environment after 11 September 2001, remittances – largely originating from the United States and Portugal – are expected to fall by some 3½ per cent, reflecting the considerable deceleration of growth rates, and the rise in unemployment rates, in those countries.

¹ Cape Verde law defines "emigrant" as any person born in Cape Verde – regardless of whether s/he maintains Cape Verdean citizenship – who can prove that s/he has permanent residence in a foreign country (Decree Law 53/95 of 26 September).

Table 6

Emigrant Remittances by Country of Origin (in millions of CVE)

	1997	1998	1999	2000	2001	2002
United States	1,399.62	1,625.06	1,948.94	2,321.10	2,515.57	2,193.50
Netherlands	839.17	1,137.79	1,386.49	1,136.00	1,352.04	881.40
France	672.98	824.06	877.72	1,034.00	1,532.93	1,791.92
Italy	484.77	552.10	637.94	608.50	720.13	386.97
Germany	241.92	235.11	245.42	273.40	237.58	80.62
Portugal	1,057.00	1,878.71	1,490.09	1,578.10	1,726.24	2,023.87
United Kingdom	176.57	235.88	258.23	142.00	122.38	105.18
Switzerland	219.81	187.76	195.49	160.90	164.90	132.21
Angola	10.41	9.68	17.73	16.10	14.16	3.91
Luxembourg	-	-	-	160.50	108.08	90.35
Others	517.99	474.84	395.57	302.93	357.74	320.10
Total	5,620.24	7,160.99	7,453.62	7,733.53	8,851.75	8,010.03

Source: BCV

In an effort to facilitate financial ties with its emigrant population, Cape Verde law authorizes emigrants to open special banking accounts in-country – emigrant savings accounts or emigrant accounts in CVE or foreign currencies – upon verification of their emigrant status². Prior authorization from BCV is not required to open any of the special accounts. Credit movements in those accounts similarly do not require prior approval (as long as instructions contained in BCV notices are observed), however debits may be made only by individuals residing in Cape Verde or by express authorization from the owner of the account. Debit movements in the other special accounts may be done freely only for the acquisition and construction of real property or to carry out benevolent actions, for expenses in country, as well as for transfers to the outside, in whole or in part, of the balances in foreign currency accounts.

6. Information on growth in trade in goods and services over recent years and forecasts for years to come

Information on growth in trade and services by economic zone can be found in paragraph 3 above. The growth in trade depends to a large extent on product diversification, stimulation of export activity, and the adoption of an appropriate trade policy. Cape Verde recently became eligible for duty-free access to the U.S. market under the African Growth and Opportunity Act, which should provide additional export stimulation and opportunities for Cape Verdean exports. It became also eligible for quota-free and duty-free access to Canadian markets under the Memorandum of Understanding on Least Developed Countries Initiative signed in Praia on 25 April 2003.

Further, the trend line between 1998 (CVE1,016 million) and 2001 (CVE1,201 million) for exports was slowly but steadily upwards in nominal terms because in reality during the same period the trend of increasing dollar exchange rate entangled a value downfall from US\$10,368.4 thousands in 1998 to US\$9,747.6 thousands of in 2001. The Government of Cape Verde believes that accession to the World Trade Organization will stimulate and accelerate the growth of exports in the future. May be the fixed exchange rate between CVE and EURO ought to minimize this negative effect.

² Emigrants may provide verification of their status either by showing the bank a work authorization and a valid certificate of residence, or other documents that, by their nature, may be considered by the Bank of Cape Verde as equivalents (Ministerial Decree No. 61/95 of 4 December).

III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES AFFECTING FOREIGN TRADE IN GOODS AND TRADE IN SERVICES

1. Powers of executive, legislative and judicial branches of government

The Cape Verde Constitution was first promulgated on 7 March 1980, and has undergone two major revisions, the most recent of which dates back to November 1999. The supreme bodies are: the President of the Republic, the National Assembly, and the Government, and the Courts.

The Constitution provides for a separation of political powers. The President of the Republic is the Head of State; he is elected by popular vote for a five-year term, is invested and takes oath before the National Assembly and can be re-elected only once.

The Government in Cape Verde's Parliamentary Regime is handled by a Prime Minister who is nominated by the President of the Republic after consultation with the sitting parliamentary parties, considering the electoral results and the existence or not of political majority party or partisan coalition or colligation possibilities. He is normally the leader of the most voted party.

Legislative power resides in the unicameral National Assembly made up of 72 members elected to a five-year term. The laws approved by the National Assembly are forwarded to the President of the Republic who may either promulgate them or send them back for a second reading. Matters referred back by the President of the Republic must pass the National Assembly by two-thirds vote (constitutional matters) or simple majority (other matters) before it becomes law.

The Cape Verde judicial system is comprised of:

- Constitutional Courts;
- Supreme Court of Justice;
- Judicial Courts of the First Instance;
- Court of Accounts;
- Military Courts; and
- Fiscal and Customs Courts.

Other Courts may be created by law, such as Judicial Courts of Second Instance, Administrative Courts, Arbitration Courts and Conflict Resolution Institutions with jurisdiction upon smaller territorial areas than those assigned to Judicial Courts of the First Instance.

The President of the Supreme Court of Justice is nominated by the President of the Republic after being selected from among the Justices of the Supreme Court, having heard the Judicial Magistracy Superior Board [Article 214 of the Constitution of Cape Verde].

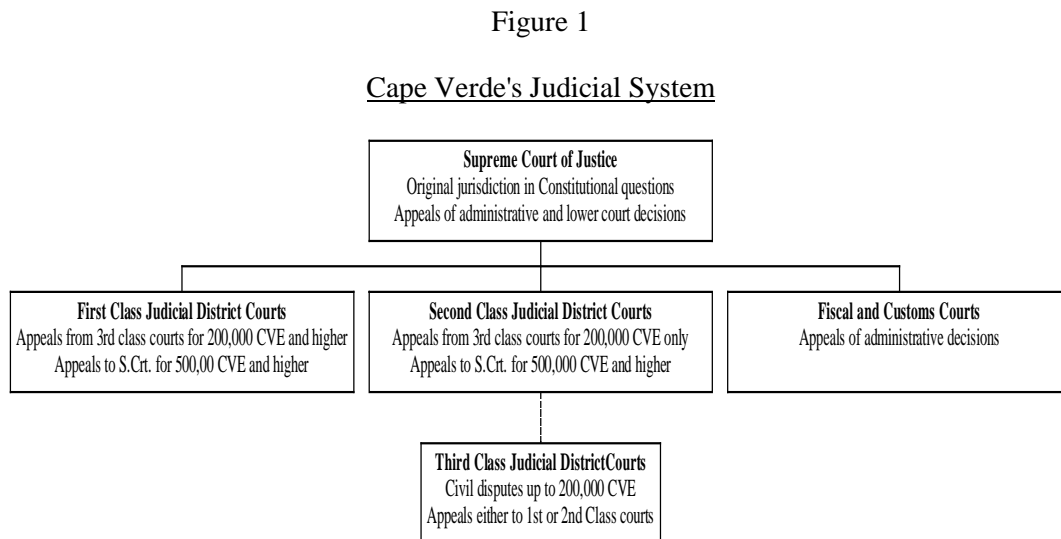
The Supreme Court of Justice has its Headquarters in Praia, and its jurisdiction extends all over the national territory.

The system is divided into first, second and third class judicial districts, with the Supreme Court of Justice being the court of last instance. First Class Judicial District Courts are located in Praia and Mindelo. The remaining municipalities are Second Class Judicial District Courts, except for the municipalities of Sao Domingo and Paul, which are Third Class Judicial District Courts.

The jurisdiction of the Third Class Judicial District Courts is limited to cases valued at up to CVE200,000 and maximum criminal penalties of no more than two years imprisonment. Matters decided in Third Class courts may be appealed either to First or second Class courts provided the claim is valued at CVE200,000.

The jurisdiction of First and Second Class Judicial District Courts are practically the same (except for minor differences in criminal cases); they are empowered to hear all cases within their region regardless of the value of the claim. Cases decided in the First and Second Class courts may be appealed to the Supreme Court provided the claim is valued at or above CVE500,000 (for a discussion of administrative procedures in customs cases, please see Annex 4).

There is currently no arbitration or mediation law in Cape Verde, although a draft law is being prepared.



2. Government entities responsible for making and implementing policies affecting foreign trade

Trade policy matters are the responsibility of the Ministry of Economy, Growth and Competitiveness who coordinates with the other ministries that have jurisdiction over trade-related matters. Those ministries include:

- Ministry of Finance, Planning and Regional Development;
- Ministry of State, Infrastructure and Transport;
- Ministry of State and Health;
- Ministry of Justice and Internal Administration;
- Ministry of Environment, Agriculture and Fisheries;
- Ministry of Education and Human Resource Capacity-Building; and
- Ministry of Foreign Affairs, Cooperation and Communities.

In formulating trade policy, the Government convenes an inter-ministerial group composed of all ministries with an interest in the subject matter under discussion. The Government also solicits the views, as the case may be, of industry associations, the Chambers of Commerce, and the private sector, and the municipalities. The matter is then referred to the Council of Ministers, which has final authority to formulate trade policy.

As part of a United States-funded technical assistance program, a task order has been approved to study and issue recommendations on Cape Verde's current trade policy creation and coordination procedures. The study will take place from May 1 to 15 May 2003.

It is envisaged that the study recommendations will result in the creation of a WTO Unit within the Government of Cape Verde that will (1) develop trade policy initiatives and make

recommendations to the Council of Ministers; (2) coordinate the implementation of trade policy decisions made by the Council of Ministers; (3) coordinate WTO related matters within the Government, such as procuring timely responses to questions from the Working Party on Cape Verde accession; (4) prepare notifications to the WTO; and (5) carry out WTO related functions as deemed necessary by the Government or the Council of Ministers.

3. Division of authority between central and sub-central governments

The State of Cape Verde is based on a unitary system, but the law does provide for local municipalities. The central government has authority over political, legislative, and administrative issues of national scope. There are 17 local municipalities in Cape Verde; they are empowered solely to promulgate regulations concerning local matters (*e.g.*, water distribution or sanitation matters), provided those regulations do not conflict with the Constitution or laws and regulations promulgated by higher authorities.

The Ministry of Finance, Planning, and Regional Development oversee the municipalities.

4. Any legislative programs or plans to change the regulatory regime

The Government's economic liberalization reform program and the WTO accession process have necessitated the drafting and/or modification of existing laws and regulations.

The following new laws are currently under consideration:

- Customs Law;
- Intellectual Property Law (patents and trademarks); and
- Law on Foreign Trade.

The following laws have been published but are currently under review for possible revision and regulation:

- Decree-Law No. 5/99, of 1 February, Law on Domestic Trade;
- Decree-Law No. 1/99, of 1 February, Law on Pricing Regime;
- Decree-Law No. 2/99, of 1 February, Law on Competition; and
- Decree-Law No. 4/99, of 1 February, Law on Economic Activity.

Further details on proposed legislative or regulatory changes have been provided in the appropriate sections of this Memorandum (*e.g.*, proposed changes to the Customs law can be found in Section IV.1 (b)).

5. Laws and legal acts

Information on specific laws and legal acts is provided in Annex 2. All laws and legal acts are published in Cape Verde's Official Bulletin.

6. Description of judicial, arbitral or administrative tribunals or procedures

The resolution of conflicts in Cape Verde takes place in the courts and the Public Ministry represents the State, exercises penal action, and defends democratic legality, rights of the citizens, public interest and any other interest conferred upon him by the Constitution or the law. He is entrusted with power to participate according to the law, and autonomously, in the execution of the criminal policy defined by the political powers [Article 222 of the Constitution of Cape Verde].

Although there is currently no arbitration or mediation law in Cape Verde and a draft law are being prepared, as regarding external investments, Article 17 of Law No. 89/IV/93 of 13 December (External Investments Code) establishes a framework for conflict resolution between foreign investors and the Government of Cape Verde.

The Attorney General is nominated by the President, under proposal of the Government, for a renewable five-year term.

IV. POLICIES AFFECTING TRADE IN GOODS

1. Import Regulation

(a) Registration requirements for engaging in importing

Cape Verde law requires all businesses engaging in import operations to register with the Conservatory of Commercial Registry of the ministry responsible for Justice and with the ministerial department responsible for commerce. (Decree-Law No. 1/75 of 5 July (implemented by Ministerial Ordinance No. 13 of 1978)). In recent years, the government has sought to decentralize and streamline many state functions, and has thus delegated the registration authority of the ministerial department responsible for commerce to the Chambers of Commerce. Currently, businesses seeking to import goods must register with the Chambers of Commerce. Individuals seeking to import goods for personal use (in limited quantities and not for resale) are not subject to the registration requirement.

The following activities are not considered "import operations" and are thus exempt from the registration requirement:

- importation of goods destined for the diplomatic and consular representatives accredited in Cape Verde;
- importation of consumption goods for social, cultural, recreation, sports, and non-profit institutions destined for the exercise of their activities;
- importation of religious articles for churches;
- importation of live animals, seeds, plants, pesticide fertilizers, reagents and other laboratory materials of interest to the development of agriculture, forestry and livestock; and
- importation of materials for government use.

(b) Characteristics of national tariff

- Characteristics of national tariff

Cape Verde's import regime has undergone significant liberalization, beginning in 1991, and it continues to evolve. Before 1991, imports were subject to prior registration requirements, quantitative restrictions, as well as multiple taxes and rates of duties, which for the most part were very high. By 1999, Cape Verde had lifted all of its quantitative restrictions on imports (Decree-Law No. 3/99 of 30 December). [See subparagraph II.2. (a) and subparagraph IV.- (f) Special requisites for importers of staple products].

Customs duties are generally applied on an *ad-valorem* basis (calculated as a percentage of the value of the merchandise). The base rates on duties in effect are 0 per cent, 5 per cent, 10 per cent, 15 per cent, 20 per cent, 25 per cent, 30 per cent, 35 per cent, 40 per cent and 50 per cent. The weighted average rates applied on imports for the years 1995 to June 2002, are as follows:

Table 7

Weighted Average Rates on Imports 1995-2002

Year	%	Year	%
1995	24.10	1999	29.13
1996	27.54	2000	30.21
1997	26.56	2001	30.29
1998	27.40	2002	30.98*

* (June 2002)

Unfortunately, Cape Verde does not have a calculation of the average tariff rate. Consequently, figures are not available for either the overall tariff rate or for agricultural imports.

Table 8

Customs Revenues Collected between 1998 and 2001

Revenue Designation	1998	1999	2000	2001	2002*
Import Duties	2,306,958,395	2,837,620,224	3,255,398,453	3,706,055,437	* Data for 2002 and 2003 are In the Table Following Graph below
Customs General Emoluments	1,145,362,105	1,296,788,929	1,440,027,928	1,623,678,689	
Consumption Tax on Imports	1,061,303,083	1,330,861,056	1,527,426,575	1,684,080,697	
Stamp Tax	10,888,354	9,683,145	10,595,546	10,661,791	
Consumption Tax o/National Production	245,599,854	227,140,656	163,844,389	89,171,873	
Imp. Exp. On/Cons.Alcohol & Tobacco (IEC)	105,724,564	105,267,948	109,928,694	110,498,250	
Total	4,875,838,353	5,807,363,957	6,507,223,585	7,224,146,737	

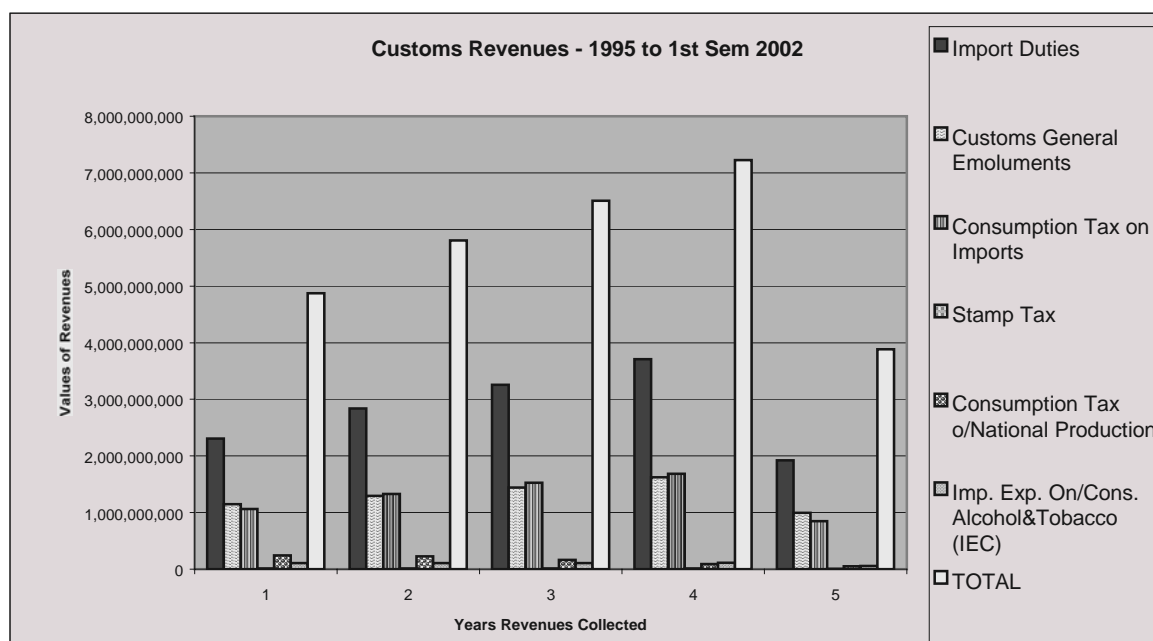


Table 9

Customs Revenues Collected in 2002 and 2003 (January to April)

Cod.	Clas. Econ.	Assignment	2002	April 2003
01	1.1.72.05.01	Import Duties	4,042,098,345	1,315,363,341
02	1.1.72.05.02	Tonnage Tax	12,849,742	4,180,070
03	1.1.72.04.06	Special Storage Tax	1,247,728	473,168
04	1.2.73.04.06	Storage	100,352	102,198
05		Surcharge ("ISDC")	52,362	100
06	1.2.78.01.00	Interests ("Rights and Credits")	383,606	128,250
07	1.1.77.01.00	Late Payment Penalty	582,095	19,944
08	1.1.72.05.03	General Customs Fees	2,071,679,564	702,757,650
09/10	1.1.77.90.00	Tax Penalties	19,587,368	6,376,847
	1.1.72.04.01	Consumption Tax	1,798,058,669	557,274,221
	1.1.72.06.90	Stamp Duty	11,365,377	3,451,274
	1.2.70.02.01	Publications and Printed Matters	26,981,182	9,428,387
15/16	1.2.73.03.06	Personal Fees	107,884,057	33,950,487
	1.1.72.04.07	Free-shop Tax	4,289,178	1,204,398
18/19	1.2.73.01.90	Miscellaneous Tax	17,817,777	6,357,517
	1.1.72.04.02	Consumption Tax on Local Production	107,969,599	31,767,845
	1.1.72.04.04	Special Tax on Consumption (Alcohol and Tobacco)	124,500,268	37,451,535
	1.1.72.04.08	Environmental Tax	113,081,798	25,988,127
	1.1.72.04.09	Community Tax	107,511,738	38,162,016
Total			8,568,040,805	2,774,437,375

Source: Customs General Directorate

- Customs Tariff Nomenclature

Cape Verde adopted the Economic Community of West African States (ECOWAS) customs nomenclature, which is based on the Harmonized System of Commodity Classification (HS, 1996 version) (Law No. 85/V/98 of 31 December). The ECOWAS nomenclature utilises ten digits, which can be explained as follows:

- first and second digits indicate the number of the HS chapter;
- third and fourth digits indicate the heading in the HS chapter;
- fifth and sixth digits indicate the subheading of the HS chapter;
- seventh and eighth digits are for ECOWAS statistical classification; and
- ninth and the tenth digits correspond to the statistical classification at the national level.

Cape Verde, as well as the ECOWAS countries, uses the 1996 version of the Harmonized System.

- Types of Duties

Of the three types of customs duties, *ad valorem*, specific, and combined (an *ad valorem* and a specific component), Cape Verde predominately uses *ad valorem* rates of duty.

As is normal in all countries, customs duties provide revenue for Cape Verde's General Budget. Duties are applied on imported goods in accordance with the rates mentioned on the Cape Verde Customs Tariff, Chapters 1 to 97, Sections 1 to 21.

In addition to customs duties, imported merchandise may also be subject to certain internal taxes that must be paid before the goods are released from Customs. This group of taxes (listed and discussed in paragraph 1(d) below) will be eliminated upon implementation of the Value Added Tax (VAT). The VAT Law and its Regulation has been adopted and shall enter into force in January 2004.

- MFN Rates

Cape Verde has been applying minimum tariff rates of duties to goods regardless of country of origin.

- Preferences

Cape Verde is a member of the Economic Community of West African States (ECOWAS) [Resolution No. 115/IV/95, of 3 November] and has free trade agreements with a group of African Portuguese speaking countries (Angola, Guinea-Bissau, Mozambique and Sao Tome and Principe) and trade arrangements with Mauritania.

(c) Tariff quotas, tariff exemptions

Cape Verde does not apply any tariff quotas on imports.

Cape Verde encourages national economic activities such as agriculture, fishing, industry, tourism, transport, communication, and facilitates the creation of port and airport infrastructures.

(d) Other duties and charges

Aside from duties and other charges, imports may also be subject to a 1.04 per cent fee on the cost, insurance and freight (CIF) value, and charges for the payment of services rendered. (Ministerial Ordinance No. 71/78 of 14 October, amended by Ministerial Ordinance No. 27/79 of 28 April)

- Value Added Tax

The Value Added Tax (**VAT**) is a general tax on consumption that is applied to the transmission of goods and services provided or performed in the national territory. The VAT is a multiphase, non-cumulative tax on the different phases of production; its liquidation mechanism is by the indirect subtractive method, so as to distribute the payments through the various entities intervening in the production and distributions of goods.

In Cape Verde, as in most other countries, the destination principle in international commerce is adopted, totally exempting exports and similar operations, and taxing imports of goods for consumption on the same basis as identical goods nationally produced.

All enterprises and other single and collective (companies, corporations and partnerships) are subject to the VAT provided that:

- they are residents of Cape Verde or have an establishment or representation in the national territory, exercise independently, for profit or not, activities of production, commerce or services, including extractive, agricultural, forestry, livestock and fishing activities;

- perform any taxable operation, as long as they fulfil the assumptions of real application of the Taxation on Income (IUR); or
- perform imports of goods, according to the custom legislation.

In the services area, the general rule is, the services whose provider maintains an office in Cape Verde are taxed in the country. Nevertheless, some services are taxed whenever they are executed in Cape Verde, by nationals or by foreign citizens.

The State does not pay VAT when they carry out operations in the exercise of their power of authority.

Operations subject to VAT:

- Transmission of physical goods (including electricity, gas, water, heat and similar things);
- Import of goods; and
- Rendering of services.

Domestic operations exempt from VAT: the exemption is not automatic. The interested party must solicit it, otherwise the activity is taxable. The law enumerates 25 exempt operations justified by technical reasons and by reason of economic and social policies. Some examples are:

- agricultural, forestry, livestock or fishing activities;
- educational activities;
- activities performed by show-business professionals in theatrical activities, music, circus, sports and other, film production, etc.;
- sale of newspapers, magazines and books, considered a cultural, educational, technical or recreative nature;
- sale of staple products;
- sale of medications, exclusively for therapeutic or prophylactic purposes;
- sale of real properties subject to Single Tax on Patrimony; real property rental, for other than commercial, industrial and services activities;
- public garbage removal services;
- funeral and cremation enterprises;
- non-commercial public radio and television enterprises;
- public enterprises or non-profit agencies engaged in sports, recreation, conferences, seminars, etc.; and
- public postal services, except for telecommunication.

- Taxable base

In internal operations: the tax applies to the values paid or payable.

In imports: the taxable base is the value paid or payable by the importer, under the terms of the customs regulations.

Rate: 15 per cent

The VAT rate is applicable to goods and services in internal operations and imports. The export rate is zero.

With the implementation the law and regulation on TVA a special tax on consumption shall be applied to specific types of merchandise, and the rate to be applied is 10 per cent on the customs value, with the exception of automobiles for personnel transport from headings 87.02, 87.03 and

87.04 of the Harmonized System in which case the rates to be applied depend on the vehicle's age at the time of import:

- Up to four years old - 0 per cent;
- Up to six years old - 40 per cent;
- Up to ten years old - 100 per cent; and
- More than ten years - 150 per cent.

(e) Quantitative import restrictions

There are no quantitative import restrictions, or quotas currently in effect in Cape Verde (Decree-Law No. 3/99). [See subparagraph II.2. (a) and paragraph IV.(f), under Special Requisites for Importers of Staple Products]. Licensing procedures are discussed in paragraph (f) below.

(f) Import licensing procedures

To engage in external commerce activity, it is necessary to obtain prior authorization. The General Directorate of Commerce and Competition has the competence to issue the prior authority, but that competence has been delegated to the Chambers of Commerce as of 23 January 2000, according to Dispatch 16/99, of 3 January 2002 O.B. No. 1, second Series of 3/1/00). To obtain authorization to engage in external commerce operator activity, the enterprise or operator must fulfill the following requirements:

General Requisites:

- have commercial capacity;
- not previously declaring bankruptcy or insolvency;
- not been convicted, in the last five years, for fraudulent crime against property, public health or national economy;
- have mandatory minimum academic qualifications;
- in the case of a collective person(e.g., corporation or partnership), be registered with the appropriate agency/ministries; and
- be in compliance with fiscal obligations.

Special requisites for importers:

- have a minimum operating capital of CVE5,000,000;
- own an adequate warehouse for the type of business and anticipated volume; and
- have an accounting system organized according to the national accounting plan under the responsibility of an accredited accountant.

Special requisites for the exporter:

- The export and re-export operations are free and require no prior authorization. However, an export licence is required. There are no special requisites beyond the general requisites required for external commerce. Decree-Law No. 5/99 of 1 February – General basis of the commerce sector juridical regime, and the Law 92/IV/93 of 15 February, grant advantages to export and re-export of goods and services. Exporters under AGOA have to register with the Government department responsible for commerce when they start exporting to the USA and deregister when they stop their activities.

Special requisites for importers of staple products:

- According to Decree-Law 58/98 and Ministerial Ordinance 65/98 both of 28 December, the staple foods products import activity that was exclusively done by the Public Stock Provisioning Enterprise were excluded from the public domain. The import of such products is now open to private enterprises. [See subparagraph II.2 (a)].

Decree-Law No. 29/2002 of 9 December (Official Bulletin no. 35, first Series of 9 December) alters the staple food products import regime and requires that the commercial operator:

- have prior registration to exercise the import activity;
- show proof that they have appropriate installations to store products;
- show proof that they have the capacity to distribute 30 per cent of the annual import volume outside the Islands of Santiago and São Vicente.

Cape Verde applies three distinct licensing regimes for sectors, depending on whether the enterprises are engaged in commerce, tourism or industrial activities. Depending on the sector of activity, licenses are issued by the following Government Departments:

Commercial	Industrial	Tourism
Enterprises	Operators	Operators
Government Department	Government Department	Government Department
Responsible for	Responsible for	Responsible for
Commerce & Competition	Industry & Energy	Tourism Development

Once the above mentioned licenses are issued, their holders can operate in their specific areas.

When a licence is issued to a commercial enterprise, it can be an importer. However, a licence issued to industrial and tourism operators is only a licence to operate. Industrial operators may import materials and equipment for use in their operations or projects. Likewise, tourism operators may import equipment and materials for their projects. Operators in the industrial or tourism sectors are not entitled, as such, to be general importers.

- Licensing Procedures for Commercial Enterprises

Authority for licensing has been delegated from the Government department responsible for commerce to the Chambers of Commerce. An enterprise applies to the Chamber of Commerce and there are no restrictions.

The main requirements are:

- To have a physical enterprise;
- To have financial capacity (CVE5 million);
- To have an adequate warehouse; and
- To have an accounting procedure in accordance with the national accounting plan.

Licensing of import activities is based on sections of the Cape Verde Customs nomenclature (Harmonized System) in use. Its Sections I to XXI, and the products described in them are free of quotas. Notwithstanding, some goods listed below are subject to international trade restrictions relating to: the application of Security Laws and Regulations; the control of arms, ammunition and other war equipments and military items; the protection of human, animal or plant health or life; the

protection of public morality; the transfer of gold, silver and precious and semi-precious stones; the protection of national artistic and cultural property; the control of narcotics, hazardous and toxic waste, nuclear materials, radio-active products or any other materials used in the development or exploitation of nuclear energy. However, Cape Verde is not a member of some Conventions on endangered animal and vegetable species but based on recommendations from the World Customs Organization; Cape Verde is entitled to apply these conventions nonetheless.

An import licence is valid for one year, and can be renewed by payment of a renewal fee. The fee depends on the nature of the sections contained in the respective licence. The fees collected revert to the Chamber of Commerce.

- Licensing Procedures for Industrial Enterprises

Licensing procedures for industrial enterprises is covered in the Industrial Statutes, Decree-Law No. 108/89 of 30 December, Official Bulletin No. 52 of 30 December 1989. All industrial enterprises must be registered at the office of the Industry Registrar's Office, located at the Ministry responsible for Industry. Registration is made on appropriate form, properly completed by the interested company.

Officially recorded during registration are:

- articles of Incorporation or charter of the enterprise;
- approval of the industrial facility by an inspection; and
- all updated information concerning the project.

- Licensing Procedures for Tourism Enterprises

These procedures are covered in the Tourism Utility Law, No. 42/IV/92 of 6 April. All persons, national or foreign, who propose to exercise tourism activity in Cape Verde, must request authorization to do so from the General Directorate of Tourism Development.

An automatic licensing scheme is applied to Tourism Utility enterprises for imports (machinery, equipment, building materials, etc.) in their functional area of operation.

(g) Other border measures

None.

(h) Customs valuation

Cape Verde is not a signatory to the Customs Valuation Agreement, contained in Article VII of the General Agreement on Tariffs and Trade (GATT). Also, Cape Verde is neither a Member of nor an observer to the Customs Valuation Committee of the World Customs Organization. The Brussels Definition of Value (BDV) serves as the basis for calculation of the customs duties and other customs charges. For imports, Cape Verde uses the CIF value, and on exports it uses the FOB value.

In its customs valuation procedures, applying the BDV, Cape Verde Customs focuses on a number of key elements: (1) the sale; (2) the price; (3) the time; (4) the place; (5) the quantity; and (6) the commercial level. According to the BDV, the customs value of imported merchandise is its "normal value." That is, the price of those goods when a sale is made under competitive conditions between a buyer and an independent seller. Cape Verde Customs determines the value of imported goods as of the date of presentation of the declaration. In determining the customs value, the Customs Authorities take into consideration that:

- the merchandise is delivered to the buyer at its point of entry into the country;
- the seller includes in the price all of the expenses related with the sale of the merchandise and its delivery to the entry point; and
- the buyer is responsible for the payment of in-country duty expenses, and any other impositions that are payable. Duties and other taxes or charges must be excluded from the "normal value."

Disputes arising from customs valuation decisions are reviewed and decided by the Customs Technical Council, an administrative body that includes representatives of the Department for Public Administration and the private sector. Judicial appeals of customs valuation disputes, if made, are made to the Fiscal and Customs Court. Further appeal would be to the Supreme Court of Justice.

A new Code of Customs Law is being drafted. It is envisaged that the draft Code will include the provisions on the WTO Customs Valuation. However, for the reasons specified in Annex 4, Cape Verde will require a negotiated transition period (preferably five years) during which it will prepare the applicable laws and regulations on the GATT valuation system. Technical assistance from developed countries and international organizations is needed. Also, training of customs officials dealing with valuation would be needed as well as assistance in drafting the implementing regulations and the Interpretative Notes.

Cape Verde has not yet adhered to the Kyoto Convention or the Istanbul Convention, but its customs legislation is based on them.

Cape Verde applies also a reference price and minimum taxable price to some imported goods [Decree-Law No. 32/95 of 5 June, Official Bulletin No. 18, first Series, of 5 June 1995, and Regulamentary Decree No. 2/2002 of 12 August, Official Bulletin No. 24, first Series of 12 August].

(i) Other customs formalities

Except for limited cases, namely objects for personal use belonging to passengers and returns to family members not of a commercial character and of a value smaller than CVE50,000 that are the object of a simplified declaration, all the imported or exported merchandise must be submitted to a detailed declaration.

This declaration must detail certain essential elements, namely: the merchandise designation; tariff type; country of origin; country of exportation; freight; destination; characteristics (weight, length, surface, number, etc.); and, value.

With respect to imports, the declaration must be accompanied by the following documents:

- Single Administrative Document (SAD);
- Certificate of origin;
- Declaration of Import (approved by the General Directorate of Commerce when the value of the merchandise is greater than CVE100,000 or the equivalent to 1,000 EURO);
- Commercial invoice;
- Air freight letter (when the merchandise is transported by air);
- Ocean bill of lading (when merchandise is transported by ship);
- Phytosanitary certificate (for vegetable products);
- Sanitary certificate (for animal products);
- Industrial tax note;
- Insurance certificate; and
- Certificate of payment for services rendered.

After delivery of the declaration, a number of administrative actions are initiated, to confirm that nothing should block acceptance of the declaration. Such operations depend specifically on the competences of the customs installations, the capacity of the declarer to dispatch, the form requisites pertaining to the declaration, the declared elements. It also depends on the presentation or additions to the declaration and the documents whose delivery or presentation is mandatory.

Next there is a set of registration operations (dating and numbering) and the declaration's checking for validation, which constitutes one of the first phases of the process for products customs clearance. Afterwards, the declaration amended or not is submitted to the verification and re-verification of its conformity, in which case the results will serve to ascertain the correctness of the customs formalities followed, and the assessment and payment of duties and taxes due. From this point, the merchandise is authorized to exit customs.

All the custom's regimes instituted by the Customs Cooperation Council, and subsequently by the World Customs Organization, are applied in Cape Verde, namely the following:

Through legal provisions, the exemptions are directed at encouraging economic activities in specific productive sectors (industry, fisheries, agriculture, tourism, transportation and communications), national infrastructures (ports, airports and roads), and certain agencies and persons that are predominantly importers (the State, the Diplomatic Corps, International Organizations, Benevolent Institutions, Gifts, Aides, Travellers, Emigrants returning definitively, etc.).

- Customs bonded Warehouses

The customs bonded warehouses regime allows merchandise to be stored in a specific location under Customs control with the customs duties and taxes pending from payment's moment and imported goods entitled to special measures of economic policy.

There are two warehouses categories: the storage warehouses for commercial needs and the industrial warehouses for industrial needs.

In the storage warehouses there are:

- The public warehouses to respond to general needs;
- The private warehouses granted to a physical or moral person, for specific needs;
- The public warehouse is granted, by order of priority, to the port or airport authorities, to the transport enterprises, to the public entities, the chambers of commerce and industry, and to the commercial associations; and
- The industrial warehouse is private.

- Franc enterprises

The franc enterprises are enterprises created to produce and trade in goods and services exclusively for export.

There are two categories of franc enterprises:

- To render services; and
- To produce goods.

The production franc enterprise operates as an industrial warehouse. The Minister responsible for Finance may authorize a franc enterprise to sell in the local market 15 per cent of its previous year production.

- Temporary admission

There are two categories:

- Temporary admission of goods for re-export, unchanged; and
- Temporary admission of goods for active improvement.

- Temporary export

There are two categories:

- Temporary export of goods for re-import, unchanged; and
- Temporary export for passive improvement.

(j) Pre-shipment inspection

Cape Verde does not utilise pre-shipment inspection. But Cape Verdean Customs usually checks the origin of exported goods that may be eligible for preferential treatment at their destination

(k) Application of internal taxes on imports

As discussed in paragraph 1(b) above, there are eight basic internal taxes applicable to imports into Cape Verde. As stated previously, this group of taxes will be eliminated upon implementation of the Value Added Tax (VAT) scheduled for January 2004.

Consumption Tax – an internal tax applied to certain imported products, at the point of importation, as well as certain domestically produced products as they exit the factory. The basis of the consumption tax is the (CIF) value plus the customs duties and general emolument tax. The applicable rates are 10 per cent, 20 per cent, 30 per cent and 60 per cent. Some products are exempt from the *ad valorem* rate, and a specific rate is applied to the physical unit of the merchandise charged:

- special oils (White Spirit and others) CVE1 per kilogram;
- gasoline CVE13 per kilogram;
- beer CVE30 per litre; and
- cigarettes CVE20 per pack of 20.

Note: CVE110.265 = 1 Euro.

General Emolument Tax – a tax applied to the CIF value of imported merchandise to cover administrative charges. The amount of this tax is 9 per cent.

Special Tax on Consumption – a tax is levied on alcoholic beverages and tobacco to support health care and sports projects. Specific rates are applied on the physical unit of the merchandise, as follows:

- beer CVE5 per litre;
- wine CVE10 per litre;
- spirits beverage CVE50 per litre;
- cigarettes CVE5 per pack of 20;
- cigarillos and cigars CVE40 per each 20 units or fraction; and
- tobacco for pipe CVE200 per Kg.

Community Levy – a 0.5 per cent *ad-valorem* tax applied to non-ECOWAS imports to raise revenue for ECOWAS Institutions (the Community Levy was created by ECOWAS Protocol A/P.1/7/96, ratified by Resolution No. 67/V/97).

Environmental Tax – a 1 per cent *ad-valorem* tax is applied to goods imported in non-biodegradable packages and interior wrappings. A 10 per cent *ad valorem* is applied to non-biodegradable packages and interior wrappings imported for packaging purposes of goods for domestic consumption. The basis for this tax is the CIF value of the imported product. The revenue generated supports environmental projects in the various municipalities (Decree-Law No. 128/IV/95 of 27 June).

Stamp Tax – a revenue-generating tax levied on all imports. The rate is CVE100 for each declaration accepted by customs or 0.4 per cent (or 0.04) of the amount of the consumption tax, whichever is higher.

Tax for Customs Services Rendered to Customers – is 1.04 per cent *ad valorem*. [Ministerial Ordinance No. 27/79]. The tax is applied on the CIF value of merchandise transported by sea.

Tax on Operation of Duty-Free Shops – a 4 per cent *ad valorem* tax applied on the gross value of the merchandise transacted in duty-free shops. [Ministerial Ordinance No. 14/81 of 14 May]

Special Tax on Fuel - a CVE9.5 per ton or any fraction thereof on fuel supplied to fishing boats.

(l) Rules of origin

According to Cape Verdean Customs Law there is a general rule of origin which is applied to countries not benefiting from preferential treatment spelled out in the Preliminary Instructions on Customs Tariff Annexed to Decree No. 45790 of 3 July 1964. (See Annex 2)

Cape Verde is a Member of the Economic Community of West African States (ECOWAS). All 15 ECOWAS Member states have agreed by treaty to adopt the ECOWAS common external tariff, which is for the moment under study. So, Cape Verde can not yet apply the ECOWAS common external tariff.

Cape Verde does, however, follow the ECOWAS "rules of origin". Under the ECOWAS Protocol on rules of origin, goods shall be accepted as originating in Member State for purpose of trade liberalization if:

- They have been wholly produced in accordance with the provisions of Article 5 of the Protocol;
- They have been wholly produced in a Member State other than by any operations and processes listed in Article IV of this Protocol or with the material from a foreign or undetermined origin used in the process of production of goods whose CIF value does not exceed 60 per cent of the total cost of the material employed in the production or with material of Community origin whose value must not, in any case, be less than 40 per cent of the total cost of the material used in the process of production with the raw material of Community origin representing in quantity at least 60 per cent of whole raw material used in the production; or
- The goods have been produced from material of a foreign or undetermined origin and having received in the process of production a value added of at least 35 per cent of the ex- factory price before tax of the finished product.

When two or more countries intervene in the production of a merchandise, the origin of this merchandise is determined by the substantial transformation criteria. In this case, the country of origin is considered to be the country in which the last transformation or substantial fabrication complement deemed to be sufficient to attribute the merchandise its essential character was performed.

The sufficient transformation criterion is expressed by different methods of application:

- Change in nomenclature position;
- Transformation or fabrication complement, or
- Rule of *ad valorem* percentage.

Cape Verde does, in fact, follow the principles set forth in the WTO Agreement on Rules of Origin as the ECOWAS Protocol on rules of origin is in conformity with the WTO standards.

It is envisaged that the new Customs Law will contain provisions that are fully compliant with the WTO Agreement on Rules of Origin.

(m) Anti-dumping regime

Cape Verde's anti-dumping regime is regulated by Decree-Law No. 46828 and Decree-Law No. 46829 both of 5 January 1966 (O.B. No. 9 of 1966), modified by Decree-Law No. 578/70 of 24 November 1970 (O.B. no. 49 of 1970).

These laws must be urgently revised to comply with WTO.

(n) Countervailing duty regime

Cape Verde's countervailing regime is regulated by the same laws cited in subparagraph (l), above.

(o) Safeguard regime

In the trade liberalization law, Decree Law No. 3/99 of 1 February 1999, a safeguard like provision is contained in Article 3. No cases in Cape Verde have been brought or investigated under this provision.

It is envisaged that Cape Verde will develop a WTO compliant law for a safeguard measures regime.

2. Export Regulation

(a) Registration requirements for engaging in exporting

Registration requirements for engaging in exports are identical to those for imports (see Section IV.1(a) above). Exported goods must comply with the formalities designed to control exchange operations, and must also comply with all quality requirements, rules of origin or other norms required by law or by international accord subscribed to by Cape Verde.

(b) Customs tariff nomenclature, types of duties, duty rates, weighted average of rates

The customs nomenclature for exports is the same as that adopted for imports (see section IV. 1. (b) above).

No export duties are charged on products exported from Cape Verde. A stamp tax in the amount of CVE100 (110.265 = 1 Euro) is charged for each export shipment declaration.

(c) Quantitative export restrictions

As part of an export liberalization measure passed in 1987, Cape Verde no longer applies any quantitative restrictions on exports. (Decree-Law 151/87 of 26 December, O.B. No. 52/87, third Supplement). Although not a signatory to the Washington Convention (International Convention on Endangered Species of Flora and Fauna), Cape Verde prohibits the exportation of endangered flora or fauna.

(d) Export licensing procedures

For commercial enterprises, Cape Verde applies the same licensing scheme as for imports. An enterprise applies to the Chamber of Commerce for a licence to be an operator. The requirements are the same as specified in section IV.1 (f).

(e) Other measures

Cape Verde does not use a system of minimum export prices, nor does it participate in any voluntary export restraints or orderly marketing arrangements.

(f) Export financing, subsidy and promotion policies

Cape Verde provides a limited number of incentives programs (not subsidies) for the exportation or re-exportation of goods and services (see Law No. 92/IV/93 of 15 December).

There are no export financing programs nor does the country have a system of subsidies. Cape Verde promotes its exports and re-exports through the Center for the Promotion of Tourism, Investment and Exports (PROMEX), a government agency bounded to the Ministry responsible for Commerce. PROMEX's statutory competency includes: identifying national products or enterprises with export potential, organizing seminars and conferences on technical training, participating in trade fairs, researching potential export markets, and supplies market data to interested entities.

(g) Export performance requirements

Cape Verde does not have export performance requirements.

(h) Import duty drawback schemes

The import duty drawback system in Cape Verde was created and is regulated by Decree Law No. 32115 of 7 July 1942, (Official Bulletin 39/42) and applied to the total or partial reimbursement of import duties on merchandise used in the fabrication of products that were subsequently exported.

In Cape Verde, drawback means any arrangement, including temporary duty free admission, for the refund of all parts of the duties applicable to imported raw materials, provided that the arrangement, expressly or in effect allows such refund of remission if goods are exported but not if they are retained for home use.

Benefiting from this regime were olive oil, vegetable oil for human consumption, metal sheets, and cardboard destined for the fish conservation industry.

Although a general duty drawback scheme exists in the Cape Verde Customs Law it is no longer in use because more favorable regimes (temporary import, Franc (Free) Zones and others) were created and came into use.

3. Internal policies affecting foreign trade in goods

(a) Industrial policy

The Government's industrial development policy focuses on an export-led growth. One of the objectives of the policy is to stimulate the development of a strong industrial and entrepreneurial sector that is capable of spurring growth and creating the conditions necessary for modernization and business competitiveness.

Enterprises properly registered in Cape Verde benefit from a number of incentive schemes.

Registered enterprises and their approved projects are entitled to exemptions of duties, consumption taxes and general customs emoluments in the import of construction materials, machinery, equipment, instruments and utensils, cargo material and transportation, when destined for authorized industrial projects.

Industrial enterprises benefit from a tax exemption on revenue for the first three years of their existence. (Decree Law No. 108/89 of 30 December, O.B. No. 52, first Series of 30 December 1989).

(b) Technical regulations and standards

Cape Verde does not have a standards or technical regulations office or capability within the Government. For this reasons, there are no laws or regulations in Cape Verde dealing with this subject. Consequently, Cape Verde does not apply any technical regulations for either domestic or imported goods (other than sanitary and phytosanitary measures discussed in Section IV. 3 (c) below).

Cape Verde would recognize products certified in other countries provided the certification was valid and from an authorized certifying body.

Form WT/ACC/8 has been forwarded to the Ministry of Economy, Growth and Competitiveness. It is envisaged that ACC/8 data will be compiled and available for examination at the first Working Party meeting on Cape Verde accession.

Currently there are no plans to implement technical regulations and standards in the foreseeable future. However, since Cape Verde has no government office or capability to handle this subject area, technical assistance would be of significant importance and help.

(c) Sanitary and phytosanitary measures

Food products imported into Cape Verde are subject to inspection by the sanitary authorities (Article 7 of Decree-Law No. 89/92 of 16 July). Vegetable and vegetable products require the presentation of a phytosanitary report to the sanitary inspector. The certificate issued by the official services of the country of origin must certify that the merchandise was examined in detail, in whole or from representative samples, and that it is considered free from plagues and diseases to agricultural products. It must also certify that the product was shipped in accordance with the sanitary and phytosanitary rules in effect in the importing country.

A certificate must also accompany the phytosanitary product from the manufacturer discriminating that the living matter and other constituents of the commercial preparation correspond,

with regard to its identity, quality, purity and composition, to the solicited product. It also certifies that it is in conformity with the directives of FAO's 1986 international code of conduct for the distribution and use of phytosanitary products.

Likewise, the import of animals, foods or products of animal origin must always be accompanied by a phytosanitary certificate issued by the sanitary veterinary services of the country of origin. This certificate should characterize the sanitary state of the merchandise and the epizootologic state of the exporting country. It must also attest that the referred merchandise fulfils the established technical norms for the import of these products

According to the Legislative-Decree No. 9/97 the export and import of vegetables and vegetable products such as seeds, fruits, plants, flowers are subject to sanitary control at the sea or air port of entry open to international traffic. These products are subject to inspection in order to look for the presence of vegetable or animal organisms or pathogenic agents harmful or potentially harmful to vegetables and/or vegetable products in the national territory. The sanitary inspector may decide to lift samples out for laboratory examination, and, if necessary, quarantine the product. If an inadequate sanitary state is confirmed, the product may be submitted to decontamination or disinfecting, or it may be returned to the country of origin. Ministerial Decree No. 55/97 indicates the ports and airports through which the import and export of vegetables, parts of vegetables and vegetable products may take place. The control points are in the dependence of the Vegetable Protection Services of the Agriculture Directorate.

Also in harmony with Decree-Law No. 26/97, which regulates the import, commercialization and use of sanitary and phytosanitary products, the imported products must be included in Cape Verde's list of approved products. They must also be transported in their original packages and the packages must be inviolate. On arrival, the sanitary and phytosanitary inspector must first verify that these products conform to the import authorization. When the products do not conform to the import authorization, the inspector of sanitary and phytosanitary products may order their return to the country of origin, within the deadline established by the Directorate of Agriculture, Forestry and Livestock.

The Decree-Law No. 62/89 authorizes the government to take all the measures necessary to prevent the propagation, appearance, and eradication of the most dangerous zoonosis to human beings, as well as diseases considered grave for livestock. To facilitate the control, the import of animals, food and products of animal origin can be affected only through the entry points established by the Central Veterinary authority. Immediately upon arrival in the national territory, the Official Veterinary Doctor will perform sanitary control on them. A pre-proposal project of diplomas relative to livestock is in pre-approval discussion. This diploma will replace the decree-law No. 62/89.

(d) Trade-related investment measures

Cape Verde has no trade-related investment measures dealing with currency or trade balancing requirements. Further, there are no local content requirements on production as a condition of investment or trade. Thus, Cape Verde does not have any trade-related investment measures.

(e) State trading practices

Shortly after independence Cape Verde relied on State control to meet its economic objectives, and the Government created a number of State enterprises. Since 1990, the emphasis has shifted to private-sector led growth, and the Government has privatized approximately 21 State enterprises. The sole remaining State enterprise in Cape Verde (within the meaning of Article XVII) is EMPROFAC, an entity created to import and distribute pharmaceuticals to ensure universal access to basic medicines (for further details see Annex 6).

(f) Free zones

In 1998, Cape Verde approved a law authorizing the establishment of commercial free zones, defined as a duty free import and export area (Law No. 83/V/98 of 21 December). Cape Verde recently opened a Commercial Franc (Free) Zone in São Vicente (approved by Decree-Law No. 3/2001), which is managed by the Commercial Free Zone of Cape Verde, SA.³

In addition to commercial free zones, Cape Verde also has "free enterprises." Any legally established national or foreign enterprise is eligible for the status of free enterprise provided that it produces and commercialises goods, or provides services, for export or for sale to other free enterprises in Cape Verde. With authorization from the Ministry of Planning, free enterprises may sell in the local market provided the total volume of such sales does not exceed 15 per cent of the enterprise's production in the preceding year. Once in the local market, the products are subject to normal taxes and other charges.

Free enterprises benefit from special incentives under Law No. 99/IV/93 of 31 December, which include fiscal and customs incentives.

Fiscal incentives:

- total exemption for ten years from payment of all taxes, including taxes on profits and dividends distributed to shareholders; after ten years, those taxes shall not exceed 15 per cent of profits;
- total exemption from indirect taxes such as, for example, the stamp tax;
- exemptions from notary and registration fees;
- exemptions from declarations of realization of stock capital; and
- possibility of contracting foreign workers under applicable law.

Customs incentives:

- exemption from duties, general emoluments, and consumption taxes for certain products imported for the free enterprise's own use. Those products include:
 - construction materials, including metal structures for the expansion and/ or renovation of their installations;
 - machines, equipment, instruments, furniture and utensils, accessories and separate pieces;
 - cargo and merchandise transportation material for the exclusive use of the concessionaire or the operator for the development of its activities;
 - fuel and lubricants (with the exception of gasoline);
 - suspension of customs regime for the import of raw materials and subsidiaries and finished and semi-finished products for the enterprise's production; and
 - exemption of customs duties in the export of products fabricated or re-exported by the enterprise.

In order to be designated as a free enterprise, the entity must apply to the Ministry of Planning through PROMEX. The following elements must be included in the application:

- letter of request addressed to the ministry responsible for Planning;
- descriptive summary of the investment project;

³ Commercial Free Zone of Cape Verde, SA (FIC) is an enterprise established under Decree-Law No. 18/2000 that manages São Vicente's commercial free zone.

- the form in attachment 1 to the law of franc enterprises duly filled out;
- proposed location;
- identification and curriculum vitae of the promoters;
- financial capacity of the promoters;
- environmental impact study, should the proposed activity require it; and
- the enterprise's statute and/or registration, with express reference in its object that its production and or commercialization of goods and services will be destined exclusively for export.

In the event of a favorable decision, PROMEX issues a certificate of franc (free) enterprise in accordance with the provisions of Annex 2 of Law No. 99/IV/93.

(g) Free economic zones

There are no free economic zones in Cape Verde.

(h) Trade-related environmental policies

Cape Verde applies an Environmental Tax on all imports that are not packaged in biodegradable material. The purpose of the tax is to protect Cape Verde's environment. The tax is applied on an *ad valorem* basis at a rate of 1 per cent to goods imported in non-biodegradable packages and interior wrappings. A 10 per cent tax *ad-valorem* is applied to non-biodegradable packages and interior wrappings imported for packing purposes of goods for domestic consumption. The basis for this tax is the CIF value of the imported merchandise. (Law No. 128/IV/95 of 27 June).

At present, there is no domestic production of non-biodegradable materials in Cape Verde. If domestic production of non-biodegradable materials should start, the issue of Article III (national treatment) will be taken into consideration.

(i) Mixing regulations

None.

(j) Government-mandated counter-trade and barter

Cape Verde does not have government mandated counter-trade or barter.

(k) Trade agreements leading to country-specific quotas allocation

Cape Verde is not a signatory to any trade agreements requiring country-specific quota allocations.

(l) Government procurement practices

Cape Verde's government procurement practices, including its general legal regime, are embodied in Decree-Law No. 2/97 of 21 January. Pursuant to that law, the Directorate General for State Property oversees the purchase of goods and services for all government departments (see section VI.2 (h) for further details).

Tendering procedures for public works projects are regulated by Decree-Law No. 31/94 of 2 May (published in O.B. No. 17, first Series). Generally, construction contracts are awarded only after a public bidding process has taken place (except in extraordinary cases where the law allows the competent authority to directly select a supplier without bid). The project owner (implicated ministry

or municipality) prepares a bid program and a "terms of responsibilities document," which must be made available to interested parties from the date a request for bid is published. The "terms of responsibilities" document details the legal clauses, technical, general, and special requirements applicable to the project. The project owner convenes a commission of three members to review proposals and grant the award. The award is granted to the most advantageous proposal, taking into account several factors, including price, timetable, utilisation costs, profitability, technical value, guarantees of good and punctual execution of the project, and other factors of special interest to the general public.

(m) Regulation of trade in transit

The Preliminary Instructions to Cape Verde Customs Tariff regulates the trade in-transit. Apart from the trade in transit within Cape Verde Customs territory, transit involving more than one Customs territory coming and going by sea or air is insignificant or null. However it is envisaged that the Cape Verde Customs Law currently being drafted will include new basic WTO rules concerning regulation of trade in transit.

4. Policies affecting foreign trade in agricultural products

Given the adverse climate conditions, Cape Verde's agricultural production is limited. The first arrivals to Cape Verde left written testimony attesting to the abundant vegetation available on the islands, but since that time the effects of human activity on the islands' natural habitat has meant that the indigenous vegetation suffered a dramatic alteration over the course of the last five hundred years. Over this period of time, fields of crops were cultivated and the natural watercourses diverted to irrigate them, and new plants brought from the most diverse parts of the world were introduced, along with livestock. Because of the cutting down of trees and shrubs for use as wood, and grazing – especially by goats – deforestation took place at such a rate that the natural vegetation could not recover.

Since independence, however, considerable efforts have been made to retain soil, particularly by building dikes and by repopulating many slopes with trees. A public campaign is also being carried out to make the inhabitants of the archipelago more aware of the need to protect and nurture native plant species, some of which are now quite rare in Cape Verde.

Despite these efforts, Cape Verde's internal agricultural production remains insufficient to meet the needs of the population. The country continues to depend on agricultural imports, principally grains (wheat, corn and rice), to make up the shortfall. A large part of cereals import comes in the form of food assistance. According to estimates from the government department responsible for Food Security, from 1998 to 2000, the assistance in grains covered about 50 per cent to 66 per cent of the population's consumption needs.

The agricultural sector does play an important role in the country's economy, contributing 11 per cent or approximately CVE1,643 million to the GNP and employing nearly 20 per cent of the labour force –about 28,100 people (source: National Institute of Statistics and Census 2000). The State's intervention in the agricultural sector is minimal, consisting essentially in public services of a general character, namely interventions that seek to preserve natural resources, promote conditions to favor the sector's modernization, favor the development of private initiative. It also promotes the creation of institutional conditions that facilitate the economic activities in the sector. As a way of supporting internal production, the State facilitates the import of agricultural production factors, namely by the exemption of customs duties and taxes in the import of such merchandise.

(a) Imports

As mentioned in 3 (c) above, Cape Verde maintains a system of sanitary and phytosanitary controls.

Periodically, the government department responsible for Agricultural, Forestry and Livestock may establish a list of prohibitions and restrictions in the import of vegetables, vegetable products and products that are harmful to life, as well as products that are or may be carriers of things harmful to health.

Alternatively, a list of authorized product is included in the Commercial Protocol with the Republic of Guinea-Bissau and the Sanitary and Phytosanitary Accord with the Republic of Senegal (Decree No. 4/96 of 17 June 1996, O.B. No. 18/96) and Decree No. 7/98 of 5 October, O.B. No. 37/98). Likewise, the Government may, by absolute or relative prohibition, interdict or limit the import of animals, foods or products of animal origin for sanitary, phytosanitary and public health reasons.

Form WT/ACC/4 has been forwarded to the ministry responsible for agriculture and fisheries. It is envisaged that ACC/4 data will be compiled and available for examination at the first Working Party meeting on Cape Verde accession.

(b) Exports

Agricultural exports, mainly animal skins, are insignificant and represent less than 2 per cent of the country's total exports (approximately US\$240,000).

There are no export subsidy measures in place in Cape Verde.

(c) Export prohibitions and restrictions

There are measures to protect human, animal or plant health or life, and the environment and endangered species of animals and plants.

(d) Export credits, export credit guarantees or insurance programmes

The Government of Cape Verde does not provide any export credits, credit guarantees or insurance programs.

(e) Internal policies

The Government of Cape Verde has invested on average CVE800 million annually in the development of its agricultural sector. The funds are used for research, information dissemination, preservation of natural resources, and similar activities.

Table 10

Public Investment in the Agricultural Sector (millions of CVE)

Year	Amount
1997	804,607
1998	837,398
1999	849,884
2000	n/a [*]
2001	748,464

^{*}Note: Data on year 2000 investments are not available

Source: GEP/MAP

5. Policies affecting foreign trade in other sectors

Cape Verde was recently certified as eligible for the apparel benefits under the African Growth and Opportunity Act, which allow preferential access for textile exports to the United States (Decree-Law No. 17/2002). Likewise, it became eligible for quota-free and duty-free access to Canadian market under the memorandum of understanding on Least Developed Countries New Initiative signed on 25 April 2003. Within the framework of ACP-EC Cotonou's Partnership Agreement of 2000 products of Cape Verde origin can accede to preferential treatment in the European Union market. At national level, there are also fiscal facilities.

(a) Textiles regime

Trade in textiles is of growing importance to Cape Verde. In 2001, it represented approximately 50 per cent of the total value of national exports (source: INE 2001).

(b) Policies affecting foreign trade in other major sectors

The products below benefit among others from fiscal incentives.

- Footwear

Trade in footwear represents the second major export product. The European Union and the United States are the principal export markets, representing about US\$5 million or 42 per cent of the total value of exports in 2001 (source: INE 2001).

- Fish products

Fish products represent 3 per cent by weight or about 234 tons of national exports in 2001, having as its principal destination the European Union.

V. TRADE-RELATED INTELLECTUAL PROPERTY REGIME

1. General

(a) Intellectual property policy

The Government has defined the creation of a national system of industrial property protection as one of the most important measures necessary to the promotion of profitable enterprises. The function of this system is not only to guarantee to national and foreign enterprises their rights regarding the issuance of certificates, registration of trademarks, patents, and industrial designs, but

also to prepare Cape Verde for the process of accession to the Paris Convention and other treaties. The accession of Cape Verde to international organizations, notably the World Intellectual Property Organization and the African Industrial Property Organization (AIPO), among others, merits special attention. The Government's policy regarding copyright and related rights aims to stimulate and promote the creation and production of intellectual work in the domains of literature, arts, and science.

It is important to note that Cape Verde is in the initial stages of promulgating its own law on industrial property; a draft text is being prepared, and Cape Verde intends to solicit technical assistance from relevant sources, including the World Intellectual Property Organization. The controlling legal provision in this domain remains the 1959 Industrial Property Code (published in the supplement to the Official Bulletin No. 19 of 14 May 1959), which has not been applied in Cape Verde since independence.

Cape Verde adhered to the WIPO Convention by Resolution No. 11/V/96 of 11 June 1996; the Paris Act on Berne Convention for the Protection of Literary and Artistic Works by Resolution No. 12/V/96 of 11 June 1996; and to the International Convention for the Protection of Artists, Interpreters, Performers and, of Phonograms Producers and Radio Broadcasters by Resolution No. 13/V/96, of 11 June 1996.

(b) Responsible agencies for policy formulation and implementation

- Industrial Property

The government department responsible for energy and industry's proposes and implements government policy on industrial property matters as established in articles 15 (e) and 17 (1) of Decree-Law No. 31/2001 of 26 November (O.B. No. 39, I Series). According to that law, government department responsible for energy and industry competencies include:

- supporting the Government in negotiations before international organizations related to industrial property matters, principally the World Intellectual Property Organization and WTO;
- guaranteeing the registration, attribution, and protection of industrial property rights, and ensuring compliance with applicable legislation.

It is important to point out that because of the non-application of the Industrial Property Code post-independence, there have been no registrations of trademarks, geographic indications, industrial designs or patents. The service that will assure the registration, attribution, and protection of industrial property rights is now being created. There have been some requests for registration of industrial property, particularly requests for registration of trademarks. In the absence of such a service, the owners of these marks have published notices in the national newspapers.

- Copyright and related rights

In 2001, Cape Verde created the National Institute for Research, Promotion and Cultural Heritage (INIPC), a government agency bounded to the Ministry responsible for Culture, and transferred to it responsibilities formerly managed by several different government departments.⁴ INIPC currently is responsible for, among other things, ensuring Cape Verde's compliance with legislation pertaining to copyright and related rights.

⁴ Article 6 of Decree-Law No. 25/2001 of 5 November (reconfiguration of the institutes) dissolved the Institute of Cultural Promotion and the Institute of Cultural Research, and the functions of those agencies were transferred to the newly created National Institute of Research, Cultural Promotion and Patrimony.

Decree-Law No. 10/2002 of 25 March, and Decree-Law No. 8/2002 of 2 April, creates the Ministry of Culture and grants to it the following functions:

- propose, coordinate, and execute policies pertaining to culture;
- coordinate policy on matters of archeological sub-aquatic patrimony and archeological oceanographic research, as well as conservation and restoration of public property (in conjunction with Ministry of Infrastructures); and
- manage assistance programs with the United Nations Organization for Education, Science, and Culture, and other international organizations specialized in culture (in coordination with Ministry of Foreign Affairs, Cooperation, and Communities).

The ministry responsible for culture oversees several institutions, including: the National Institute for Research, Promotion and Cultural Heritage, the National Historical Archive, the National Library, and the National Council on Culture.

(c) Membership of international intellectual property conventions and of regional or bilateral agreements

Cape Verde has been a member of WIPO since 1 July 1997, and has actively participated in WIPO activities, particularly regional seminars organized for the Community of Countries with Portuguese as the Official Language.

While Cape Verde is not a party to any regional or bilateral agreement on industrial property, it has developed a cooperation relationship with Portugal's National Institute of Industrial Property in both training and technical assistance activities.

With respect to copyright and related rights, Cape Verde became a member of the Rome Convention and the Berne Convention in July 1997.

(d) Application of national and m.f.n. treatment to foreign nationals

Article 3 of the Industrial Property Code authorizes equal treatment to all persons, independent of domicile or residence, except for special disposition of competence and process. Relative to any other foreign national, according to the referred Article: the provisions of the conventions between Cape Verde and the respective countries shall be observed. In the absence of such conventions, the reciprocity regime applies.

The new legislation on Industrial Property currently being drafted foresees equal rights for all beneficiaries, being national born citizens or foreigners. This principle will be reconfirmed on Cape Verde's accession to the Paris Convention, which process is on course at the ministry responsible for foreign affairs.

With respect to copyright and related rights, Cape Verde law does not permit discriminatory treatment on the basis of the copyright holder's nationality, nor does it permit special treatment to the citizens of any particular country.

(e) Fees and taxes

Fees and taxes on industrial property are quite low because the charges set in the Annex to the 1959 Industrial Property Code (Official Bulletin No. 19 of 14 May 1959) remain in effect. The Government is aware of the need to update applicable fees and taxes in this domain (there are currently no fees or taxes applied with respect to copyright and related rights), and it intends to implement a new law. The new decree law has been approved by the Council of Ministers, and will

be soon published in the Official Bulletin of Cape Verde. Its effect implies the application of the taxes and fees stated below.

Table 11

Taxes and Fees Applicable to Industrial Property
Proposal No. 3 – Revised by the Council of Ministers on 30 December 2002
(Annex to Decree – No. 30.679 of 24 August 1940)

Description	Actual Fees (1940) (CVE)	Proposed Fees (CVE)
PATENTS		
Form of Application	30	12,000
Annuities	50	*2,5000
Surcharge: payment due for 60 days	25	*4,000
Sum	50	2,400
Registration of Assignment or Exploitation of Licence	100	6,000
Revalidation	150	*7,000
DEPOSIT OF UTILITY MODELS		
Form of Application	20	10,000
First 15 year period	40	2,500
Second 15 year period	80	3,000
Third 15 year period	160	4,000
Fourth 15 year period	320	4,000
Fifth 15 year period (following)	640	4,000
REGISTRATION OF ASSIGNMENT OR LICENCE OF UTILITY MODELS		
Form of Application	75	6,500
First 15 year period	150	6,500
Second 15 year period	300	6,500
Third 15 year period	600	6,500
Fourth 15 year period	1,200	6,500
Fifth 15 year period	90	6,500
Surcharge for renewal within 60 days – 50% tax due for 15 years Revalidation – triple tax due for 15 years		
DEPOSIT OF INDUSTRIAL DESIGNS		
Form of Application**	20	8,000
First 15 years (per type)	30	2,000
Renewals	50	2,500
Registration of Assignment or Licence	50	6,500
Surcharge for renewal for 60 days	15	3,000
Revalidation's	90	6,000
NATIONAL TRADEMARK REGISTRATION		
Form of Application**	50	6,500
Registration per type of 5 products	100	7,000
Renewals	200	4,200
Registration of Assignment or Alteration of the title holder identification	200	6,500
Surcharge for renewal within 60 days	50	5,000
Revalidation's	300	8,000
TYPES OF TRADEMARKS		
Form of Application	50	2,000
Registration	150	6,000
Renewals	300	8,000
Registration of Assignment	350	8,500
Surcharge	75	3,000

Description	Actual Fees (1940) (CVE)	Proposed Fees (CVE)
Revalidation's	450	9,500
CRAFTSMAN TRADEMARKS		
Form of Application (per class)	10	4,500
Registration and its renewals	20	5,000
Revalidation's	60	6,500
INTERNATIONAL TRADEMARKS REGISTRATION		
Registration	250	8,000
Registration of Assignment	200	7,000
REGISTRATION OF AWARDS		
Form of Application	50	5,000
Registration	50	6,000
Registration of Assignment	40	4,000
REGISTRATION OF NAMES AND INSIGNIAS		
Form of Application	100	4,000
Registration	200	17,500
Registration of Assignment	200	8,000
Surcharge: payment due for 60 days	100	20,000
Revalidation's	6,200	25,000
REGISTRATION OF DENOMINATIONS OF ORIGIN		
Form of Application	50	4,500
Registration	100	7,500
OTHER FEES		
Certificates of Patents, deposit or registration	50	3,000
Titles	10	2,500
Searches:		
per year	4	
computerized data unavailable	10	8,000
computerized data available		1,500
minimum		2,500
Certificates or authentic copies: per page	6	1,500
Submission of applications: per application submitted	5	500
Registration of Assignment of alterations of the company name, corporate styles or other elements of identity of the title holder:		
name or insignia of the establishment	200	8,000
other categories	100	1,500
Notice of public disclosure:		
per application	5	3,000
objections (per word)	0.10	50
drawings (per line)	1	500

*20 per cent increase per year (following)

**Includes submission of application, the application itself and the examination fee

2. Substantive standards of protection

(a) Copyright and related rights

Title III, articles 87-94 of Law No. 101/III/90 of 29 December, defines and regulates copyright matters. The law encompasses all aspects and parameters defined by international conventions regarding copyright and related rights issues. In general, copyright holders, in the areas of literature, arts or science, are guaranteed legal protection against any type of unauthorised use. Property rights are inalienable, and Cape Verde law provides that "the protection of an artist's

interpretation or execution continues for a period of forty years, counting from the first day of the year in which the event that generates the protection occurred".

(b) Trademarks

The registration process and protection mechanisms for marks are covered in the Industrial Property Code (Chapter III, section II, articles 86 and 103 (national registration and international registration respectively)). According to the Code, whoever adopts a certain mark to distinguish his/her business product shall be entitled to the exclusive use of the mark for as long as s/he complies with all legal requirements, particularly with respect to registration.

A person seeking to register a mark must apply to the government department responsible for industry. The application consists of a required form (to be completed in Portuguese), and it must be accompanied by the elements indicated in Article 87 of the Code. After the application is presented, a notice shall be published in the Industrial Property Bulletin to allow for complaints from whoever might be injured if the application were granted. The deadline to present any complaints is ninety days from the date the notice is published in the Industrial Property Bulletin.

Once the deadline for complaints has lapsed, the department of industry shall proceed to examine the application, which consists principally in comparing the mark submitted for registration against already-registered marks. Upon completion of the examination process, the results are documented and the application is processed.

(c) Geographical indications

Geographical indications are not included in the Industrial Property Code; however denominations of origin are covered in Chapter VI, Article 165. The protection of origin denominations is guaranteed to registered titleholders under the terms of the Industrial Property Code.

(d) Industrial designs

The process of registration and protection of industrial designs is covered in Chapter II, sections I to IV of the Industrial Property Code. The request to deposit industrial designs must be made in an application, and it must be accompanied by the elements indicated in Article 54 of the Code. After the application is legally presented, a notice shall be published in the Industrial Property Bulletin indicating the objective, utility and novelty of the industrial design for which deposit is requested. This will allow for complaints from those who potentially could be injured from the granting of a deposit. The deadline to present any complaints is ninety days from the date of publication in the Industrial Property Bulletin. Once the deadline has expired, if there are no complaints, the request shall be properly studied, documented, and processed.

(e) Patents

The procedures to register and protect patents are covered in Chapter I, sections II to IV of the Industrial Property Code. The request for a patent must be made in an application, which must be accompanied by the elements indicated in Article 15 of the Code. At the request of the inventor or his/her legal representative, a certificate of presentation of patent request is issued. After the patent request is delivered, a notice is published in the Industrial Property Bulletin with the transcript of the claims in order to allow for complaints from those who potentially could be injured by the eventual concession of the patent. The deadline for the presentation of complaints is ninety days from the date of publication in the Industrial Property Bulletin that contains the notice. After the deadline has lapsed without any complaints being received, the government department responsible for industry shall proceed to examine and process the request.

(f) Plant variety protection

The Industrial Property Code makes no reference to this subject.

(g) Layout designs of integrated circuits

The Industrial Property Code makes no reference to this subject.

(h) Requirements on undisclosed information

The Industrial Property Code does not include aspects relating to trade secrets or test data; such protection is assured through the general rules of the Penal Code.

(i) Any other categories of intellectual property.

The Industrial Property Code additionally covers the following categories of industrial property:

- utility models – Chapter II, Article 37;
- rewards – Chapter IV, section I, Article 127; and
- name and insignias of establishments – Chapter V, section I.

3. Measures to control use of intellectual property rights

- Industrial property

These measures are addressed in Title III of the Industrial Property Code, entitled "Offences against Industrial Property". For example, Article 211 of the Code states: "industrial property rights are guaranteed by law for property in general, and shall be especially protected under the terms of the present diploma and additional laws and conventions in effect". Article 213 of the Code states categorically that: "any act of unfair competition shall be penalized by a fine of CVE100 to CVE10,000 under current legislation, which may be aggravated by a prison term of 15 days to six months."

- Copyright and related rights

These measures are regulated in Article 4 (violation and defense of rights), and Articles 95 to 103 of Law No. 101/III/90 of 29 December 1990. The law protects both cultural patrimony and moral rights. In the case of violations of cultural patrimony, the law protects against wrongful seizure and counterfeit by foreseeing penalties of up to a one-year prison term and a doubling of fines in the case of recurrence. Simple negligence is punishable by a fine of up to CVE100,000. On the other hand, the copyright holder may request that a court seize the samples of the work usurped or counterfeited, whatever the form of the work.

As related to violations of moral rights, the law foresees that the above-referred fines will be levied against any person who:

- fraudulently makes use of someone else's works in the domains of literature, arts or science; and
- makes an attempt against the authenticity and the integrity of a work of literature, arts or science.

4. Enforcement

(a) Civil judicial procedures and remedies

The copyright law states that the civil responsibility emerging from the violation of the rights foreseen in the law is not dependent on the criminal procedures of its cause, so the proceedings in such cases are applicable through separate civil and penal actions. In cases of violations of patrimonial and moral rights, the copyright laws authorize the apprehension of the usurped or counterfeited work and apply fines and imprisonment to the usurper or counterfeiter for up to one year.

(b) Provisional measures

The present law of industrial property includes all the warranties established to all properties in general and to industrial property in particular. The present law foresees repression measures against unfair competition and other acts that can generate conflicts with the establishment, products, services, or the reputation of the competitors. The illicit appropriation of, usage or diffusion of industrial secrets, trade secrets from others constitute an offence against the industrial property and are punishable under the terms of the law in effect.

However, the punitive measures foreseen in the present Code, due to its insignificant nature (low amount of fines) are found not to further the objective of preventing crimes against the industrial property. Thus, its application at present is not effective and does not discourage illicit practices of industrial property rights. The proposal of the new Code currently under approval foresees repressive measures against crimes of industrial property duly adapted to the country context.

(c) Any administrative procedures and remedies

In view of the non-functioning of industrial property service sector in Cape Verde, administrative procedures and remedies have not been applied. However, this principle is assured through the central services of protection of private property through the application of the Penal Code by the Courts. The new law on Industrial Property will foresee all relating aspects.

(d) Any special border measures

The Industrial Property Code does not foresee any special border measures to prevent entry into the local market of any counterfeit products or products that violate the principles of industrial property protection. Training or counselling work with the customs service will be necessary in order to identify any legal dispositions that might arise in this area.

The copyright law allows for the imposition of the penalties against anyone who imports, sells (or puts up for sale by any means) or distributes to the public any copied or counterfeited work, whether the product was produced in the country or abroad (see section 3 above for applicable penalties).

(e) Criminal procedures

- Industrial property

See section 4(b) above.

- Copyright and related rights

The counterfeiting or copying of protected works are punishable crimes, thus the courts may act with or without a formal complaint. In the case of violations, the copyright law foresees the seizure of any models or works that have been copied or counterfeited, as well as the imposition of fines of more than CVE100,000.00 and a prison term of up to one year.

5. Laws, decrees, regulations and other legal acts relating to the above

- Industrial property

Decree No. 30679 of 24 August 1940, which approved the Industrial Property Code and was implemented by Ministerial Ordinance No. 17.043 of 5 May 1959, published in the Supplement to the O. B. No. 19 of 15 May 1959.

- Copyright and related rights

Law No. 101/III/90 of 29 December defines the rights of copyright holders.

6. Statistical data on applications for and grants of intellectual property rights, as well as any statistical data on their enforcement

There are no statistics available due to non-application of industrial property code.

VI. TRADE-RELATED SERVICES REGIME

1. General

General description of the overall market and regulatory structures of the most prominent services sectors (e.g., financial services, telecommunications, professional services, construction, tourism, transportation). A complete list of services sectors is found in document MTN.GNS/W/120, the "Services Sectoral Classification List" (Annex 7 refers).

The services sector is one of the most important in the Cape Verde economy, and in the last five years it constituted 65 per cent of gross domestic product (1998-2002). The Government's strategy for growth in this sector has been to privatize many of the service providers and to open the market to free and fair competition. Foreign investment in Cape Verde's services market is an integral part of that strategy. Pursuant to the Foreign Investment law (No. 89/IV/93 of 13 December), foreigners may invest and work in nearly every service sector.

The five most significant services sectors are telecommunications, construction and engineering, tourism and related services, transportation, and financial services. A description of these sectors is provided here, while Annex 7 details the range of services outlined in the "Services Sectoral Classification List."

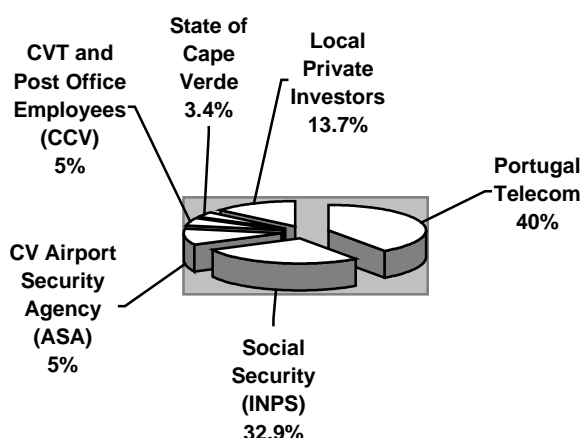
- Telecommunication services

The telecommunications services sector is growing, particularly with respect to fixed network services. In 1996, there were 40,000 Cape Verdean subscribers to fixed telephone services, and by 2002 the number had grown to 70,187. Mobile telephone services are also experiencing a surge in demand, and by 2002 there were 42,950 subscribers and 3,935 internet subscribers. Cape Verde's teledensity level is 14.2 per cent, one of the highest among countries with similar GNP.

There is one telecommunications services supplier in the local market providing a diversity of services, including fixed telephone, cellular, telegraph and calling card services, as well as electronic and internet services. Cabo Verde Telecom, S.A. (CVT) is a privately controlled enterprise owned by Portugal Telecom International and a number of Cape Verde public and private investors. Under a 25-year Concession Agreement with the State of Cape Verde, CVT holds monopoly rights to the provision of fixed network services, and the Government sets the prices for those services (Decree-Law No. 13/96 of 18 March). Value-added services (e.g., mobile phones and internet services) are open to all providers, and those prices are set by market forces.

Table 12

Ownership of Cabo Verde Telecom, S.A.



Ministry responsible for communications currently regulates all telecommunications activities in Cape Verde. The Government is expected to create the Institute of Communications and Information Technologies in the near future, whereupon the Institute will assume regulatory functions in this sector. Meanwhile the government department responsible for communications continues to be entrusted with this task.

- Construction and related engineering services

The construction and related engineering sector prior to the 1990s was directly supported primarily by the State. In 1988, as part of its commitment to liberalize the economy, the Government began to remove itself from direct intervention in the sector, and by 2000, the State's function was limited to regulating construction activities. A surge of construction took place throughout the country as dozens of private civil construction enterprises entered the market. The enterprises are generally small – of the 66 firms in operation, only six are medium sized – but the sector employs the most workers in Cape Verde. Firms are dedicated almost exclusively to building construction; only about three or four enterprises perform road construction, sanitation and airport rehabilitation projects.

There is a dearth of recent and reliable information on the construction sector, but the Ministry of Infrastructures and Transportation is working in conjunction with the industry association to collect information and create a database. The Government conducted an industry census in 1997, out of which much of the information provided below was obtained.

Table 13

Overview of Cape Verde's Construction Sector

Employment	Approximately 18,000 (11% of total employment)
Investment	Approximately CVE5 billion (8% of GNP)
Contribution to GNP	12%
Number of enterprises	37
Authorized operators	Approximately 60
Total number of workers	1916
Business volume	CVE3.602 billion
Cement consumption	About 160 tons (3,200,000 sacs, 350 kg/inhabitant)
Construction licenses/year	Approximately 1,700 in São Vicente and 3,000 in Praia

The Public and Private Works Enterprise Licensing Commission (CAEOPP), a government agency within the Ministry of Infrastructures and Transportation, is the umbrella organization that regulates construction activity in Cape Verde. CAEOPP issues required licenses and coordinates policy. Within the CAEOPP umbrella are a number of diverse government departments: the General Directorate of Infrastructures and Transport, the Public and Private Works General Inspector (IGOPP), and the Civil Engineering Lab of Cape Verde. The construction firms have their own association, the Cape Verdean Public and Private Works Contractors Association, which represents their interests to the Government.

The most significant law in this sector is Decree-Law No. 31/94 of 2 May, which regulates construction activities. Pursuant to that decree, foreign enterprises that establish an office in-country are permitted full access to the construction market subject to the same laws and regulations as local enterprises.

- Tourism and travel related services

Tourism is one of the most important service sectors in Cape Verde, contributing 7.3 per cent and 9.5 per cent of GNP in 2000 and 2001 respectively. Revenues in this sector in 2001 increased 39.5 per cent and contributed 41.1 per cent to Cape Verde's services exports. The services offered are diverse, including hotel and restaurant, travel agency, tour guide, transportation, and sports/sightseeing. There are approximately 30 travel and tourism agencies, 89 hotels and guest residences, and 63 tour guides.

In recent years the Government has encouraged the development of Cape Verde's tourism industry, but there are a number of constraints on growth. One of the most significant impediments is the limited availability and high cost of energy, fuel, and potable water. Tourism enterprises must also confront a limited market, an underdeveloped inter-island transportation network, and a labour force in need of extensive professional training.

Table 14

Evolution of Cape Verde's Tourism Sector – Principle Indicators

	1999	2000	2001
Revenue from Tourism, in millions of CVE	2,900.9	4,686.4	6,539.1
Contribution to GNP	4.8%	7.3%	9.5%
Contribution to Services Sector	26.6%	37.3%	41.1%

Source: Bank of Cape Verde. Exchange rate: CVE110,265 = 1 Euro

In an effort to alleviate some of the built-in constraints to growing a limited market, the Government provides a few incentives to investors. The government department responsible for tourism's development of the Ministry of Economy, Growth and Competitiveness administers these programs, and it is the primary regulatory body in this sector. Foreigners seeking to invest in or operate tourism projects must first obtain Foreign Investor Status (issued by PROMEX), after which the investor may apply for "Tourism Utility Status" (TUS). According to TUS Foreign Investment Law the investor is entitled to certain benefits, including:

- customs exemptions from duties and taxes on materials and equipment destined for hotel and tourist projects;
- tax exemptions on, among other things, profits and dividend, property, inheritance and real estate; the exemption applies for five years for projects based in Santiago, São Vicente and Sal, and seven years for all the other Islands; and
- right to transfer to the outside up to 100 per cent of profits procured; the right applies for five years for enterprises based in Praia, Sal, and São Vicente, and seven years in the other municipalities; during the next ten years the investor is entitled to transfer up to 50 per cent of profits regardless of the project's location.

Foreign workers recruited to work in a project declared to be TUS have the following benefits and guarantees:

- Free transfer to the outside of 70 per cent of the salaries they receive in national currency; and
- Free transfer to the outside of salaries corresponding to vacation they spend in a foreign country.
- Transportation services

Transportation services are of particular importance to Cape Verde given its mountainous geography, dispersed population and reliance on food imports. The country has a strong tradition of sea transportation, and with the advent of independence the Government focused on building the infrastructure to connect the Islands by air and sea. Cape Verde currently has at least one short haul navigation port on each island and two seaports for long haul navigation – Port of Praia and Mindelo's Porto Grande. It also has one international airport on Sal Island and is building another near the capital; Praia (in Santiago Island) for the moment and Mindelo (in S. Vicente Island) have smaller airports; except in Brava where it is not operational now, each of the remaining Islands has a small aerodromes. The former state-owned road transportation services for passenger (mainly urban - TRANSCOR) and some motor-lorries for official use have been winded up and the sector is nowadays fully accessible throughout the Islands with new and former operators.

The Ministry of Infrastructures and Transport regulates all of the services in this sector.

- Maritime transport services

Cape Verde's commercial fleet has 40 registered ships averaging 34 years and totalling 17,238 Gross Tonnage. There are 23 short haul navigation ships, six coastal ships and five tugboats. Short haul (inter-island) services – both passenger and freight – may only be performed by domestic enterprises. A small group of private enterprises and Arc Verde, a government-owned enterprise currently in liquidation, provide such services.

The long haul fleet consists of four ships totalling 2,898.38 Gross Tonnage and averaging 30 years; 12 long haul vessels are registered in Cape Verde, but they do not operate with any regularity. There are currently two Cape Verde-based joint ventures engaged in this sector – MARÉ

VERDE and CSLINE. Both enterprises travel between Northern Europe and Cape Verde at least once a week. There are no restrictions on foreign participation in long haul transportation.

Table 15

Structure of Cape Verde Fleet

	No. of Ships		Gross Tonnage (TAB)		Average Age (years)	
	1992	2000	1992	2000	1992	2000
Long Haul	12	5	36,252	7,104	17.6	25
Short Haul	23	23	14,821	11,025	31	32
Coastal	6	6	2,000	2,000	38	43
Port Operations	4	5	1,789	1,000	29.7	29
Total	45	39	54,862	21,129	29.075	32.25

CABNAVE, a joint government/private sector enterprise, provides ship maintenance and repair services in the São Vicente dry docks. CABNAVE's primary market is fishing vessels, the majority of which operate under foreign flag and other small and medium-size ships that transit from the North to the South Atlantic. The National Port Administration, a government enterprise, provides towing services. There are no impediments to foreign participation in either the maintenance and repair or towing sector.

Table 16

Port Traffic in Cape Verde

Evolution of Port Traffic	1998	1999	2000	2001
Ship Movement	4,491	4,906	4,723	5,021
Short Haul Ships	3,600	4,011	3,818	3,963
Long Haul Ships	891	891	905	1,058
Merchandise Movement	698,437	843,343	852,453	910,819
Short Haul Merchandise (ton)	289,763	355,918	368,170	420,100
Long Haul Merchandise (ton)	408,674	487,425	484,283	490,719
Passenger Movement	311,991	385,846	452,391	450,742
Container Movement	13,942	17,147	19,148	18,219

- Air transport services

Cape Verde Airlines (TACV) provides domestic and international air transportation. A government enterprise currently in the privatization process, TACV is expected to emerge as a private entity by 2003. Domestically, TACV services all of the Islands except Brava (which no longer has an airport). Cape Verde Express, a privately owned charter operation, also services the Islands. TACV's international routes traditionally have been to Lisbon and Dakar, but the airline has signed several accords with air transporters in West Africa with a view to expanding its presence in the sub-region.

Table 17
Evolution of Airport Traffic

Aircraft Movement Domestic & international flights landing in Cape Verde				
Airports	1998	1999	2000	2001
AIAC	10,431	11,536	14,692	16,103
AFM	8,689	8,736	9,889	11,011
ASP	3,879	3,604	4,396	4,660
ASANT	540	458	128	278
ANIC	1,130	904	1,114	986
AFGO	1,224	1,062	1,246	1,452
ABRV	42	0	0	0
ABVT	1,414	1,735	2,733	3,044
AMAI	691	596	582	816
Total	28,040	28,631	34,780	38,350
Passenger Movement - Domestic & international				
Airports	1998	1999	2000	2001
AIAC	443,999	492,804	635,563	708,711
AFM	198,739	222,522	243,186	264,823
ASP	98,158	104,928	122,400	132,693
ASANT	6,387	4,735	1,216	3,212
ANIC	20,850	22,740	27,321	24,997
AFGO	31,837	33,917	56,250	67,840
ABRV	481	0	0	0
ABVT	18,262	24,960	40,170	47,351
AMAI	10,254	10,954	12,666	16,652
Total	828,967	917,560	1,138,772	1,266,279
Cargo Movement - Domestic & international				
Airports	1998	1999	2000	2001
AIAC	2,688,282	3,058,585	3,472,736	3,956,694
AFM	1,098,802	1,067,212	1,262,254	1,413,152
ASP	603,570	637,965	740,838	697,262
ASANT	12,550	8,085	3,012	5,454
ANIC	25,858	25,534	38,091	39,946
AFGO	28,393	54,016	50,079	54,874
ABRV	274	0	0	0
ABVT	23,310	22,660	23,319	43,836
AMAI	8,253	11,897	15,353	37,442
Total	4,495,019	4,885,963	5,605,682	6,248,660

- Road transportation

Road transportation services have been fully privatized. The principal urban cities are connected to villages by a network of private vehicles that transport both passengers and merchandise. Taxis service all of the Islands, and two private entities provide mass transportation within Praia and Mindelo. There are no impediments to foreign participation in this sector.

- Financial services

The financial services sector plays an important role in Cape Verde's development, contributing 5 per cent of gross domestic product in the last five years (1998-2002). The Bank of

Cape Verde regulates and supervises all insurance and banking activities to ensure the efficient operation of the country's financial system.

- All insurance and insurance-related services

There are currently two private insurance enterprises servicing the domestic market, both of which have local and foreign investors. With CVE200 million of capital stock, the GARANTIA Insurance Company controls 60 per cent of the market while IMPAR controls 40 per cent and CVE400 million of capital stock. In addition to insurance companies, the insurance sector also contains "insurance mediators" whose function is to provide advice and negotiate insurance contracts between consumers (individuals or businesses) and the insurance companies. There are two categories of Insurance Mediators – agents and brokers. At present, there are up to 113 insurance mediators in Cape Verde, of which two are insurance brokers. The two brokers are Assistência Global em Seguros, Lda (AGS) and Corretora de Seguros, Lda (BECIM), both of which are privately owned with local and foreign investors.

The Bank of Cape Verde regulates and supervises insurance entities according to Decree-Law No. 52-F/90 of 4 July. Insurance enterprises are limited to providing insurance and related services (e.g., life and non-life insurance and re-insurance services). In addition, they must satisfy the following requirements:

- adopt the form of a limited liability corporation;
- endow the corporation with a capital stock of not less than CVE200 million to engage in life and non-life insurance activities, and not less than CVE50 million to engage solely in life insurance activities. The capital stock must be entirely subscribed and obtained;
- establish a board of directors constituted by a minimum of three members retaining sufficient powers to effectively determine the orientation of the entire insurance activity;
- provide information on the enterprise's promoters, proposed administrators, directors and managers;
- provide the corporation's statutes (i.e. Articles of Incorporation); and
- before an insurance enterprise can receive authorization to operate in Cape Verde, the Bank of Cape Verde must first determine that the above requirements have been met. Once BCV issues its recommendation, the Prime Minister and the Minister of Finance may provide the requisite authorization.

BCV also regulates and supervises insurance brokers and agents pursuant to Decree-Law No. 101-P/90 of 23 November. Insurance agents must be of legal age (at least 18 years old); they must be legally competent to conduct business affairs; and they must satisfy minimum academic qualifications, which are set by the Ministry of Finance. Individuals convicted of any major crimes (e.g., robbery, abuse of trust, fraud, and fraudulent bankruptcy) are ineligible. Foreign nationals may become agents provided they meet all of the qualification requirements and have resided in Cape Verde for more than two years. Qualified foreign nationals will be allowed to work as agents under the same terms that apply to Cape Verde citizens working in the foreign national's country of origin.

Insurance brokers must be registered as agents for at least three years, and additionally must:

- operate a self-owned enterprise;
- employ a minimum of 1 full-time staff person;
- employ at least one risk analyst (even on a part-time or service contract basis);
- be free of any financial infractions in the preceding two years; and
- be financially solvent and hold a diversified insurance portfolio (in terms of number of insured and level of risk).

There are no additional constraints on foreign nationals seeking to become brokers.

- Banking and other financial services (excluding insurance)

- Banking

Cape Verde's banking system is organized on a three tier structure: commercial credit banking, parabanking, and international or offshore banking. There are four commercial banks with a total of 35 branches servicing all of the Islands. Parabanking institutions – defined as those institutions that exercise some credit functions or activities that may affect operation of monetary, financial or exchange markets – are key players in the financial services market. There are a few parabanking institutions in Praia, Cape Verde's capital. International or offshore banking also plays a significant role in this sector, and there are currently three banks authorized to conduct such operations.

The Bank of Cape Verde regulates and supervises all banking and parabanking activities, and Law No. 03/V/96 of 1 July provides the regulatory framework for this sector. Before a commercial or parabanking institution can be constituted, it must obtain a favorable recommendation from the Bank of Cape Verde.⁵ BCV determines whether the institution would contribute to the efficiency of the national financial system and to meet the objectives of the country's economic, financial, monetary and exchange policies. Commercial banking and parabanking institutions must also satisfy the following requirements:

- adopt the form of a limited liability corporation, with shares representative of its mandatory nominal capital or issued to the registered bearer;
- control a minimum of CVE300 million in capital stock that is totally subscribed and obtained;
- employ promoters, proposed administrators, managers and directors qualified to guarantee a sound and prudent management of the institution or branch; and
- provide a copy of the statutes of the society (i.e., Articles of Incorporation).

Once BCV issues a favorable recommendation, the commercial or parabanking institution must receive authorization via ministerial decree from the Ministry of Finance. Foreign commercial and parabanking institutions authorized to operate in Cape Verde are subject to the same laws, and receive the same benefits, as domestic institutions.

International or offshore banks are subject to a special regime. The establishment of an international or offshore bank requires prior authorization from the Government. The authorization is to be issued in a ministerial decree from the Minister of Finance, upon recommendation from the Bank of Cape Verde. The authorization is granted only to national and foreign entities of recognized prestige and financial capability. Decree-Law No. 66/97 of 3 November, Law No. 43/III/88 of 27 December (rewritten in Law No. 32/V/97 of 30 June) and Decree-Law No. 109/89 of 30 December are the controlling legal provisions.

⁵ Foreign banks seeking to open representation offices also must receive prior authorization from the Bank of Cape Verde. These offices are limited in the kinds of activities they can conduct, and they are not authorized to perform banking and parabanking operations (representation offices are usually established to explore the feasibility of opening a bank branch in-country).

Figure 1

Constitution of Cape Verde's Commercial Banks

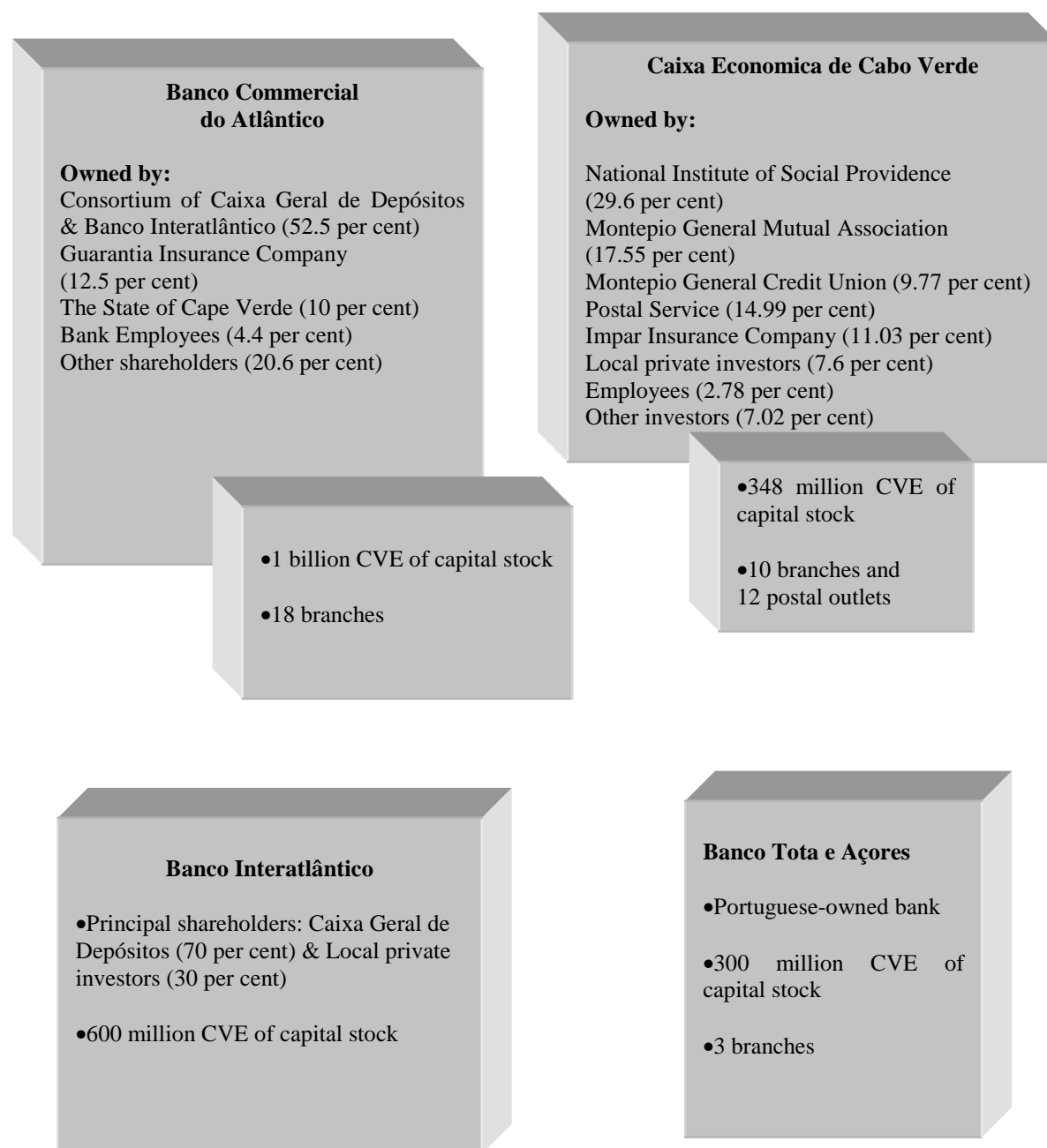


Figure 2

International/Off-Shore Banking

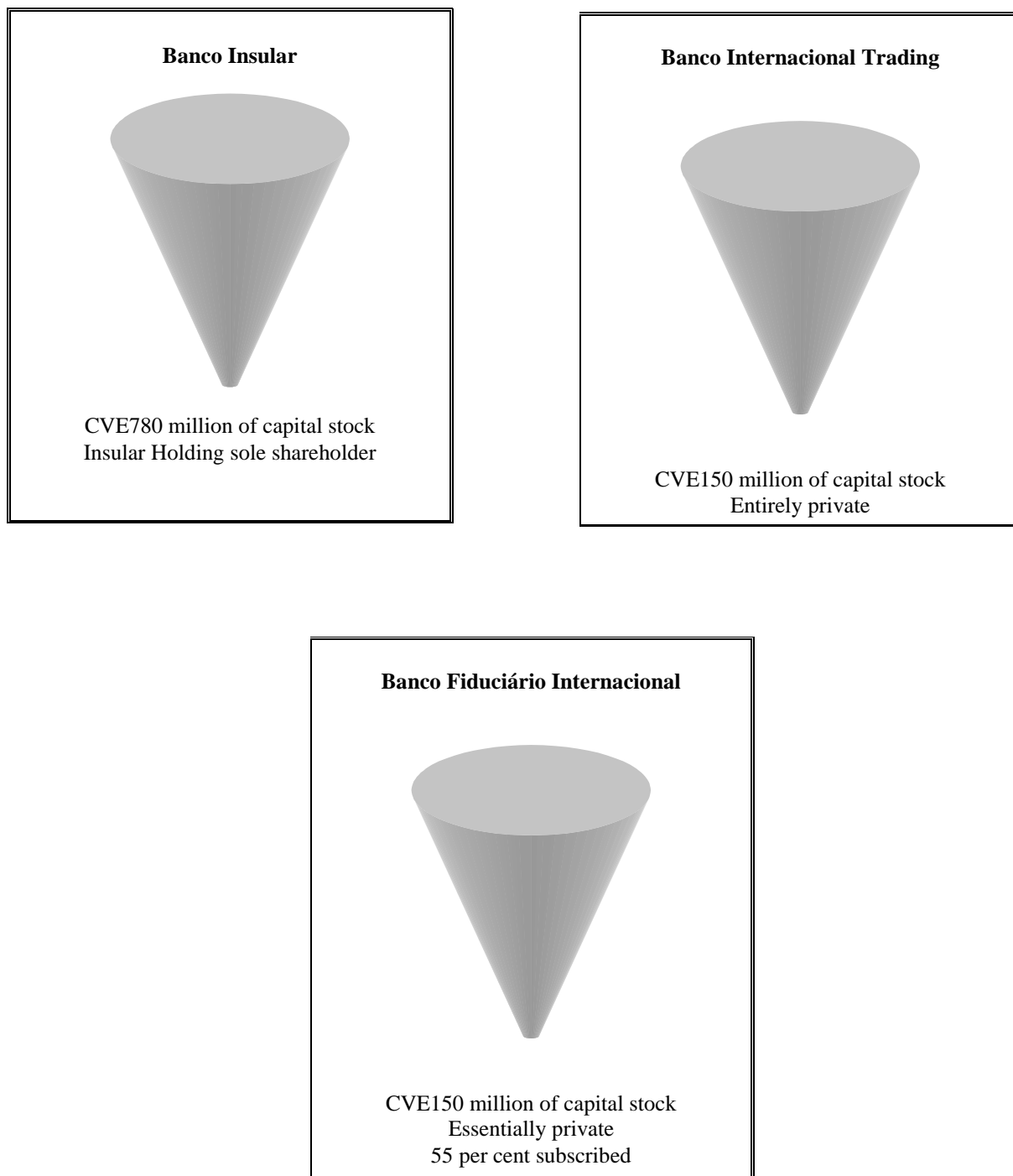


Table 18
Parabanking Institutions

Entity	Activity
Investment Firms	Limited to issuing loans (e.g., cannot accept deposits or transfer funds); must control capital stock of at least CVE100 million.
Risk ("Venture") Capital Firms	May purchase temporary investment shares in an enterprise to promote high-tech and innovative projects; must control capital stock of at least CVE60 million.
Financial Leasing (i.e. loans) Firms	Limited to issuing loans for both real and non-real property; must control capital stock of at least CVE20 million (for firms engaged in real property loans) and CVE30 million (for firms engaged in both types of loans).
Regional Development Firms	Limited to investing in local communities; must control capital stock of at least CVE60 million.
Exchange Agencies	Limited to purchasing and selling foreign currency; Agency operators must first obtain authorization from BCV and satisfy certain requirements: (1) adopt the form of a capital stock enterprise or partnership; (2) control capital stock of at least CVE5 million; and (3) display term "Exchange Agency" in enterprise's title.
Credit Card Firms	Limited to providing credit card and related services.

- Other financial services

Cape Verde has completed the legal framework to establish a stock market, but the Bolsa de Valores is not currently operational. It is unclear when the Bolsa can be expected to commence operations.

2. Policies affecting trade in services

General reference to main laws, regulations, rules, procedures, decisions, administrative action and other legal instruments and a description of specific measures affecting trade in services. Distinctions based on modes of supply and/or sectors could be made whenever relevant:

(a) Government departments, agencies, professional associations or other bodies with authority or a role relevant to the conduct of service activities

There are a number of government ministries, agencies and professional associations that play a role in the conduct of service activities. The principal governmental bodies are:

- Ministry of Economy, Competition and Growth;
- Secretary of State for Tourism;
- PROMEX;
- National Food Security Agency (ANSA);
- Institute to Assist Small and Medium Enterprises (IAD);
- General Department of Tourism;
- Ministry of Infrastructures and Transport;
- Ministry of Finance, Planning and Regional Development;
- Ministry of Health;
- Ministry of Education and Human Resource Capacity-Building;

- Ministry of Culture;
- Ministry of Agriculture and Fisheries;
- The Bank of Cape Verde;
- The Chamber of Commerce; and
- Many professional associations also play a role in this sector, including the Bar Association, Association of Women Lawyers, the Doctor's Association, and the Association of Masons and Carpenters, etc.

(b) Judicial, arbitral or administrative tribunals or procedures providing for the review of, or remedies in relation to, administrative decisions affecting trade in services

The Foreign Investment Law (Law No. 89/IV/93 of 13 December) requires all disputes between foreign service providers and the State to be submitted to mediation and arbitration, unless an agreement or international treaty to which Cape Verde is a signatory provides otherwise.

(c) Provisions, including those in international agreements, concerning qualification requirements and procedures, technical standards and licensing and/or registration requirements for the supply of services

There are a number of provisions regarding qualification requirements for the supply of services; they have been fully detailed in the relevant sections of this Memorandum.

(d) Provisions governing the existence and operation of monopolies or exclusive service suppliers

While much of the services market has undergone significant liberalization, a few monopolies do exist in the provision of certain basic services, notably in telecommunications, electricity and water. These monopolies function under terms set by concession contracts signed with the State.

(e) Provisions relating to safeguard measures as they apply to trade in services

There are no provisions for safeguards measures in the services sector.

(f) Provisions relating to international transfers and payments for current transactions of services

According to Decree Law 26/98 of 29 June, transfers and payments for current transactions may be done freely, except in the following cases, which require prior authorization from the Bank of Cape Verde:

- transfers pertaining to invisible currents operations in amounts greater than CVE1,000,000 included in the line item "private unilateral transfers";
- transfers in amounts greater than CVE5,000,000 in payment for services rendered (interest payments or previously-approved credit are exempt); and
- Under the Foreign Investment Law, when an enterprise is sold, liquidated or dissolved the Bank of Cape Verde may require the transfer of capital to be effectuated in quarterly instalments if transferring the sum in full is likely to cause serious disturbance to the Balance of Payments.

(g) Provisions relating to capital transactions affecting the supply of services

According to Decree Law No. 26/98 of 29 June and Bank of Cape Verde Notice No. 4/98, capital operations require the Bank's prior authorization (stock market transactions will be exempt from this provision).

(h) Provisions governing the procurement by governmental agencies of services

The provisions regarding government procurement of services are set out in Decree-Law No. 2/97 of 21 January (see also, regulations implementing the Government's yearly budget, which provides specific requirements). All acquisitions must be explicitly budgeted and authorized by the Ministry of Finance, Planning, and Regional Development. The Directorate General for State Property (DGPE) oversees the purchase of services, solicits bids, and signs and renews contracts. DGPE has sole authority to purchase certain services, notably electricity, water, telecommunication, insurance, rent, security and janitorial services. The individual ministries may purchase certain other services, provided the cost does not exceed a maximum amount set by the Directorate General of the Treasury.

(i) Provisions concerning any form of aid, grant, domestic subsidy, tax incentive or promotion scheme affecting trade in services

To the extent that such aid, grants, subsidies, incentives or promotion schemes exist, they are identified in detail in the appropriate sections. Generally, the Foreign Investment Law provides for certain tax and other fiscal incentives to investors (Article 13), and the Industrial Statute entitles eligible enterprises to customs and other benefits (Article 28). Additionally, the Government may provide assistance to public enterprises (e.g., for purposes of restructuring), and such actions are promulgated in ministerial dispatches.

3. Market Access and National Treatment

(a) Limitations on the number of service suppliers

There are no such limitations.

(b) Limitations on the total value of service transactions or assets

There are no such limitations.

(c) Limitations on the total number of service operations or on the total quantity of service output

There are no such limitations.

(d) Limitations on the total number of natural persons that may be employed in a particular service sector

There are no such limitations.

(e) Restrictions on, or requirements of specific types of legal entity through which a service may be supplied

Insurance enterprises and commercial banks must be limited liability enterprises, and exchange agencies must be a capital stock enterprise or partnership (see section VI.1(e)). In the construction sector, foreign enterprises must establish an office in-country (see section VI.1(b)).

(f) Limitations on the participation of foreign capital

There are no such limitations.

(g) Measures providing for less than the treatment accorded to national services or service suppliers

Foreign Service suppliers in general benefit from the same treatment accorded to domestic suppliers. The Foreign Investment Law establishes certain procedural requirements for foreign suppliers that are not applicable to domestic enterprises (e.g., foreign investors must apply for "Foreign Investor Status"). Once an enterprise is duly registered under Cape Verde law, however, there are only a few instances in limited sectors where a foreign supplier receives dissimilar treatment: the maritime transportation sector reserves short-haul services for national enterprises; and practicing attorneys must be Cape Verde citizens (but foreign nationals may conduct legal consulting activities); in the insurance sector, insurance mediators must fulfill a two year residency requirement (see applicable sections above).

4. Most-Favored-Nation Treatment

There are no existing measures inconsistent with MFN treatment.

VII. INSTITUTIONAL BASE FOR TRADE AND ECONOMIC RELATIONS WITH THIRD COUNTRIES

1. Bilateral or plurilateral agreements relating to foreign trade in goods and trade in services

Please see list of agreements in Annex 8 A.

2. Economic integration, customs union and free-trade area agreements

As mentioned in Sections IV.1 (b) and IV.1 (l), Cape Verde is a member of ECOWAS (Economic Community of West African States). In the ECOWAS legal text of the charter or treaty, the 15 ECOWAS countries agreed to implement a Common External Tariff (CET) and to form the ECOWAS Customs Union. In fact and in practice, neither a Customs Union nor a Common External Tariff has been implemented, and decisions taken on tariff consolidation, liberalization of unprocessed goods and, handicrafts or free trade in industrial goods and services are not implemented.

Also, there is an agreement on economic cooperation between Angola, Cape Verde, Angola, Guinea-Bissau, Mozambique and Sao Tome e Principe, instituting among others free trade. The Agreement was signed on 30 March and became effective on 21 June 1980. Free trade is not yet implemented.

3. Labour markets integration agreements

Free movement of persons, right of residence and establishment for citizens of the ECOWAS Member States are in effect, according to Article 59 of the ECOWAS Treaty and its Protocols. (Law No. 18/II/82, O.B. No. 18/82, 4^o Supl; Law No. 60/II/85 de 21/6, O.B. 25/85; Law No. 31/IV/91, O.B. No. 52/91, 4^o Supl; Lei No. 34/IV/91, BO 53/91, 2^a Supl; Law No. 35/IV/91, O.B. No. 52/91, 5.^o supl.; Resolution No. 115/IV/95, O.B. No. 37/95, 1.^a série, 5.^o supl)

4. Multilateral economic cooperation, membership in the multilateral economic organizations, trade-related programs of other multilateral organizations

- International Air Transport Association (IATA)
- International Civil Aviation Organization (ICAO)
- World Customs Organization
- World Intellectual Property Organization (WIPO)
- World Tourism Organization
- World Maritime Organization (WMO).

VIII. OTHER PROCEDURAL REQUIREMENTS

There are no procedural requirements in Cape Verde, other than those described in Sections I through VII of the Memorandum on the Foreign Trade Regime.

ANNEX 1

STATISTICS AND PUBLICATIONS

1. Foreign trade statistics for goods and services: responsible agencies

Table 19

Balance of Payments

	1994	1995	1996	1997	1998	1999	2000	2001
Current Account	-3,766.3	-4,755.4	-2,890.6	-2,769.4	-5,689.1	-7,680.1	-7,758.3	-7,150.8
Goods	-14,830.5	-16,681.0	-15,167.0	-16,014.0	-18,190.6	-22,096.4	-22,437.8	-23,957.7
- General Merchandise	-15,577.0	-17,302.6	-15,947.6	-18,378.9	-20,012.0	-22,576.7	-24,914.8	-26,332.5
- Exports F.O.B.	397.8	646.5	1,038.6	1,293.7	396.1	326.7	296.7	242.3
- Imports F.O.B	-15,974.8	-17,949.1	-16,986.1	-19,672.6	-20,408.1	-22,903.4	-25,211.5	-26,574.8
- Goods for Transformation					51.0	-36.2	70.7	354.5
- Repair of Goods	154.2	160.0	262.7	145.8	201.5	-90.7	-93.3	-537.2
- Goods Acquired in Ports by Transposition	592.3	461.7	517.9	2,219.0	1,568.9	607.2	2,499.6	2,557.4
- Non-monetary Gold					0.0	0.0	0.0	0.0
Services (Net)	1,022.7	477.4	613.9	1,808.1	-400.2	-1,081.9	579.4	934.4
- Transportation	841.6	674.5	606.7	1,514.9	514.0	-152.1	-82.8	64.6
- Travel	-234.9	-500.6	-542.2	-208.5	-340.5	-1,241.4	381.4	418.5
- Other Services	413.1	303.5	553.6	501.6	-573.7	311.5	280.8	451.3
Revenues	-49.4	-202.6	-355.6	-334.2	-542.9	-867.3	-1,436.6	-508.7
- Work Revenues	158.6	85.4	82.5	48.8	136.7	71.3	106.0	111.6
- Investment Revenues	-208.0	-288.0	-438.1	-383.0	-679.6	-938.6	1,542.6	-620.4
Current Transfers	10,091.0	11,650.8	12,018.0	11,770.7	13,444.5	16,365.5	15,536.7	16,381.2
- Government General ⁶	3,476.6	3,997.5	4,099.9	5,187.2	5,361.1	5,028.4	2,613.6	2,600.7
Other Services	6,614.4	7,653.3	7,918.1	6,583.5	8,083.5	11,337.1	12,932.2	13,780.5
- Returns from Emigrants	6,614.4	7,653.3	7,918.1	6,583.5	7,049.8	8,070.8	7,733.5	8,851.3

⁶ includes the part of transfers of capital that it was possible to break-down

	1994	1995	1996	1997	1998	1999	2000	2001
Balance of Capital and Financial Operations					4,309.9	12,142.6	3,711.7	6,696.1
- Capital Account	1,643.3	1,604.8	1,059.8	587.0	1,838.9	1,376.0	1,341.6	3,004.0
- Capital Transfers	1,643.3	1,604.8	1,059.8	587.0	1,838.9	1,376.0	1,341.6	3,004.0
- Government General	1,643.3	1,604.8	1,059.8	587.0	1,838.9	1,376.0	561.6	0.0
- Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	780.0	3,004.0
Financial Accounts Operations	2,628.3	2,840.7	3,276.7	5,011.7	2,471.0	10,766.6	2,370.0	3,692.1
Direct Investment	140.3	1,968.0	2,334.4	1,074.1	859.9	5,432.2	2,436.9	80.9
Outside the Country	-34.0	-44.1	-21.8	-4.6	0.0	-40.8	-2.6	0.0
In the Declaring Economy	174.3	2,012.1	2,356.2	1,078.7	859.9	5,472.9	2,439.5	80.9
Portfolio Investment					0.0	292.9	13.4	-167.1
Other Investments	2,488.0	872.7	942.3	3,937.6	1,611.1	5,041.6	-80.2	3,778.2
- Assets	131.6	-128.0	-185.5	-167.2	-2,203.9	-1,457.2	-2,442.0	-6.4
- of which Trust fund					-2,794.5	-1,940.3	-2,384.2	0.0
- Liabilities	2,356.4	1,000.7	1,127.8	4,104.8	3,814.9	6,498.8	2,361.8	3,784.7
- Errors and Omissions	-948.9	2,394.2	113.0	1,900.5	1,120.5	-759.3	-1,046.1	2,011.4
- Global Balance	1,454.2	-2,704.1	1,332.9	928.8	-258.7	3,364.9	-3,000.6	-2,466.2
Financing	-1,454.2	2,704.1	-1,332.9	-928.8	258.7	-3,364.9	-3,000.6	-2,466.2
- Reserve Assets	-1,701.8	2,377.7	-1,632.8	916.7	-816.4	-4,401.6	1,069.7	-2,857.9
- of which currency	-1,698.9	2,373.7	-1,628.6	914.0	-813.7	-4,403.4	1,052.9	-2,869.0
Exceptional Financing	247.6	326.4	299.9	-1,845.5	1,075.2	1,306.7	1,930.9	391.7
- Government	247.6	326.4	299.9	-1,845.5	919.0	767.8	2,127.2	426.7
- Long Term Loans					25.5	-160.8	0.0	
- Short Term Loans					853.6	1,181.8	1,650.0	704.6
- Variation of Delays	247.6	326.4	299.9	-1,845.5	40.0	-253.2	477.2	-277.9
- Other Sectors					156.2	268.8	-196.3	-35.0

Source: BCV

Note: Adaptation to methodology of the V MBP Manual of the Balance of Payments (1994 to 1999)

Table 20

Consumer Price Index And Inflation Rate

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Consumer Price Index	109.0	116.0	122.0	129.2	133.5	144.7	153.4	166.8	173.9	181.4	177.1	183.5
Inflation rate		6.4	5.2	5.9	3.3	8.4	6.0	8.7	4.3	4.3	-2.4	3.7

Table 21

Imports by 2 Digit Heading of the Harmonized System

Heading	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
01	Live animals	15,331	10	17,737	10	16,241	9	11652	9
02	Meats and edible meat offals	65,093	346	105,195	691	235,212	1,875	323,217	2,520
03	Fish and crustaceans, mollusks and other aquatic invertebrates	20,614	57	23,468	65	28,265	75	35473	82
04	Dairy produce, birds eggs; natural honey, edible products..	923,872	4,594	1,078,837	5,688	1,001,453	5,585	1,630,701	7,733
05	Products of animal origin, non elsewhere specified or included	27	0	22	0	-	-	-	-
06	Live trees and other Plants; bulbs, roots and the like; cut flowers and..	555	1	1,094	1	1,832	2	2,799	5
07	Edible vegetables and certain roots and tubers	630,328	12,622	667,657	13,158	541,099	11,325	521,970	11,195
08	Edible fruits and nuts; peels of citrus fruits and melons	180,498	1,557	219,848	2,071	262,283	2,670	244,168	2,085
09	Coffee, tea, maté and spices	159,719	519	169,604	622	166,324	660	132,573	625
10	Cereals	1,446,823	69,239	1,836,098	81,703	1,342,762	61,421	1,699,596	63,546
11	Products of the milling industry, malt, starches, inulin, wheat gluten	37,027	814	60,868	1,425	125,420	3,522	46,145	868
12	Oil seeds and oleaginous fruits; misc grains seeds and fruits; industrial..	16,883	274	24,321	1,012	18,511	853	9120	33
13	Lac, gums, resins and other vegetable saps and extracts	306	0	519	5	870	0	511	4
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	-	-	41	0	165	1	10	0
15	Animals or vegetable fats and oils and their cleavage products..	1,078,948	9,928	892,116	8,650	856,961	8,927	865,757	8,965

Heading	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
16	Preparations of meat, of fish or of crustaceous, mollusks or other...	205,097	1,117	181,369	903	193,215	952	290680	1394
17	Sugars and sugar confectionery	747,648	17,383	603,445	15,542	584,541	13,917	951,055	20,351
18	Cocoa and cocoa ...	40,737	117	46,436	182	39,411	130	55,498	177
19	Preparations of cereals, flour, starch or milk; bakers' wares	181,944	1,337	234,924	1,815	269,847	2,088	305,264	2,233
20	Preparations of vegetables, fruits, nuts or other parts of plants	362,855	3,707	383,353	3,929	292,044	2,959	351,807	3,263
21	Miscellaneous edible preparations	595,608	2,026	592,671	2,017	730,140	2,401	781,756	2,687
22	Beverages, spirits and vinegar	849,191	13,235	1,131,174	18,183	1,497,206	24,573	1,717,142	28,167
23	Residues and waste from food industries; prepared animal feed	165,914	2,887	168,936	3,529	162,156	3,318	140,042	2,657
24	Tobacco and manufactured tobacco substitutes	73,080	44	141,783	96	178,643	96	215,544	108
25	Salt, sulphur, earths and stones; plastering materials, lime and cement	834,151	132,367	964,884	159,100	1,068,195	166,567	1,077,075	160,239
26	Ores, slag and ash	-	-	-	-	421	2	16	0
27	Mineral fuels, mineral oils and products of their distillation; bituminous..	1,115,275	54,106	1,486,174	80,792	1,679,552	60,346	1745809	57912
28	Inorganic chemical, org/inorg. Compounds of precious metals	74,041	888	57,831	727	52,062	625	56,554	701
29	Organic chemicals	48,583	311	45,878	300	66,852	275	70,813	203
30	Pharmaceutical products	449,842	216	317,143	173	437,549	265	439,515	231
31	Fertilizers	16,179	302	8,513	195	4,903	125	15,392	279
32	Tanning or dyeing extracts, tannins and their derivatives; dyes, pigments..	136,775	968	225,116	2,425	203,195	2,418	229,810	3,156
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	135,940	686	134,690	563	165,535	621	151,724	638
34	Soap, organic surface agents, washing preparations..	257,148	2,915	265,847	3,108	294,474	3,355	291,470	3,458
35	Albuminoidal substances; modified starches; glues; enzymes	28,708	105	26,809	116	25,331	117	25794	83
36	Explosives; pyrotechnic articles, matches, pyrophoric alloys..	21,768	105	19,713	104	31,777	140	19,017	90

Heading	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
37	Photographic or cinematography goods	31,857	39	35,047	46	36,332	38	32,266	32
38	Miscellaneous chemical products	174,507	719	208,376	817	196,515	869	194,072	916
39	Plastics and articles thereof	569,742	2,636	683,109	2,924	668,320	2,766	852,471	3,217
40	Rubber and articles thereof	226,967	688	240,626	703	226,728	654	269,322	726
41	Rawhides and skins (other than fur skins) and leather	766	1	392	1	193	0	1074	1
42	Articles of leather; saddlery and harness; travel goods, handbags..	24,353	71	38,165	93	33,194	93	32421	103
43	Fur skins and artificial fur; manufactures thereof	1	0	37	0	111	0	10	0
44	Wood and articles of wood; wood charcoal	516,926	11,366	690,340	13,386	638,056	13,894	706,714	14,006
45	Cork and articles of cork	1,273	4	1,930	10	1,826	2	2,797	9
46	Manufactures of straw, of esparto or other plaiting materials..	1,164	10	840	2	1,450	3	1446	2
48	Paper and paper board; articles of paper pulp, of paper or of paperboard	384,129	1,769	450,399	2,017	532,034	2,494	585,447	2,400
49	Printed books, newspapers, pictures and other products of the printing..	173,960	223	158,764	201	152,242	147	121,317	228
50	Silk	197	1	406	0	994	2	125	0
51	Wool, fine or coarse hairs; horsehair yarn and woven fabric	518	1	717	1	361	0	240	0
52	Cotton	51,785	85	45,350	87	56,602	102	52870	105
53	Other vegetable textile	2,583	7	1,651	4	2,651	6	1,385	4
	Fabrics, paper yarn and fabrics of paper yarn								
54	Man-made filaments	14,279	16	8,120	11	6,490	8	4649	7
55	Man-made staple fibers	20,826	30	30,613	64	34,927	61	32396	45
56	Wadding, felts and non-wovens; special yarns, twine, cordage, ropes..	22,033	58	30,999	92	15,321	46	30,125	106
57	Carpets and other textile floor coverings	5,185	14	4,733	11	5,558	13	9,188	24
58	Special woven fabrics; tufted textile fabrics; lace, tapestries; trimmings..	2,587	2	2,759	4	3,035	21	3,504	15
59	Impregnated, coated, covered or laminated textile fabrics; textile articles.	3,248	4	7,642	11	4,810	13	4193	8
60	Knitted or crocheted fabrics	1,394	2	541	1	575	1	4436	5

Heading	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
61	Articles of apparel and clothing accessories, knitted or crocheted	104,003	138	128,998	221	142,726	261	105328	208
62	Articles of apparel and clothing accessories, not knitted or crocheted	80,765	135	109,933	161	97,642	153	122,781	193
63	Other made-up textiles; sets; worn clothing and work textile articles; rags	250,420	1,372	256,265	1,373	253,331	1,314		
64	Footwear, gaiters and the like; parts of such articles	160,914	501	151,160	451	165,379	561	160,777	520
65	Headgear and parts thereof	6,858	9	7,556	5	8,509	8	10594	15
66	Umbrellas, sun umbrellas, walking sticks, seatsticks, whips, riding-crops..	2,066	4	1,523	4	2,088	6	1,887	9
67	Prepared feathers and down articles made of feather or down; artificial..	4,999	21	6,237	20	7,028	19	4,494	18
68	Articles of stone, plaster, cement, asbestos, mica or similar materials..	68,487	805	82,319	1,083	99,872	1,479	85,968	1,037
69	Ceramic products	481,651	10,279	533,954	11,157	461,276	10,297	543464	11914
70	Glass and glassware	171,331	2,036	189,702	2,231	191,769	1,754	145684	1391
71	Natural or cultured pearls, precious or semi-precious stones, ..	10,200	53	12,294	38	256	0	37,410	41
72	Iron and steel	515,942	12,028	387,492	9,865	626,715	16,860	472,956	11,365
73	Articles of iron or steel	672,847	4,460	813,587	5,580	795,291	5,010	839297	5268
74	Copper and articles thereof	22,141	36	27,516	52	21,813	42		
75	Nickel and articles thereof	76	0	256	1	138	0		
76	Aluminum and articles thereof	148,106	310	227,772	455	217,300	474	209,412	388
78	Lead and articles thereof	169	1	127	0	31	0	543	0
79	Zinc and articles thereof	4,026	19	4,724	23	5,990	19	9747	65
80	Tin and articles thereof	907	2	700	0	648	0	267	0
81	Other base metals; cermets; articles thereof					24	0	1036	12
82	Tools, implements, cutlery, spoons and forks, of base metal; parts...	83,174	199	125,027	215	90,882	226	103,344	181
83	Miscellaneous articles of base metal	184,312	404	190,155	372	197,476	402	193,872	365
84	Nuclear reactors, boilers, machinery and electrical appliances; parts..	2,065,951	2,236	2,898,676	2,305	2,460,940	2,307	3159097	2718

Heading	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
85	Electrical machinery and equipment and parts thereof; sound recorders..	1,820,623	1,863	1,951,489	2,577	2,571,242	2,303	2,212,694	2,592
86	Railway and tramway locomotives, rolling stock and parts thereof;..	8,121	163	11,440	226	15,046	337	19,706	467
87	Vehicles and other railway or tramway rolling stock, and parts and..	1,404,391	2,817	2,075,907	4,289	2,314,417	4,610	3,036,788	5,463
88	Aircraft, spacecraft, and parts thereof	59,143	3	46,732	2	438,178	24	140,987	31
89	Ships, boats and floating structures	42,648	55	632,864	1,346	24,539	97	30,148	49
90	Optical, photographic, cinematographic, measuring, checking, precision..	414,834	115	428,755	108	300,857	111	332,632	112
91	Clocks, watches and parts thereof	9,137	15	11,558	15	6,924	13	6176	8
92	Instruments; parts and accessories of such articles	3,728	4	4,283	2	6,414	5	1537	0
93	Arms and ammunition; parts and accessories thereof	8,832	1	505	0	858	0	6130	0
94	Furniture; bedding, mattress, mattress supports, cushions and similar..	507,611	1,327	670,806	1,523	651,708	1,745	614477	1563
95	Toy, games and sports requisites; parts and accessories thereof	55,188	154	61,934	171	64,678	164	72,011	176
96	Miscellaneous manufactured articles	71,515	186	87,195	227	82,468	186	94201	247
97	Works of art, collector's pieces and antiques	5,574	2	663	0	2,125	2	229	0
Total		22,601,474	394282	26,919,772	475484	27,523,350	454237	30523311	455895

Table 22

Exports by 2 Digit Heading of the Harmonized System

Headings	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
03	Fish and crustaceans, mollusks and other aquatic invertebrates	191,037	2,146	189,501	1,236	86,459	283	15,000	67
04	Dairy produce, birds eggs; natural honey, edible products..	481	0	-	-	-	-	2,128	0
08	Edible fruits and nuts; peels of citrus fruits and melons	125	16	3,279	33	-	-	-	-
09	Coffee, tea, maté and spices	-	-	-	-	8,700	20	11,146	18
16	Preparations of meat, of fish or of crustaceous, molluscs or other...	3,841	17	113	0	13,675	61	22,660	167
17	Sugars and sugar confectionery	-	-	44	0	-	-	-	-
19	Preparations of cereals, flour, starch or milk; bakers' wares	406	5	718	7	629	6	1145	10
21	Miscellaneous edible preparations	64	0	48	0	34	0	125	0
22	Beverages, spirits and vinegar	6,967	5,760	10,654	3,752	20,914	9,830	8,780	3,335
29	Organic chemicals	-	-	-	-	1,301	0	-	-
30	Pharmaceutical products	-	-	-	-	2,160	2	1,480	4
32	Tanning or dyeing extracts, tannins and their derivatives; dyes, pigments..	-	-	-	-	1,605	1	1,910	2
39	Plastics and articles thereof			72	1	-	-	86	1
41	Rawhides and skins (other than fur skins) and leather	2,010	35	3,733	38	2,067	30	2,913	25
61	Articles of apparel and clothing accessories, knitted or crocheted	194	0	-	-	-	-	150,520	73
62	Articles of apparel and clothing accessories, not knitted or crocheted	187,808	64	232,553	83	428,512	241	448,696	240
64	Footwear, gaiters and the like; parts of such articles	605,170	164	666,598	190	667,163	167	505,945	83
68	Articles of stone, plaster, cement, asbestos, mica or similar materials..	-	-	-	-	-	-	40	0

Headings	Designation	1998		1999		2000		2001	
		Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)	Value (million CVE)	Weight (ton.)
85	Electrical machinery and equipment and parts thereof; sound recorders..	18,233	7	62,881	10	28,113	9	26,439	9
94	Furniture; bedding, mattress, mattress supports, cushions and similar..	14	0	49	0	-	-	1,193	5
95	Toy, games and sports requisites; parts and accessories thereof							1,681	0
Total		1,016,350	8,214	1,170,243	5,350	1,261,332	10,650	1,201,887	4,039

Table 23

Gross National Product (in millions of CVE)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Current GDP at market price ⁷	21,573.4	22,930.0	24,380.6	29,078.2	33,497.1	37,705.1	41,697.5	45,968.3	51,306.54	59,819.12	63,634.9
Net Revenue from outside ⁸	132.3	29.8	73.1	-299.7	-49.4	-202.6	-355.6	-334.2	-542.9	-867.7	-1,436.6
Gross National Product (GNP) = RNP ⁹	21,705.7	22,959.8	24,453.7	28,778.5	33,447.7	37,502.5	41,341.9	45,634.1	50,763.6	58,951.4	62,198.3

⁷ Source: 1990 – 1997 Definitive Accounts INE, 1998 - 2000 Projections by INE Staff – IMF

⁸ Source: Service Factors (Net) BCV

⁹ Source: INE Calculations, Population 1990 – 341,491; 1995 – 386,185; 2000 – 434,625. GNP at current prices in Millions of CVE: 1990 – 21,705.7; 1995 – 37,502.5; 2000 – 62,198.3. Median Exchange Rate CVE/US\$ - 1990 – 69.92; 1995 – 76.12; 2000 – 117.48. GNP per capita in US\$: 1990 – 909.1; 1995 – 1,275.8; 2000 – 1,218.1.

Table 24

Foreign Trade Data 1994-2000

	1994	1995	1996	1997	1998	1999	2000	2001
National Export	408	687	1,046	1,295	1,016	1,170	1,261	1,201
Re-export	1,644	1,707	1,997	4,107	1,456	2,418	1,544	1,626
Import	17,113	19,394	19,355	21,763	22,597	26,915	27,519	30,519
Commercial Balance ¹⁰	-16,705	-18,707	-18,309	-20,468	-21,581	-25,745	-26,258	-29,318
Coverage Index ¹¹	2.4	3.5	5.4	6	4.5	4.3	4.6	4.0

Table 25

Consumer Price Index and Inflation Rate

Islands/Zones/National	1994	1995	1996	1997	1998	1999	2000	2001
Praia								
Index	141.4	153	162	174.5	180.8	194.9	193.1	199.4
Inflation Rate	2.3	8.2	5.9	7.7	3.6	7.8	-0.9	3.2
São Vicente								
Index	131.8	141.3	151.1	157.3	163.1	169.2	168.2	175.9
Inflation Rate	5.4	7.2	6.9	4.1	3.7	3.7	-0.6	4.5
Rural Zones								
Index	131.3	142.8	151.2	166.7	174.3	180.1	174.1	180.3
Inflation Rate	3.2	8.8	5.8	10.3	4.5	3.3	-3.3	3.6
National Total								
Index	133.5	144.7	153.4	166.8	173.9	181.4	177.1	183.5
Inflation Rate	3.3	8.4	6	8.7	4.3	4.3	-2.4	3.7

¹⁰ Refers only to National Export

¹¹ Refers only to National Export

2. Publications related to statistics

Table 26

Statistical Publications

INECV – May to June. 31 May 2002		Most recent data		
Official Statistical Publication	Periodicity	Reference Period	Date of Publication	Duration
Index of Price of Consumption	Monthly	April 2002	May 2002	1
Index of Price of Consumption	Annually	2000	February 2001	2
External Trade	Monthly	November 2001	May 2002	6
External Trade	Annually	1999	April 2000	4
List of Publication	Annually	1998	August 1998	8
National Accounts	Annually	1985-95	April 1999	40
Civil State Statistics	Annually	1995	November 1996	11
Annual Statistical Bulletin	Annually	1989	November 1990	11
RGHP –2000: results (11 vol.)	Decade	2000	June 2002	24
RGHP –2000: analysis (10 vol.)	Decade	2000	June 2002	24
National accounts	Annually	1996-97	June 2002	54
External Trade	Annually	2000	June 2002	18
External Trade	Annually	2001	July 2002	7
External Trade (FIR)	Monthly	December 2001	July 2002	7
Index of Price of Consumption	Annually	2001	July 2002	7
Index of Price of Consumption (FIR)	Monthly	June 2002	July	1
Annual Inquiry holt at Enterprises	Annually	2000	August 2002	20
Further publication				
Tourism Statistics	Annually	2000	August 2002	20
Turnover of Tourism structure inventory	Semester	First Semester 2001	August 2002	14
External Trade	Annually	2001	September 2002	9
Central balance Sheet	Annually	10996-99	September 2002	33

3. Statistical data

(a) main economic indicators

(i) GNP

CVE62,198.3 million (See Section II.1.b.)

(ii) GNP per capita

US\$1,218 (See Section II.1.b.)

(iii) budget

Data not available from National Institute of Statistics.

(iv) production and consumption of the basic goods

Data not available from National Institute of Statistics.

(v) annual changes in prices

See tables 20 and 25 above.

(vi) employment in different sectors

Data not available from National Institute of Statistics

(vii) levels of employment

Data not available from National Institute of Statistics

(viii) balance of payments

See table 19 above.

(ix) foreign exchange

The Cape Verde Escudo rate of exchange is fixed to the Euro at the rate of 1 Euro to CVE110.265.

(b) foreign trade statistics

(i) foreign trade (aggregates at the two digit HS levels)

(ii) export statistics

See Table in Section II.3.

(iii) import statistics

See Table in Section II.3.

(iv) imports from main suppliers, preferably at a tariff line level

See Table in Section II.3.

(v) trade by geographic areas (main trade partners)

See Table in Section II.3.

(c) government procurement statistics

(i) volume of government procurement broken down by:

- central government, sub-central government and other entities, and within each of these headings;
- supplies, construction and services.

Statistical data on government procurement not available.

ANNEX 2

LIST OF LAWS AND LEGAL ACTS

1. Laws and legal acts regulating activity of the customs authorities; responsible agencies

Laws and Legal Instruments:

- Law No. 125/85 of 9 October, "Approves the tariff on import rights";
- Decree-Law No. 5/95 of 27 June, "Approves the customs fiscal infringement law," O.B. No. 20 of 27 June; and
- Law No. 85/V/98 of 31 December, "Approves the Common Nomenclature of West African States based on the Harmonized System for Designation and Codification of Goods, O.B. of 31 December.

Boards Responsible:

- Chiefs of Customs offices;
- Chiefs of Customs office branches;
- Directors of Customs;
- Directors of Customs Circumscriptions;
- Directors of Central Services at the General Directorate of the Customs;
- Council Technical Board;
- General Customs Director; and
- Minister of Finance, Planning and Regional Development.

2. Laws and legal acts relating to non-tariff regulation of imports, exports and trade in transit, rules of origin: responsible agencies.

- Law No. 93/IV/93 of 15 December, "Private initiative operation is not forbidden to any sector," O.B. No. 47 of 15 December;
- Law No. 92/IV/93 of 15 December, "States the benefit regime applicable to export and import operations for goods and services," O.B. No. 47;
- Ministerial-decree No. 65/98 of 28 December, "Separate basic foodstuffs from the public reserves for commercial activities," O.B. No. 47;
- Law No. 99/IV/93 of 31 December, "Approves the legal regime of free zone enterprises" O.B. No. 49;
- Law No. 83/V/98 of 21 December, "Creates free trade zones" O.B. No. 47;
- Decree-law No. 57/99, "Approves the Legal Trade regime" O.B. No. 1;
- Decree-law No. 4/99, "States the norms for economic operations," O.B. No. 1;
- Decree-law No. 3/99 of 1 February, "Total liberalization of imports," O.B. No. 1;
- Decree-law No. 2/99 of 1 February, "Regulates the protection of competition practices," O.B. No. 1;
- Decree-law No. 1/99 of 1 February, "Establishes the price policy for goods and services," O.B. No. 1;
- Decree-law No. 59/99 of 27 September, "Regulates registration procedures for firms," O.B. No. 35;
- Legislative law No. 3/99 of 29 March, "Approves the Code of Trade Enterprises," O.B. No. 9;
- Decree-Law No. 29/2002, of 9 December, "Liberalizes Staple food import, except wheat flour", O.B. No. 35, first Series, of 9 December 2002;
- Decree-Law No. 14/2002, of 15 April, "Liberalizes the import wheat flour", O.B. No. 10, first Series, of 15 April 2002; and

- Decree No. 45790, of 3 July 1964, on rules of origin (Articles 17 to 25), Preliminary Instructions for Customs Tariff Annex to the Decree.

Responsible Agencies:

- Regional Directorate of Trade, Industry and Services of the Windward islands;
- General Directorate of Trade and Competition; and
- Ministry of Economy, Growth and Competitiveness.

3. Laws and regulations relating to foreign investment: responsible agencies.

Laws and Legal Instruments Regarding External Investment:

- Law No. 89/IV/93 of 13 December, "States the General rules governing External Investments in Cape Verde, and rights and warranties and barriers in the ambit of external investments," O.B. No. 47; and
- Regulatory law No. 1/94 of 3 January, "Controls the authorization procedures regarding external investment."

Responsible Agencies:

- PROMEX;
- Bank of Cape Verde;
- Ministry of Economy, Growth and Competitiveness; and
- Ministry of Finance, Planning and Regional Development.

4. Other laws and legal acts dealing with economic issues that affect trade: responsible agencies

Laws and legal instruments that have a bearing on trade have already been referred to in sections 1 (customs), 3 (external investment), and 5 (services, namely agriculture, fisheries, financial and infrastructure). Laws and relevant legal instruments in the sectors of industry and industrial property are:

Industry:

- Decree-law No. 157/90 of 22 December, "Defines the industrial activity and its applicability to the Industrial Statute," O.B. No. 51;
- Decree-law No. 108/89 of 22 December, "Approves the Industrial statutes," O.B. No. 52;
- Decree-law No. 110/89 of 3 December, "Fiscal exemptions regime for external investors of industrial sector," O.B. No. 52; and
- Law No. 50/III/89 of 13 July, "Basic objectives policies, means and basic instruments and policies regarding industrial development," O.B. No. 27.

Intellectual Property:

- Law No. 101/III/90 of 20 December, "Stipulates the Copyright law," O.B. No. 52; and
- Law No. 102/III/90 of 29 December, "Establishes the basis of Cultural Property," O.B. No. 52.

Boards Responsible:

- Boards that have already been referred to in sections 1, 2 and 3, namely:
 - delegations of the Ministry of Agriculture and their offices in the islands;
 - INDP (National Fisheries Development Institute);
 - general services of the Ministry of Agriculture and Fisheries and Ministry of Culture;
 - General Directors;
 - IPC (Institute of Cultural Promotion); and
 - Ministries of Infrastructure and Transportation, and Ministry of Agriculture and Fisheries and Culture.

5. (a) Existing laws, regulations or administrative guidelines which significantly affect trade in services

- Laws and Legal Instruments

Agriculture and Fisheries:

- Decree-law No. 62/89 of 14 September, "Legislative laws regarding animals and cattle raising," O.B. No. 7;
- Decree-law No. 89/92 of 16 July, "Determines the general basis for quality control over foodstuffs produced locally, imported or exported," O.B. No. 2;
- Decree-law No. 26/97 of 20 May, "Regulates the imports, trading and utilisation of phytosanitary products," O.B. No. 19;
- Ministerial -Decree No. 55/97 of 3 November, "Places the imports of certain plants and plant by-products, subject to previous authorization from the General Directorate of Agriculture," O.B. No. 34;
- Ministerial -Decree No. 6/2001 of 1 February, "States the applicable sanitation norms over production and placement of fisheries products onto the market which are designed for human consumption," O.B. No. 11; and
- Decree-law No. 9/2002 of 11 March, "States the competences of the Inspection Board of sanitation control and certification of fisheries products," O.B. No. 7.

Public Post Offices:

- Decree-law No. 93/97 of 31 December, "Approves the regulatory norms regarding the services of the Public Posts."

Infrastructures:

- Decree-law No. 31/94 of 2 May, "Alters the legal task work regime of public services execution," O.B. No. 17.

Property: Services Acquisition:

- Decree-law No. 2/97 of 21 June, "Approves the legal regime of property Goods," O.B. No. 2; and
- All legal regulatory diplomas (Law-decrees) regarding the execution of State Budget.

Insurance and Financial Services:

- Law No. 43/III/88 of 27 December, "States the general rules of constitution and functioning of International Financial Institutions in Cape Verde," O.B. No. 52;
- Law No. 52-E/90 of 4 July, "Regulates the performance services of the banks and credit activities," O.B. No. 26;
- Decree-law No. 52-F/90 of 4 July, "Regulates the access to insurance services throughout the country," O.B. No. 26;
- Decree-Law No. 101-P/90 of 23 November, "Regulates the legal statutes of insurance mediators," O.B. No. 46;
- Decree-law No. 44/94 of 25 July, "Institutionalizes the exchange currency agencies," O.B. No. 27;
- Decree-law No. 72/94 of 12 December, "Creates the venture (risks) capital," O.B. No. 41;
- Decree-law No. 45/95 of 11 September, "States the legal functioning of the financial leasing associations," O.B. No. 30;
- Law No. 3/V/96 of 1 July, "States the general rules of constitution and functioning of banks and financial institutions," O.B. No. 20;
- Law No. 32/V/97 of 30 June, "Alters some law-articles No. 43/III/88 of 27 December regarding the International Financial Institutions," O.B. No. 25;
- Decree-law No. 66/97 of 3 November, "Regulates the specific conditions of Authorization, for the constitution or establishment and functioning of International Financial Institutions in Cape Verde," O.B. No. 42, first Series;
- Decree-law No. 25/98 of 29 July, "Approves the new Exchange Operation regime," O.B. No. 23;
- Decree-law No. 26/98 of 29 June, "Approves the new current and capital operation regime," O.B. No. 23;
- Notice No. 3/98 of 18 August, "Clarifications regarding the movements of foreign accounts in escudos, foreign accounts in foreign currency, national accounts in foreign currency," O.B. No. 30;
- Notice No. 4/98 of 21 December, "Regulates current and capital operations," O.B. No. 47;
- Decree-law No. 30/2000 of 10 July, "Re-analyzes the legal exchange agencies regimes," O.B. No. 21; and
- Decree-law No. 10/VI/2002 of 15 July, "Approves the organic law of the Bank of Cape Verde," O.B. No. 21.

Air and Marine Transportation:

- Decree-law No. 26/93 of 1 May, "Defines and regulates access to the industry of marine transportation services," O.B. No. 16;
- Decree-law No. 24/93 of 10 May, "Regulates access of marine charter activity," O.B. No. 16;
- Decree-law No. 51/96 of 26 December, "Regulates the international shipping registration services," O.B. No. 44. Note: The National Assembly has approved a new law on International Ship Registration. It awaits publication in the Official Bulletin and regulation. The new law will revoke Decree-Law No. 51/96;
- Decree-law No. 46/98 of 7 September, "Determines the pre-conditions to be observed by the entities performing as marine agents," O.B. No. 33; and
- Decree-law No. 126/VI/2001 of 22 January, "Granting of fiscal benefits to the holders of air transportation," O.B. No. 2.

Telecommunications:

- Decree-law No. 70/95 of 20 November, "Defines access and service performance of telecommunications on the value added regime," O.B. No. 40;
- Decree-law No. 72/95 of 20 November, "Defines the management regime for the establishment and exploration of the infrastructure and services performance of complementary telecommunications," O.B. No. 40; and
- Decree-law No. 13/96 of 18 March, "Defines the tariffs regime and prices of services performed exclusively by the operators of public services of post-offices and telecommunications," O.B. No. 6.

Tourism:

- Decree-law No. 1/92 of 21 January, "Approves the statutes of hotel related industry," O.B. No. 3; and
- Law No. 42/IV/92 of 6 April, "Tourism Utility," O.B. No. 14.

(b) Publications or sources of information concerning measures of general application, of relevance to the GATS

All laws and legal instruments regarding the services sector have been published in the Official Bulletins of the Republic of Cape Verde and in notices of the Bank of Cape Verde.

(c) Enquiry points, if any, as foreseen in Article III of GATS

Not available.

ANNEX 3

INFORMATION ON IMPORT LICENSING PROCEDURES

The commerce sector in Cape Verde is ruled by the following fundamental principles:

- Free exercise of the economic activities, under the terms of the law;
- Sound competition by the commercial operators;
- Prevention and repression of speculation and restrictive commercial practices;
- Coexistence of public and private commercial operators;
- Promotion of consumers' defense;
- Safeguard and protection of the environment;
- Quality control and protection of public health; and
- Respect for the international accords.

Commercial activity in Cape Verde is exercised by merchants under individual names, and by commercial enterprises under the terms of and within the limits allowed by law.

The Ministry of the Economy, Growth and Competitiveness is the government department responsible for defining and executing the great guidelines of the country's economic policy. More precisely, the Chamber of Commerce, Industry and Services of Sotavento and Chamber of Commerce, Industry, Agriculture and Services of Barlavento participate in the licensing of commercial wholesale operators.

The municipalities are the licensing agencies for retail commercial activities in their area of jurisdiction.

The commercial banks assure commercial transactions payments, the Customs service, through which merchandise enters and leaves the country, and the Economic Activities of General Inspection Service, may also be considered intervening entities in the control of external commerce operations.

To exercise external commerce activity, it is necessary to obtain prior authorization. The government department responsible for commerce has the competence to issue the prior authorization, but that competence has also been delegated to the Chambers of Commerce, as of January 2000, according to Dispatch 16/99, of 3 January 2000, O.B. No. 1, II Series of 3 January 2000. To grant the authorization to exercise the external commerce operator activity, the following requisites must be fulfilled:

General requisites:

- have commercial capacity;
- not being inhibited from exercising commerce for having declared bankruptcy or insolvency;
- not having been convicted, in the last five years, for fraudulent crime against property, public health or the national economy;
- have mandatory minimum academic qualification required;
- in the case of a collective person (e.g., corporation or partnership), have a definitive registration; and
- compliance with the fiscal obligations.

Special requisites for the importer:

- have a minimum capital of CVE5,000,000 committed to the commercial activity;
- own an adequate warehouse for the type of business and volumes pretended; and
- have an accounting system organized according to the national accounting plan, under the responsibility of an accountant.

Special requisites for the exporter:

The export and re-export operations are free and require no prior authorization. However, an export licence is required. There are no special requisites beyond the general requisites required for external commerce. Decree-Law No. 5/99 of 1 February - General basis of the commerce sector juridical regime, and the Law 92/IV/93 of 15 February, grant special advantages to export and re-export of goods and services.

Special requisites for importers of staple products:

According to Decree-Law 58/98 and Ministerial Decree 65/98 of 28 December, the staple foods products import activity that was exclusively done by the Public Stock Provisioning Enterprise were excluded from the public domain. The import of such products is now open to private enterprises.

Decree-Law No. 29/2002 alters the staple food products import regime and requires that the commercial operator:

- have prior registration to exercise the import activity;
- show proof that they have appropriate installations to store products; and
- show proof that they have the capacity to distribute 30 per cent of the annual import volume outside the Islands of Santiago and São Vicente.

The commerce sector's new juridical regime, whether for commercial activity or pertaining to the role of public entities, is defined in Decree-Law No. 5/99 of 1 February. Article 16 of the same diploma (law) requires that the import and export operations regime be regulated by Regulamentary Decree. The Regulamentary Decree has not yet been prepared. In the meantime, the licensing process for commercial activity continues to be regulated through Decree Law No. 58/86 and Decree No. 60/86, both of 23 August.

Licensing of import activities is done by Customs Nomenclature sections (SH). The customs service uses the Harmonized system nomenclature. The sections go from I to XXI and import of the products described in them is free of quota. There some exceptions as stated under section IV (e).

An import licence is valid for one year and can be renewed by payment of a renewal fee. The fee depends on the nature of the sections contained in the respective licence.

The annual taxes contained in Ministerial Ordinance No. 31/86 of 6 September are due and payable before a licence to exercise economic activity is granted or renewed.

Merchandise import process in Cape Verde begins with an accord between the buyer/importer and the seller/supplier.

The essential conditions of this agreement must be in an invoice, generally an estimate. With this in hand, the importer fills out the external commerce title¹² through his official dispatcher¹³ and brings the invoice to the government department responsible for commerce, where the invoice is filled out promptly.

One copy of the title stays with the government department responsible for commerce and serves as support documentation to pay the supplier, through a commercial bank. Another copy goes to the customs import entity and is needed for the customs clearance process.

For certain agricultural products such as fruits, legumes and for animal products, phyto or zoosanitary certificates are required, depending on the case, emitted by the responsible official in the merchandise's country of origin.

List of the import documents required:

- BL or AWB (bill of lading or air way bill) CP, depending on whether the merchandise was shipped by sea or air or postal parcel – proof that the merchandise was shipped;
- certificate of origin, when required;
- Zoo or phytosanitary certificates, for agricultural products or products of animal origin;
- estimate (not mandatory) – required to obtain the external commerce title, should it be necessary to pay the supplier or for customs clearance;
- applies when the importer has not yet received the definitive invoice;
- definitive commercial invoice – fundamentally, for the purpose of customs clearance and, eventually, to obtain the external commerce title and consequently, to pay the supplier through the bank, in cases when the title was not issued with the estimate; and
- Other documents as may be required (See Section IV.(f), Licensing Procedures for Commercial Enterprises).

There are special formalities to comply with in the import of food products. The food and pharmaceutical products exported to Cape Verde must abide by certain international norms of salubrity. It is also mandatory that imported products contain the date of manufacture and the validity period, as well as their composition, trademark and fabricant's name, when such information is justified. The information must be presented in the Portuguese, French or English languages.

The agricultural products or products of animal origin must be accompanied by a certificate of origin. Based on this certificate, the competent national authorities will issue a declaration to indicate that the products do not constitute risks to introduce plagues or epidemics in Cape Verde that may cause damages to agriculture and livestock development.

¹² The external commerce title emitted for the import of merchandise is referred to as the ID – Import Declaration. This is the support document for both the payment to the supplier through the Bank and for customs clearance.

¹³ The official dispatcher is a customs technician with a special status, legally authorized to mediate the process to clear merchandise from the customs. The dispatcher receives a percentage of the value of the dispatch to be processed.

ANNEX 4

INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE CUSTOMS VALUATION AGREEMENT

Cape Verde is not a signatory of the Accord on Application of Article VII of the General Accord on Tariff Tables.

Cape Verde's Customs apply the Brussels Value Definition (BVD), by force of the provisions of articles 4 through 8 of the Preliminary Instructions of the Import Tables approved by Decree No. 45.790, of 3/7/60.

Nevertheless, they explain in a clear and objective fashion the questions and/or issues referred in Annex 4, according to the BVD. In relation to specific questions they state that they do not apply the Accord on Application of Article VII on the General Accord about the Trade Tables.

1. Questions concerning Article 1:

(a) Sales between related persons

(i) Are sales between related persons subject to special provisions?

No, as long as the calculations made obey the conditions required for the determination of normal price and do not create doubts regarding the exactness of the elements supplied.

(ii) Is the fact of intercompany prices prima facie considered as grounds for regarding the respective prices as being influenced?

No restriction on ceding or utilisation of merchandise by the buyer is allowed if either influences the conditions of full competition.

(iii) What is the provision for giving the communication of the afore-mentioned grounds in writing if the importer so requests? (Article 1.2(a)).

Under the terms of Article 6 of the Import Tables Preliminary Instructions, the importer is always notified in writing of the customs administration's position on questions of valuation surfacing during the verification and/or reverification of the merchandise dispatch declarations.

(iv) How has Article 1.2(b) been implemented?

The provisions of Article 1.2(b) of the GATT Accord on customs valuation are not in effect in Cape Verde. However, the fact that a buyer and a seller are connected does not constitute sufficient reason to consider the transactional value as unacceptable. The value must be examined and, unless the customs have information that such is not the case, this transactional value is used to determine the customs value.

(b) Price of lost or damaged goods:

Are there any special provisions or practical arrangements concerning the valuation of lost or damaged goods?

The provisions of Article 1 of the GATT Accord on customs valuation are not applicable. In relation to the deteriorated merchandise the customs services may authorize the separation of the

merchandise that, in the same shipment, has suffered damage that reduces the value it would have in good condition and that may have occurred from the time the trip was initiated to the moment of the detailed declaration.

The deteriorated merchandise is granted abatements in duties, proportional to the difference between the value of the same merchandise in the act of dispatch and its value in good condition. However, to grant the abatement, it is indispensable that the damage exceeds 25 per cent.

In the case of abandonment, when dealing with drugs or medicinal substances, the merchandise must be immediately destroyed, with a certificate prepared for the witnesses and the formalities established for similar cases.

In the remaining cases, the merchandise must be immediately destroyed or re-exported.

2. How has the provision of Article 4 to allow the importer an option to reverse the order of the application of Articles 5 and 6 been implemented?

The Brussels Definition of Value does not foresee the order of application of articles 5 and 6 contained in Article 4 of the Accord on the application of Article VII of the General Accord on Trade Tables – GATT.

3. How has Article 5.2 been implemented?

The Brussels Value Definition – BDV does not foresee the provisions contained in Article 5 of the Accord on the Application of Article VII of the General Accord of Trade Tables – GATT.

4. How has Article 6.2 been implemented?

The Brussels Value Definition – BVD does not foresee the provisions contained in Article 6.2 of the Accord on the application of Article VII of the General Accord on Trade Tables – GATT.

5. Questions concerning Article 7

(a) What provisions have been made for making value determinations pursuant to Article 7?

The Brussels Value Definition - BVD does not foresee the provisions contained in Article 7 of the Accord on the application of Article VII of the General Accord on Trade Tables.

(b) What are the provisions for informing the importer of the customs value determined under Article 7?

There are no provisions of this nature in effect in Capeverdean legislation. However, the referred provisions shall be introduced when the valuation regime is revised in conformity with the provisions of the GATT Accord on customs valuation.

(c) Are the prohibitions found in Article 7.2 delineated?

The provisions of Article 7.2 are not covered by existing legislation. However, they will be introduced in the revision of the Cape Verde's Customs Valuation regime.

6. How have the options found in Article 8.2 been handled? In the case of f.o.b. application, are ex-factory prices also accepted?

The provisions of Article 8.2 are not applicable.

7. Where is the rate of exchange published, as required by Article 9.1?

The provisions are not contained in Article 848 of the new writing of the Customs Organizational Statutes, given by Decree No. 155/87.

The provisions of Article 9.1 of the GATT Accord on Valuation are not applicable in Cape Verde.

The exchange rate is published by the Bank of Cape Verde (Central Bank) and can be obtained in person or solicited by telephone or fax.

When the elements retained to determine the normal price are expressed in foreign currency, the conversion is set for the period running from one Thursday to the following Thursday, based on the exchange rate in effect on Thursday that preceded the week under consideration.

If during the week in which the official quotes are valid there are significant exchange variations, the Customs General Director may authorize the use of the most up to date quotes of the affected currency or currencies.

In case of a holiday or equivalent at the location where the Central Bank of Cape Verde's main office is located, the official quotes of the immediately preceding Wednesday are taken in consideration.

8. What steps have been taken to ensure confidentiality, as required by Article 10?

The provisions of Article 10 of the Customs Valuation Accord are not applicable in Cape Verde.

In the relationships that Capeverdean Customs establish with the users of customs' services the provisions of the personnel regulations and of the official secrets cover all the documents and services of this type. In the framework of the customs personnel regulation, customs personnel are prohibited from revealing confidential information except in the case of a judicial or criminal investigation

9. Questions concerning Article 11:

(a) What are the rights of appeal open to the importer or any other person?

The provisions of Article 11 of the Customs Valuation Accord are not applicable in Cape Verde.

In the event of litigation, complaints relative to customs investigation, origin, value, in general, any taxes or duties whose collection is the Customs' responsibility, that arise between the importers and the customs' functionaries are resolved by the Customs' Technical Board (an administrative body that integrates representatives of the public administration and of the private sector) with the right of recourse to the Supreme Court of Justice.

(b) How is he to be informed of his right of further appeal?

The provisions of Article 11 of the Customs Valuation Accord are not applicable.

The repeat offender is informed through a juridical process and by means of his/her legal representative.

10. Provide information on the publication, as required in Article 12 of:

i) the relevant national laws

The provisions of Article 12 of the GATT Accord on Valuation are not applicable.

Capeverdean Laws are published by the Government and made available to the public. The same only go into effect after they are published in the Official Bulletin.

ii) the regulations concerning the application of the Agreement

Because of the fact that the GATT Accord on Valuation is not in effect in Cape Verde, there are no regulations pertaining to their application.

iii) the judicial decisions and administrative rulings of general applications relating to the Agreement

They do not exist for the same reason that the GATT Accord on Valuation is not in effect in Cape Verde.

iv) general or specific laws being referred to in the rules of implementation or application.

They do not exist

(b) Is the publication of further rules anticipated?

Only after the Brussels Value Definition – BVD is replaced by the GATT Accord on Customs Valuation will it be known which rules and issues must be legislated and published.

11. Questions concerning Article 13.

(a) How is the obligation of Article 13 (last sentence) being dealt with in the respective legislation?

The provisions of Article 13 of the GATT Accord on Valuation are not applicable in Cape Verde.

As long as the Customs dispose of all the elements necessary to the evaluation of a customs' technical litigation, the importer (contestant) may remove the contested merchandise that are not prohibited, as long as they have guarantee of the major duties and other impositions.

(b) Have additional explanations been laid down?

No.

12. Questions concerning Article 16.

(a) Does the respective national legislation contain a provision requiring the customs authorities to give an explanation in writing as to how the customs value was determined?

The customs functionaries are obligated to justify the positions they assume in the protests over values contained in the merchandise dispatch declarations and of informing the official dispatchers of the fact, immediately, and in writing.

(b) Are there any further regulations concerning the above-mentioned request?

There are none.

13. How have the Interpretative Notes of the Agreement been included?

The GATT Accord on Customs Valuation, as well as the interpretation notes are not in effect in Cape Verde. However, they shall be included in the national legislation when the Accord on Customs Valuation is adopted in conformity with the WTO recommendations.

14. How are the provisions of the Decision of 26 April 1984 on Treatment of Interest Charges in Customs Value of Imported Goods (Val/6/Rev.1) been implemented?

The provisions of the April 26 Decision, relative to the treatment of interests on the determination of the customs' value of imported merchandise, are not applicable in Cape Verde.

The amount of the interests is excluded from the list of elements to be taken into account in determining the customs value.

The interests for deferred payments must not be taken into consideration because their inclusion in the value would lead to taking a higher price than the prompt payment price as basis for determining the customs' value.

15. For those countries applying paragraph 2 of the Decision of 24 September 1984 on the Valuation of Carrier Media Bearing Software for Data Processing Equipment (Val/8), how have the provisions of this paragraph been implemented?

The provisions of the 24 September Decision on the valuation of the Carrier Media Bearing Software is not applicable in Cape Verde.

Note: Cape Verde is a small insular country without raw materials and week natural resources, with an incipient industry, totally dependent on the outside.

Thus, the customs duties assume a particular importance for the State because they are its most important source of revenue; more than 50 per cent of the ordinary revenues for the State's General Budget come from collecting customs' duties and other impositions and taxes collected by the Customs and more than 90 per cent of the indirect taxes.

In calculating the customs' duties and other customs' impositions Capeverdean Customs utilise the Brussels Value Definition, which is to say, in the imports it use the CIF value and in the exports the FOB value.

However, some fiscal evasion has been verified, namely, the deviation of duties caused by undervaluing imported merchandise.

Other forms of fraud begin to surface, and it is difficult to fight them in the face of the fragility of the customs services in knowledge and information structure, making it necessary to seek technical and institutional reinforcement.

The change from the Brussels Value System to the GATT shall have notable implications in fighting fraud and fiscal evasion and may negatively influence the collection of revenue if measures are not taken to reduce these risks, namely the technical assistance on the part of the developed countries, the reinforcement of the information structure and the structures of combat to fraud and fiscal evasion and the deferment for a period of 5 (five) years of the provisions of the Agreement concerning the application of Article VII of the GATT after Cape Verde's accession to the World Trade Organization – WTO, in the ambit of special and differentiated treatment granted to the LDC of which Cape Verde is one.

The industrial and commercial enterprises established in Cape Verde are, for the most part, branches of parent organizations with main offices outside of Cape Verde.

The under billing practiced by these enterprises begins to have repercussions on revenue collection reason why it becomes necessary to grant technical assistance to Cape Verde and to train Customs functionaries assigned to the Anti Fraud Department, and in the preparation of legislation and regulations necessary to implement Article VII of the Accord on Trade Tables.

ANNEX 5

INFORMATION ON TECHNICAL BARRIERS TO TRADE

1. **Description of relevant laws, regulations, administrative orders, etc. relating to implementation and administration of technical barriers to trade. All necessary references should be provided.**

Cape Verde has no laws, regulations, administrative orders, etc. relating to technical barriers to trade.

2. **Information regarding:**

- (a) **names of publications, if any on work relating to draft technical regulations or standards and procedures;**

None.

- (b) **the name and address of the enquiry point(s) foreseen in Articles 10.1 and 10.3 of the WTO Agreement on Technical Barriers to Trade (the Agreement) with an indication as to whether it is/they are fully operational**

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As this time, the enquiry point office is not fully operational.

- (c) **the name and address of agencies dealing with consultations as foreseen in Article 14 in the Agreement**

Director General of Industry and Energy, same coordinates as above.

- (d) **the name and address of agencies that are dealing with other specific functions foreseen in the Agreement**

At this time there are none.

- (e) **the scope of responsibility of the central government authorities in the area of notification requirements foreseen in Article 10.11 of the Agreement and of individual government authorities, if the responsibility is divided among two or more such authorities**

Director General of Industry and Energy, same coordinates as above.

- (f) **measures and arrangements to ensure that national and sub-national authorities preparing new technical regulations or substantial amendments to existing ones provide early information on their proposal.**

The Minister of Economy, Growth and Competitiveness was designated by the Government of Cape Verde as the person in charge of WTO accession and WTO matters. A WTO Working Party was formed under the direction of the Minister's office. Until a formalized WTO structure or organization is created, the Director General of Commerce would be the person responsible for providing notifications and early information on proposals.

ANNEX 6

INFORMATION ON STATE-TRADING

- Definition of State-Trading

Governmental and nongovernmental enterprises, including marketing boards, which have been granted exclusive or special rights or privileges, including statutory or constitutional powers, in the exercise of which they influence through their purchases or sales the level or direction of imports or exports.

Questionnaire on State-Trading

I. ENUMERATION OF STATE-TRADING ENTERPRISES

- 1. Does your country maintain enterprises covered by the provisions of Article XVII? If so, list the products or groups of products for which State enterprise is maintained or for which an enterprise has exclusive or special privileges.**

As noted in section IV.3(e), Cape Verde has privatized almost all of its State-trading enterprises. The sole remaining State enterprise in Cape Verde (within the meaning of Article XVII) is EMPROFAC, an entity created to import and distribute pharmaceuticals.

II. REASON AND PURPOSE FOR INTRODUCING AND MAINTAINING STATE-TRADING ENTERPRISES

- 1. State for each product the reason and purpose for introducing and maintaining the enterprise (it should be indicated, for example, whether the purpose or the effect of the enterprise is to prevent prices to consumers from exceeding certain maximum limits, or to protect domestic producers by the control of imports and/or the purchase of domestic supplies at above world price levels, or to facilitate export sales, or to make it possible to establish or administer a stabilization arrangement). A description of the legal provisions should be included in so far as this has not been submitted in earlier notifications.**

Cape Verde is a least developed country with a limited market and a population with limited resources to purchase medicines. The Government created EMPROFAC to ensure Cape Verdean citizens have access to basic medicines.

III. DESCRIPTION OF THE FUNCTIONING OF STATE-TRADING ENTERPRISES

- 1. Describe, item by item, the functioning of such enterprises and state in particular;**
 - Whether the enterprise deals with exports or with imports, or both;
 - Whether private traders are allowed to import or export and, if so, on what conditions;
 - Whether there is free competition between private traders and the State-trading enterprise;
 - The criteria used for determining the quantities to be exported and imported;
 - How export prices are determined; How the mark-up on imported products is determined; How export prices and the re-sale prices of imports compare with domestic prices;

- **Whether long-term contracts are negotiated by the State-trading enterprise; Whether State-trading methods are used to fulfill contractual obligations entered into by the government.**

EMPROFAC has exclusive authority to import pharmaceuticals, which it sells through an intermediary to hospitals and the Directorate-General of Pharmacy, an agency within the Ministry of Health. EMPROFAC determines the quantity of products to be purchased and applicable prices on a yearly basis according to past history and in consultation with the Directorate-General of Pharmacy and other purchasers. While EMPROFAC does not have any long-term contracts, it generally uses the same suppliers each year.

IV. STATISTICAL INFORMATION

- 1. Furnish statistics (where possible by quantity and value) of imports, exports and national production on the products notified, on the following lines:**

- (a) **figures should cover the last three available years;**
- (b) **figures for the three groups (imports, exports and national production) should be given, whether possible, in a comparable form;**
- (c) **figures should be broken down so as to show:**
 - (i) **trade by the enterprise;**
 - (ii) **other trade.**

EMPROFAC Imports

Years	Value of imports (CVE)
1999	505,120,500
2000	602,285,000
2001	588,614,520

V. REASONS WHY NO FOREIGN TRADE HAS TAKEN PLACE (IF THIS IS THE CASE) IN PRODUCTS AFFECTED

- 1. In cases where no foreign trade has taken place in the products affected, state the reasons.**

Not applicable.

VI. ADDITIONAL INFORMATION

- 1. Provide any additional information that may be appropriate.**

None.

ANNEX 7

SERVICES SECTORAL CLASSIFICATION LIST

I. BUSINESS SERVICES

1. Professional Services

(a) Legal Services

Lawyers practicing in Cape Verde must have completed a legal degree ("diploma") and have registered with the Order (a Lawyer's Association). Membership in the Order is reserved to citizens, thus foreign nationals may not practice as lawyers in Cape Verde. The only exception is for nationals of The Community of Countries with Portuguese as the Official Language (Comunidade de Países de Língua Oficial Portuguesa or CPLP). CPLP nationals who are Cape Verde residents may practice here. Foreign nationals may, however, provide legal consulting services in both the private and public sectors through project-based or term contracts. There are no restrictions on foreign investment in enterprises in this sector.

(b) Accounting, auditing and bookkeeping services

Accountants must be registered with the General Directorate of Contributions and Taxation in the Ministry of Finance and Planning. They must be academically qualified in accounting or management and have permanent residence status in Cape Verde (Decree-law No. 37/92 of 16 April). There are no restrictions on foreign investment in this area, and a number of foreign accounting services have offices in Cape Verde.

(c) Veterinary Services

There are no restrictions on practicing veterinary medicine, but the sale of vaccines, chemical products and other substances utilised in providing veterinary care is regulated. Drugs are imported exclusively by EMPROFAC, a public enterprise, according to an approved list published by the Government (permission may be granted to import non-listed drugs in exceptional cases of medical need). There are no veterinary clinics in Cape Verde, and neither hospitals nor laboratories provide veterinary care. The Ministry of Agriculture provides veterinary services for the public sector, and technicians (typically government employees who freelance) provide this service to the private sector.

2. Computer and Related Services

There are no restrictions on foreign investment or participation in this sector, and there are currently a small number of private enterprises in the market.

4. Real Estate Services

There are no restrictions on foreign investment or participation in this sector. The Government recently divested the Homebuilding Foment Institute, a public construction and leasing enterprise, of its monopoly rights to provide real estate services. There are currently many private real estate enterprises in Cape Verde.

5. Rental/Leasing Services Without Operators

There are no restrictions on foreign investment or participation, but services in this sector are practically non-existent. There are two foreign enterprises providing aircraft leasing services in Sal (Cabovim and Air Lux).

6. Other Business Services

(a) Advertising services

There are no restrictions on foreign investment or participation, but the sector is not yet very important. There are currently two publicity enterprises in Cape Verde's capital. Publicity services are regulated by Decree-Law No. 32/94 of 9 May, which established the Publicity Code.

(b) Market research and public opinion polling services

There are no restrictions on foreign investment or participation in this sector. Private consultancy offices, consisting mostly of freelance public employees, provide this service. There are a number of non-resident foreign suppliers in the market, principally from Portugal.

(c) Services related to management consultancy

There are no restrictions on foreign investment or participation in this sector.

(l) Investigation and security

There are no restrictions on foreign investment or participation in this sector, and there are already a number of private security enterprises in Cape Verde. Decree-Law No. 74/94 of 27 December defines and regulates conditions for the exercise of this service.

(o) Building-cleaning services

There are no restrictions on foreign investment or participation in this sector, and the sector is almost completely privatized. Janitorial service, even largely to public enterprises and ministries, are provided by the private sector.

(p) Photographic services

There are no restrictions on foreign investment or participation in this sector, but there are few professionals offering such services.

(r) Printing, publishing

The National Printing Office (Imprensa Nacional) – a state enterprise – provides printing and publishing services, as do a number of private enterprises. Although there are no restrictions on foreign investment or participation in this sector, there are currently no foreign services providers in the market. Cape Verde consumers sometimes refer their projects internationally, principally to service providers in Brazil.

(s) Convention services

Restaurants and other private entities provide convention service, and the sector is largely unregulated. There are no restrictions on foreign investment or participation.

II. COMMUNICATION SERVICES

1. Postal services

Correios de Cabo Verde provides postal service to Cape Verde's Islands. CCV has 56 postal stations that perform all types of postal operations. In addition to mail service, CCV also provides parcel and express service, as well as third party services (i.e. bill collection, pension payments and Credit Union services). CCV remains a public enterprise, but the Government has outsourced its day-to-day management to a private enterprise.

There is at least one private enterprise in the postal service market; EMS provides similar services to CCV. DHL Worldwide Express has established international express mail operations in Cape Verde.

III. CONSTRUCTION AND RELATED ENGINEERING SERVICES

See Section VI.1(b).

IV. DISTRIBUTION SERVICES

Distribution services in Cape Verde are divided into three categories: sales in agricultural products, consumer products (mostly imports), and manufactured products and footwear. Agricultural products are sold directly by farmers to retailers, who in turn sell them to itinerant merchants. A minority of imported consumer goods is distributed through wholesalers, but for the most part individual establishments import and sell their goods, acting as both wholesaler and retailer. Cape Verde lacks large retail stores, and most sales are conducted through small grocery stores, mini-markets or itinerant merchants. Manufactured products and footwear are usually destined for export or are sold directly to duty-free enterprises within Cape Verde.

Legislative Decree No. 3/99 of 29 March regulates distribution services, and there are no restrictions on foreign investment or participation in this sector.

VII. FINANCIAL SERVICES

See Section VI.1(e).

VIII. HEALTH AND SOCIAL SERVICES

1. Hospital services

Since independence in 1975, Cape Verde has made significant progress in providing basic health care to its population. The national health budget is one of the largest in Africa, and the Government's efforts are meeting with some success. In the 1990s the country presented satisfactory health indicators (children's vaccination coverage of 90 per cent), but the subsequent appearance of certain illnesses demonstrates the sector's fragility.

Health care in Cape Verde is generally free, although patients pay a moderate fee on admission.

There are two central hospitals that are independently managed with 68 national doctors, 38 foreign doctors and 123 nurses; both hospitals were recently renovated and enlarged. There are 3 regional hospitals, 19 sanitary centers, 22 health and 105 sanitary base units. In total, there are 152 health units, 163 national and foreign doctors and 263 nurses.

With a growing population, and in view of the Government's economic liberalization policy, Cape Verde has encouraged private enterprises to increase their participation in this sector. Private sector service providers benefit from a few fiscal and customs incentives that are renewed annually in the State Budget.

The Ministry of Health responsible for health regulates health care providers, and Law No. 95/III/90 of 27 October, regulates health-related activities (except for the importation of generic drugs and pharmaceuticals specialty). Health care providers and establishments must register their technical personnel and obtain a licence to operate from the government department responsible for health. Ministerial Decree No. 8/92 of 21 January establishes licensing procedures for health care establishments. The General Directorate may refuse to grant a licence for failure to meet applicable requirements, in which case the applicant may appeal to the Ministry of Health, and subsequently to a court of law.

The Cape Verdean Medical Order was created recently, and it is reserved to national doctors. Foreign doctors may nevertheless practice in Cape Verde under certain terms. For example, nationals of countries with which Cape Verde has a cooperation agreement may practice in-country, as may doctors who have worked for three years in Cape Verde's public health service. The Ministry of Health may also determine that Cape Verde needs a specific medical specialty, in which case doctors practicing in that area may be admitted. In all instances, foreign medical providers must be well-educated and have good proficiency in Portuguese.

IX. TOURISM AND TRAVEL RELATED SERVICES

See Section VI.1(c).

ANNEX 8

LIST OF FOREIGN TRADE AGREEMENTS

A. List of Foreign Trade Agreements

Annex 8 A is a listing of Cape Verde Foreign Trade Agreements.

B. List of Trade Agreements or parts of them, which contain preferential trade provisions, indicating by HS (2 digit) the tariff lines involved, the margin of preference granted, reciprocity provisions and details of any other preferential treatment.

Cape Verde does not have any preferential trade agreements.

ANNEX 8A

LIST OF CAPE VERDE'S FOREIGN TRADE AGREEMENTSCape Verde's Foreign Trade Agreements

Country/Organization	Type	Domain	Title	Signed	Approval
Angola	Bilateral	Commercial	Commercial and Payments Accord	15 December 1976	DFL No. 4/77 OB No. 6 of 5 February 1977
Angola	Bilateral	Commercial	Additional Protocol to the Commercial and Payments Accord	27 October 1978	
Angola	Bilateral	Commercial	Commercial Accord	15 October 1980	
Angola	Bilateral	Commercial	Commercial Accord	11 September 1997	Dec No. 22/97 OB No. 41 of 27 October 1997
Brazil	Bilateral	Commercial	Commercial Accord		
Brazil	Bilateral	Commercial	Accord by exchange of notes relative to the provisional application of the Article		
Bulgaria	Bilateral	Commercial	Commercial Accord	11 June 1985	
Cuba	Bilateral	Commercial	Commercial Accord	18 December 1985	Dec No. 79/86, OB No. 44 of 1 November 1986
Cuba	Bilateral	Commercial	Protocol	30 March 1987	Dec No. 105/87, OB No. 42 of 17 October 1987
Cuba	Bilateral	Commercial	Commercial Accord	1987	
Cuba	Bilateral	Commercial	Cooperation Protocol between the Chambers of Commerce of Cuba and Cape Verde	9 September 1996	
Cuba	Bilateral	Commercial	Accord on the liquidation of the balance resulting from the Protocol	9 September 1996	
Guinea-Bissau	Bilateral	Commercial and Customs	Commercial and Customs Cooperation Accord	26 June 1976	DFL No. 21/76, 27-11-76, OB No. 48
Guinea-Bissau	Bilateral	Commercial	Commercial Accord Protocol	26 November 1995	Dec No. 4/96, OB No. 18 of 17 June 1996
Guinea-Conakry	Bilateral	Commercial	Commercial Accord	12 April 1980	
Guinea-Conakry	Bilateral	Commercial	Protocol on Exchange Possibilities in 1980	19 July 1980	
Morocco	Bilateral	Commercial	Commercial Accord	16 December 1996	
Mauritania	Bilateral	Commercial	Commercial Accord	28 February 1978	
Mozambique	Bilateral	Commercial	Commercial Accord	28 October 1980	Dec No. 82/84, OB No. 33 of 18 August 1994
Portugal	Bilateral	Commercial	Commercial Accord	20 April 1980	

Country/Organization	Type	Domain	Title	Signed	Approval
Portugal	Bilateral	Commercial	Addendum to Protocol on Commercial Accord of 8-6-78?	21 January 1977	
Russia	Bilateral	Commercial	Commercial Accord	9 December 1977	
Sao Tome and Principe	Bilateral	Commercial	Commercial Accord	19 December 1976	DFL No. 5/77, OB No. 6 of 5 February 1977
Senegal	Bilateral	Commercial	Commercial Accord	12 March 1998	Dec No. 1/98 of 21 September 1998, OB No. 18
China	Bilateral	Commercial	Commercial and Economic Cooperation Accord	May 1998	
ECOWAS	Multilateral	Commitment	Constitutive Declaration of West Africa Compensation Chamber (Adhesion)	0-0-0 ???	Law No. 55/IV/92 (OB No. 19) of 5 October 1992
ECOWAS	Multilateral	Commitment	Protocol A/P 1/7/93 relative to the Creation of the West Africa Monetary Agency	24 July 1993	Resolution No. 36/V/96 (OB No. 44-sup) of 30 December 1996
ECOWAS	Multilateral	Commitment	Economic Community of the West African States Treaty	28 May 1975	D.F.L. No. 2/81 (OB No. 6-5°sup) of 11 February 1981
ECOWAS	Multilateral	Commitment	Constitution of the West and Central African Port Management Association	26 February 1977	
ECOWAS	Multilateral	Commitment	Additional Protocol with amendments to the Protocol on the definition of the notion of Products originating in ECOWAS Member States AS A/SP 1/5/79	29 May 1979	Dec. No. 71/85 (OB No. 26) of 29 June 1985
ECOWAS	Multilateral	Commitment	Additional Protocol with modification to Article 8 of the Protocol relative to the definition of the notion of Products originating in ECOWAS Member States (regime applicable to the mixtures)	28 May 1980	Dec. No. 70/85 (OB No. 26) of 29 June 1985
ECOWAS	Multilateral	Commitment	Additional Protocol A/SPI/5/81 modifying art.2° of the Protocol on definition of the notion of Products originating in Member States of the ECOWAS	29 May 1981	Dec. No. 73/85 (OB No. 28) of 13 July 1985
ECOWAS	Multilateral	Transportation	Convention relative to the Road Transit of merchandise inter –Member States of the ECOWAS	29 May 1982	Dec. No. 72/85 (OB No. 26) of 29 June 1985
ECOWAS	Multilateral	Customs	Convention on Mutual Administrative Assistance on Customs Matters - A/P5/5/82	29 May 1982	Dec. No. 74/85 (OB No. 28) of 13 July 1985

Country/Organization	Type	Domain	Title	Signed	Approval
ECOWAS	Multilateral	Insurance	Protocol A/P1/5/82 on the creation of the ECOWAS Brown Letter on automobile Civil Responsibility Insurance vis-à-vis third parties	29 May 1982	
ECOWAS	Multilateral	Communiqué	ECOWAS evaluation mission in Member States – Member State: Cape Verde/work group report, Transportation, Telecommunications, Energy and other projects	21 March 1983	
ECOWAS	Multilateral	Economic	Protocol A/P1/11/84 relative to Community Enterprises in the ambit of the ECOWAS	23 November 1984	
ECOWAS	Multilateral	Fiscal	Convention A/P1/7/85 relative to Temporary Import of personnel transport vehicles in ECOWAS Member States.	6 July 1985	Law No. 32/IV/91 (OB No. 52-4 ^{sup} .) of 30 December 1991
ECOWAS	Multilateral	Transportation	Additional Convention A/SP.1/5/90 that institutes in the Community a Mechanism of Guarantee of inter-States Road Transit of Merchandise	30 May 1990	
ECOWAS	Multilateral	Commitment	Treaty instituting the African Economic Community	3 June 1991	Law No. 56/IV/92 (OB No. 16) of 23 October 1992
ECOWAS	Multilateral	Commitment	Protocol A/P.1/7/93 relative to West African Monetary Agency in the ambit of ECOWAS.	24 July 1993	
ECOWAS	Multilateral	Commitment	Revised ECOWAS Treaty	24 July 1993	Resolution No. 115/V/95 (OB No. 37-5 ^{sup} .) of 3 November 1995
ECOWAS	Multilateral	Fiscal	Protocol A/P.1/7/96 relative to the Application of the ECOWAS Community Tax	27 July 1996	Resolution No. 67/V/97 (OB No. 50-2 ^{sup} .) of 31 December 1997
ACP-EU	Multilateral	Commitment	Partnership Accord between the African States, the Caribbean and Pacific States and European Community Member States.	23 June 2000	Resolution No. 17/VI/2001 B.O No. 18 - I Series of 18 July 2001
OAS	Multilateral	Commitment	Treaty to Create the African Economic Community	3 June 1991	Law No. 56/IV/92 (OB No. 16-sup.) of 23 October
Germany	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	15 January 1990	29 December 1990, Dec. No. 171/90 OB.°52 –sup
Germany	Bilateral	Investment	Protocol to the Investment Promotion and Reciprocal Protection Accord	18 January 1990	
Angola	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	11 September 1997	Dec. No. 27/97 OB No. 41 of 27 October 1997
Austria	Bilateral	Investment	Accord relative to the Foment and the Protection of Investments	3 September 1991	Dec. No. 13/92, OB No. 4 of 25 January 1992

Country/Organization	Type	Domain	Title	Signed	Approval
China	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	27 April 1998	
China	Bilateral	Investment	Accord relative to Encouragement of and Investment Reciprocal Protection	27 April 1998	
Cuba	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	22 May 1997	Dec. No. 6/98 OB No. 36 of 28 September 1998
Italy	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	12 June 1997	
The Netherlands	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	11 November 1991	Dec. No. 62/92, OB No. 22
Portugal	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	26 October 1990	Dec. No. 107/91 OB No. 36 of 7 September 1991
Russia	Bilateral	Investment	Investment Promotion and Reciprocal Protection Accord	1994	
Switzerland	Bilateral	Investment	Accord relative to Investment Promotion and Reciprocal Protection	28 October 1991	OB No. 3 of 18 January 1992