

## Project Document

# Formulation of the Strategic Plan for Tourism Development in Cabo Verde 2014-2024



October 2014

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## **PROJECT DOCUMENT FOR THE GOVERNMENT OF CABO VERDE**

Title:	Project Formulation for the Strategic Plan for Development Tourism for the Ministry of Tourism, Investment and Business Development of Cabo Verde 2014-2024
Duration:	Three months
Project Site:	Praia, Cabo Verde
Government Implementing Agency:	Ministry of Tourism, Investment and Business Development (MTIDE)
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Other Government Inputs (in kind):	As specified in the Project Document

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# I. PROJECT CONTEXT

## A. INTRODUCTION

Tourism is currently the most important sector of the Cabo Verde economy. The industry witnessed a notorious development, with the number of tourists growing from circa 30,000 in the mid 90s, mainly emigrants visiting family and friends, to about 500,000 in 2013, these being mostly international tourists from European source markets.

Despite the positive evolution of the sector, this level of growth also generates challenges, namely, how to lead and make this growth sustainable and positive for the host population.

With the development to date supported by the Strategic Plan for Tourism Development of Cabo Verde 2010-2013, which has enabled the Government and private sector to define objectives and follow a roadmap for tourism development in the country, there is now the need for an updated strategic plan to be developed. To this end, and at the request of the Ministry of Tourism, Investment and Business Development, the United Nations World Tourism Organization (UNWTO) fielded a technical assistance mission to prepare this project document for the formulation of a Strategic Plan for Tourism Development of Cabo Verde, Horizon 2014-2024.

The main objective of the present document is to formulate a detailed work program for the development of an integrated tourism strategic plan for Cabo Verde and to advise on the formation of a Technical Committee, which would oversee and lead all activities with regard to the project.

The activities undertaken to formulate the project document were the following:

- Study the 2010 – 2013 Strategic Plan for Tourism Development of Cabo Verde, to analyse the relevancy of its proposals and those in need for update as well as aspects needing special attention in the updated tourism strategic plan.
- Meet with all relevant stakeholders from the public sector, private sector and NGOs to identify and agree on key issues that need to be addressed in the formulation of a strategic plan for tourism development for a ten-year period.
- In conjunction and agreement with all stakeholders, develop a process for formulating the tourism strategic plan, including a ten-year action plan for implementation.

- Provide an indication of the costs and timeframe for undertaking a technical mission to develop a strategic plan for Cabo Verde.

Topics that should be integrated in the work program and to be addressed in the tourism strategic plan include:

- A situation analysis, including a SWOT analysis of the tourism sector in Cabo Verde;
- Presentation of a development vision and objectives, a strategy rationale and competitive positioning for the tourism sector;
- Identification of target markets for Cabo Verde, including domestic, international and regional tourism, linked to proposed marketing and promotion activities;
- Selection of areas in Cabo Verde where the strategic plan will focus on;
- Stakeholders (including local communities) vision on the future scale and direction of tourism in the areas;
- Assessment of infrastructure capacity and development needs;
- Assessment of the need for institutional and organizational strengthening of tourism stakeholders, including the needs for training and capacity building;
- Identification of enterprise opportunities, including the need for an enterprise capacity building and support program;
- Review current status of public-private sector partnerships for tourism development;
- Planning measures for the development and conservation of tourism attractions at both local and national level, including needs and opportunities for product development and diversification; and
- Development of a communication plan, including local information provision and marketing.

The MTIDE appointed an officer/tourism expert who cooperated closely with UNWTO during the mission and who provided inputs and feedback during and after the mission.

During the formulation of this project document, UNWTO drew on knowledge and information obtained during:

- Interviews with stakeholders, as presented in Annex A.
- Background documents as cited in footnotes.

## **B. ECONOMIC DEVELOPMENT CONTEXT<sup>1</sup>**

Since 2012, the economy has been hit by the weak international economic situation. GDP growth dropped from 4% in 2011 to 2.5% in 2012 and to 1% in 2013. Business and consumer confidence indicators have deteriorated while foreign direct investment (FDI) flows have pursued their declining trend in the balance of payments. However, public sector demand continued to provide support to the economy. Growth is likely to be around 3.1% in 2014 if the current recovery of the euro area, Cabo Verde's major trading partner, is sustained. If the slowdown in tourism revenue persists, however, this would dampen the main engine of growth.

As a result of the increase in the public sector's borrowing requirements to finance large investments in infrastructure, the total nominal government debt has increased from 69% of GDP in 2009 to an estimated 93% in 2013. In 2014, the government will focus on medium-term fiscal consolidation to rebuild policy buffers and lower debt related risks, but some temporary fiscal and monetary easing may be considered in line with the economic cycle if weakness persists. In this context, it will be critical to accelerate reforms in the business environment to improve competitiveness, particularly in the labour market. In parallel, returns to the impressive investments in infrastructure will need to be raised by strengthening the management of the public capital stock. In the financial sector, credit to the economy is likely to remain limited, as banks have grown increasingly cautious given high levels of nonperforming loans and the need to build provisions, limiting the potential for growth.

Cabo Verde limited production base connects to global value chains mainly through the services sector: tourism and people working abroad. The sector of tourism is the most engaged in global value chains, having become an important engine of growth in the Cabo Verdean economy after 2005. The large diaspora connects the country to global value chains through their work abroad. Exports of sea products, which are mostly canned and frozen seafood, also engages the country in value chains abroad, albeit the impact on GDP is very modest. Going forward Cabo Verde is seeking strategies that can position the country at higher-value stages of the global value chains by stimulating new exports of goods and services and expanding existing ones, especially around the creative sector.

## **C. NATIONAL DEVELOPMENT PLANNING**

The Strategic Plan for Tourism Development should be formulated within the context of the Poverty Reduction Program (DECRP III, 2012 – 2016) of Cabo Verde<sup>2</sup>, which is the medium-term strategy for combating poverty and achieving inclusive economic growth and reducing the country's vulnerability.

The DECRP III focuses on how Cabo Verde could implement the Transformation Agenda, achieving the objective of ensuring a

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<sup>1</sup> <http://www.africaneconomicoutlook.org/en/countries/west-africa/cabo-verde/>

<sup>2</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

competitive and sustainable economy with a view to significantly reduce poverty during the implementation period (2012 to 2016).

Cabo Verde has made remarkable progress since the time of independence. The image of drought and famine that have marked the history of the country with significant impacts on the demographics are now largely overcome. The booming economy contributed to a significant reduction of poverty and facilitated a large-scale social development. The deliberate effort to promote economic growth and reduce poverty through employment and social programs effort is showing results.

In fact, the economy has not only grown but also saw the development of critical sectors such as tourism, construction and real estate. Tourism, for example, grew at a rate of about 10% on average annually, with the number of tourist arrivals to triple in 2002 and 2011. The success of the sector, despite the global economic slowdown, has been remarkable. The Government contributed to this growth with a series of reforms and through substantial investment in infrastructure (roads, ports and airports) and attracting FDI.

Over the past decade, tourism has become the sector that contributes most to the GDP of Cabo Verde while fishing dominated the exports of goods. In 2009, for example, fishing accounted for about two thirds of the total export of Cabo Verde while tourism accounted for about 20 % of GDP.

However, despite the positive evolution of the sector, growth brought with it a number of challenges. The constraints in terms of transport services and infrastructures, sanitation, safety, energy, housing and other complementary services to the sector are notorious. Additionally, tourism demand is very concentrated on 'sun and sea' and geographically focused, not benefiting a large proportion of the population. Other interesting segments such as nature tourism, rural tourism, nautical sports, and cultural tourism are hardly on offer, with the present tourism model (vertical integration of all-inclusive tour operators) limiting the involvement of local producers of goods and services, thus almost excluding them from the tourism value chain.

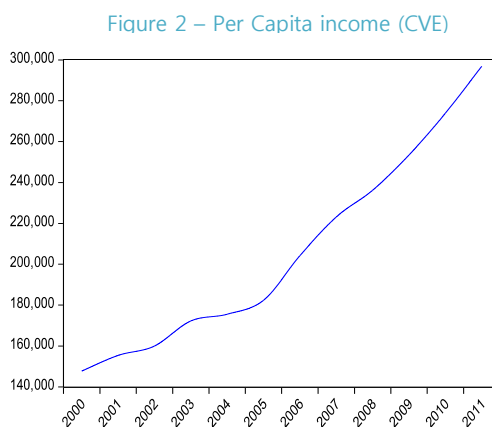
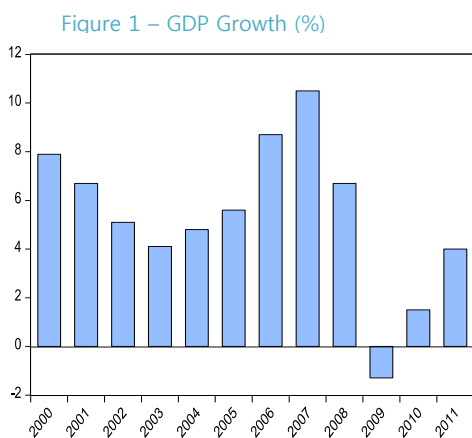
In summary, the Strategic Plan for Tourism Development of Cabo Verde, Horizon 2014-2024, must tackle these challenges while proposing an inclusive, sustainable, positive strategy that may benefit all sectors of the country's society.



## II - TOURISM ANALYSIS – CURRENT SITUATION

### A. CABO VERDE ECONOMIC GROWTH (2002–2011)<sup>3</sup>

The economy of Cabo Verde outperformed from 2002 to 2011 despite its weaknesses and vulnerabilities. It is noticeable the robust growth of GDP, in nominal value, increased from approximately 678.8 million USD in 2002 to 1.8659 billion USD in 2011 (more than doubled within 10 years). The average real GDP growth during the period 2002 to 2011 was about 5 percent (Figure 1). This rate however omits some volatility in growth over the period and the fact that growth has slowed considerably in recent years due to the effects of the global financial crisis. However, growth had a direct impact on per capita income. In fact, per capita income has risen steadily, rising since the 1980s but from 2002 to 2011 increased significantly (Figure 2).



Source: INE and DECRP III model – MFP/DNP<sup>5</sup>

The explanation for the growth derives from several factors:

- i) strong investment in education and health in the era of post-independence;
- ii) process of opening the economy that began at the end of the 1980's;
- iii) market reforms and privatizations in the 1990s; and
- iv) deep reforms that were implemented in the first decade of this century. Among these reforms are

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<sup>3</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

included the agenda of state reform, the focus on maintaining a stable macroeconomic environment, and the various administrative reforms to improve the business environment.

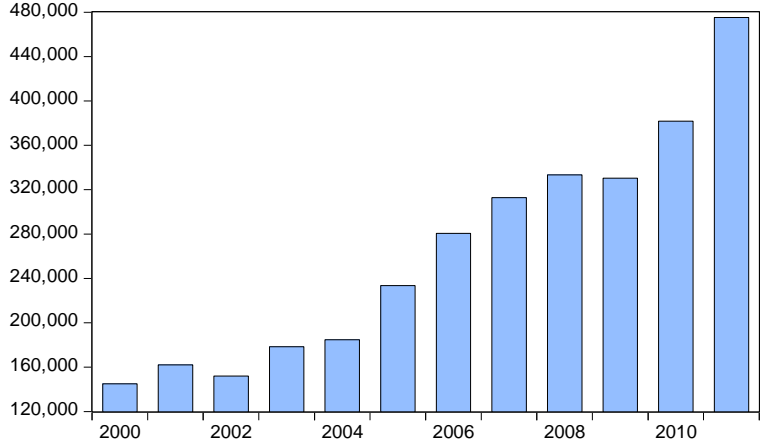
Moreover it is also worth mention several additional factors such as the relevance of the Diaspora support, the efforts to win the trust of donors as from 2001, the investment in infrastructure over the last decade, the consolidation of democracy, and the increased foreign direct investment. In fact, a recent study commissioned by the African Development Bank pointed out four major reasons for the success of Cabo Verde since independence in 1975:

- Consistent investment in human capital;
- Good governance and management of the state and the economy;
- Political and social stability; and
- Generosity of the international community and the strong ties with the global diaspora of Cabo Verde. GDP growth has also brought changes to the composition of the economy.

All sectors - primary, secondary and tertiary - grew substantially. However, in the tertiary sector, and over the past decade, under the Transformation Agenda, Cabo Verde successfully developed the tourism sector which is now the main engine of the economy, accounting for about 20% of the GDP. Tourism also played a catalytic role in other key sectors such as construction, real estate, transport and trade. The impact of the increased growth of the last decade has had major implications and provided the means for the government to be able to implement anti-cyclical measures to combat poverty to counter some of the effects of the global slowdown. Furthermore, it is important to note that the data suggest that growth contributed to significant improvements in the volume and distribution of income for the population, as well as in poverty reduction.

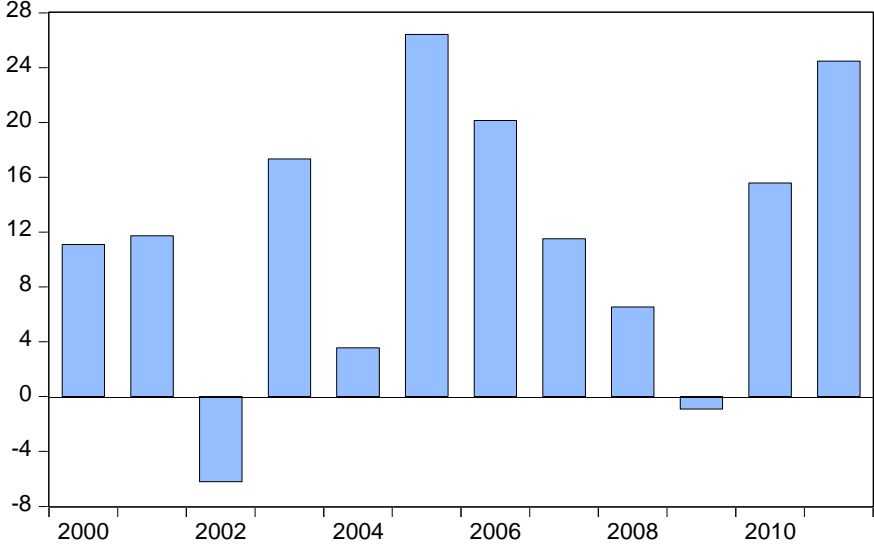
Cabo Verde has achieved a good level of growth over the last 10 years as outlined above. The economy has not only grown but also saw the development of critical sectors such as tourism, construction and real estate. In the case of tourism, this has grown at a rate of about 10% on average, annually, with the number of tourist arrivals to triple from 2002 to 2011 (Figures 3 and 4). The success of the sector, despite the global economic slowdown and the various crises, has been spectacular. The Government contributed to this growth with a series of reforms and through substantial investment in infrastructure (roads, ports and airports) and attracting investment. One result of this growth was the net job creation mainly in the tertiary sector.

Figure 3 – Number of tourists



Source: INE

Figure 4 – Annual variation in the number of Tourists (%)



Source: INE

## B. CABO VERDE VISION AND THE NATIONAL AGENDA<sup>4</sup>

The development process of Cabo Verde has been guided by the economic transformation agenda. The agenda provided the long-term vision that guided the policies and actions of the government during most of the new century so far and that points to a transformed economy, anchored to get the most of the geostrategic location of Cabo Verde to develop the country as an international platform for high value-added services. Specifically, the agenda aims to build a diversified and productive economy through the development of clusters of competitiveness based on a dynamic growth sustained by the private sector model, and allowing the transformation of comparative advantages into competitive advantages. In this context, the areas of strong potential for Cabo Verde, taking into account the location on trade routes between the three continents (Africa, Europe and the Americas), are as follows:

- Tourism: promoting high value added tourism;
- Maritime Economy: building a maritime economy oriented to fisheries, maritime transshipment of goods and services;
- Aero Business: transforming Cabo Verde into a regional hub for air cargo, trade free zone and services for airlines;
- Information and Communication Technology (ICT): Cabo Verde promote the islands as of an advanced technological nature and specifically the ICT industry attracting companies to use the country as a base for conducting business primarily with the subregion;
- Finance: transforming Cabo Verde into a center for financial services and investment;
- Creative economy: building a service industry based on the export-oriented culture and brand promotion of Cabo Verde; and
- Agribusiness: develop activities and agri-business companies to promote increased quality production that explores the potential for import substitution, including liaison with the tourism value chain, and create an export base for specific competitive niche products.

The transformation agenda presents a comprehensive long-term vision for the development of Cabo Verde in view of the potential for the capitalization of the comparative advantages of Cabo Verde - wide ocean, geostrategic location, and a tropical climate. The agenda seeks to transform the country into a modern economy, with high level of performance and service-based. For this purpose it is necessary the development of new sectors as engines of growth given the current limited

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<sup>4</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

and small productive base. Some progress has been made, but the challenge is to accelerate the process of transformation and reform, in order to allow the emergence of new competitive factors that enable the structuring of clusters.

The Program of the Government for the 2011-2016 VIII Legislature, in addition to the constitutional requirements, was formulated with the aim of accelerating the transformation agenda of the country. The vision for developing the country, submitted under the program, is: an inclusive, just and prosperous nation, with opportunities for all. The goal for the Eighth Legislature is to "build a dynamic, competitive and innovative economy with shared prosperity for all." To achieve this, the Government identifies seven strategic challenges to be solved during the Legislature.

- i) Build a dynamic, competitive and innovative economy with shared prosperity for all;
- ii) Foster private sector growth, investment and productivity;
- iii) Promote development and social cohesion and facilitate access to basic services;
- iv) Enable human resources and produce knowledge that fosters economic growth;
- v) Consolidate democracy, deepen freedoms and strengthen good governance;
- vi) Modernize and extend the infrastructure; and
- vii) Affirm a Global Nation and develop partnerships for competitiveness.

The resolution of the above challenges cannot be merely an intention of the government, but rather a commitment to the overall Cabo Verdean society, taking into account the adverse internal and external environments.

It is also important to note the relevance of cross-cutting aspects such as the good environmental governance. It is essential to beware of aspects of environmental sustainability programs and projects of infrastructure, energy and urbanization; to promote a better management of natural resources, including land, water, forests and fish resources; and that build economic, social and physical resilience to natural disasters and the phenomena of climate change in order to mitigate the associated risks. Cabo Verde has demonstrated political will to implement a green economy, as shown for example in the strong investment in renewable energy. However, it also faces important challenges, many related to water scarcity, energy inefficient services and the achievement of a balance between conservation of natural resources and the development process of the country. A bet on the framework for the environmentally sustainable growth already deserves the close support of several development partners, notably Spain, the United Nations and the African Development Bank.

Given the heavy overseas dependence of the country and the strong competitive market, attracting investment by means of tax incentives is not enough. The new elements of competitiveness are gaining more and more importance: the access to export markets; knowledge and training; the existence of national capacities in the areas of policies and international negotiations; the communication infrastructure and transport (road, sea and air) at affordable prices; credit access; the development of information and communication and viable platforms at affordable costs; and the availability of production resources, especially

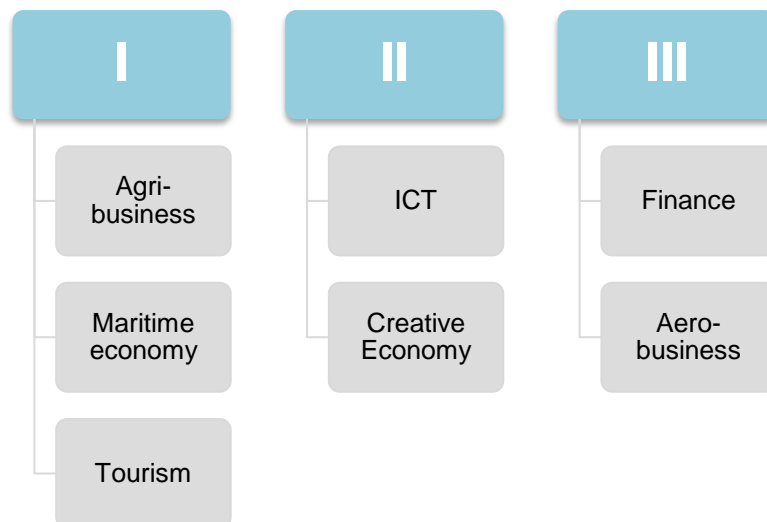
energy and water. These factors thus become key elements in the competitiveness of the economy.

In articulation with an approach to growth and redistribution, Cabo Verde will embark on a three-level strategy for the development of the Transformation Agenda. This will mean setting priorities in different levels, initially between the clusters and then within the clusters themselves. This exercise is necessary to identify the value chains in clusters where Cabo Verde already has a vocation and that can be quickly leveraged to generate growth. To set priorities among and within the same cluster, the factor of arbitration shall be the potential that the cluster or action is to promote inclusive growth by creating business and employment generation. The clusters are divided into three groups taking into account the current capacity of the country, the international context and the potential of the Cabo Verdean private sector to enable the strengthening of the Gross National Product. The agri-business, tourism and the maritime economy appear at the top due to the impact that these clusters may have in reducing poverty and generating growth. Then, the second group consists of the ICT clusters and creative economy; and the third adds clusters of financial services and aero-business as evidenced in Figure 5.

The graduation of Cabo Verde from the list of the LDCs of the United Nations is a significant advantage, considering that Cabo Verde was one of the two African countries in this list. Another crucial progress over the last decade has been the substantial growth in the tourism sector that now accounts for about a quarter of the GDP and over 60% of exports. The impact of tourism on the economy is more significant if associated with certain sectors such as construction and real estate. The tourism sector also receives about 90% of FDI to Cabo Verde and has been the main driver of economic growth and a critical factor in employment generation. The success, however, created an overdependence on a single sector and increased exposure of Cabo Verde to external shocks. Any reduction to occur in tourism demand, either due to external shocks or internal challenges, can have a major impact on the country's economic performance.

The shortage of qualified manpower is a constraint to invest in Cabo Verde since the companies have no incentive to invest in countries where there are shortages of workers with adequate training. In addition to constraining investment and growth prospects, the skilled labor tends to be employed in low productivity jobs and also self-employment does not present the necessary management skills for entrepreneurship success. These conditions are not so favorable to the transformation agenda.

Figure 5 – Clusters' classification



Source: Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

Despite the growth in the agricultural sector, Cabo Verde currently produces only 20 to 30 percent of the domestic consumption of food, importing the rest. There is scope to significantly expand production of the agricultural sector and ensure linkages with other sectors to facilitate the development of the rural economy. One of these sectors is tourism, where the potential to link with the agricultural supply chain can have a decisive impact on the sector in Cabo Verde. For example, despite a noticeable increase in local product markets, recent gains have not translated into high value added that involve the processing, transportation services between the islands, or obvious connections to large chains of tourism services. There is potential to increase production for local consumption, exports and tourism sector, especially in certain niche products.

Although it can be identified a roof in the country's ability to produce to a scale that meets the needs of domestic consumption and the needs of the tourism sector, there is a substantial potential for expansion in the sector of production of some value chains (eg. goat cheese, coffee, wine and spirits, fruits and vegetables, among others) for it to become a significant source of employment, income increase, innovation and creation of businesses based in rural areas. In some cases, the problem is not only at the production level. There are also issues related to the transport of products to markets - these issues involve a myriad of variables such as high transport costs, lack of cold storage capacity and other forms of conservation, lack of processing capacity, information asymmetry in markets, weak quality control standards and the absence of certification.

The reality is that the agricultural sector is still constrained. The adoption rate of drop by drop irrigation is still low. In fact, the number of hectares under irrigation is limited with most farmers depending on rain. Access to credit remains a constraint as in other sectors of the economy of Cabo Verde and access to markets by farmers is also a problem due to:

- i) inefficiencies in the flow of products as a result of poor condition roads;
- ii) transportation unreliable and expensive;
- iii) inefficiencies in logistics systems to move products to the market.

The weak institutional and human capacity in the sector affects water management, agricultural extension and research and development. Weaknesses hampered the development of value chains, and especially the growth of key subsectors such as livestock. Weak institutional capacity also impacts the ability to have certification (quality and origin), to promote the transformation of agriculture into a business, and to penetrate in the tourism sector by supplying major hotel chains in the country. The access to the domestic market and operators in the tourism sector is a prerequisite to ensure that agriculture becomes a key sector for growth.

### C. TOURISM DEVELOPMENT AND GROWTH<sup>5</sup>

Cabo Verde is a vulnerable country, mainly due to its insularity, fragile ecosystems, and low production capacity - with barely 10% of its surface arable. These physical and natural characteristics create unique constraints, especially in regard to agricultural production (over 80 percent of all food consumed is imported), transportation costs, and basic economic inputs. Cabo Verde is therefore, greatly dependent on remittances from emigrants and Official Development Aid. Like many other Small Island Developing States (SIDS), Cabo Verde has elected tourism as a viable development strategy with great potential for stimulating local economy through income generation, infrastructure development, and foreign exchange earnings.

Figure 6. Evolution of Cabo Verde Tourism Demand and Supply 2000-2012

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>International Arrivals (1000)*</b>	115	134	126	150	157	198	242	267	285	287	336	428	482
<b>Growth rate*</b>	-	17%	-6%	19%	5%	26%	22%	10%	7%	1%	17%	27%	13%
<b>Guest entrances (1000)</b>	145	162	152	178	185	234	281	313	333	330	382	475	534
<b>Total Nights (1000)</b>	685	806	694	903	865	936	1,368	1,433	1,827	2,022	2,342	2,828	3,334
<b>Average Length Stay</b>	4.4	4.6	4.2	4.7	4.6	3.9	4.6	5.7	5.5	6.1	6,1	5.9	6.2
<b>Nº of Accommodation Establishments</b>	88	88	93	105	108	132	142	150	158	173	178	195	207
<b>Total Nº of Rooms</b>	2,391	2,489	2,82	3,146	3,15	4,406	4,836	5,368	6,172	6,367	5,891	7,901	8,522
<b>Available Capacity (1000)</b>	5,24	5,45	6,06	6,68	6,75	10,34	10,45	11,54	13,7	14,09	13,86	17,02	18,19
<b>Accommodation Establishment Employees</b>	1,845	2,046	2,04	2,281	2,165	3,199	3,29	3,45	4,081	4,12	4,058	5,178	5,385

Source: INE ; UNWTO\*

<sup>5</sup> Terms Of Reference For UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014



## C.1. GUESTS AND OVERNIGHTS – FIRST QUARTER 2014

According to the latest data, the second quarter of 2014 saw an increase in the number of guests (4.3%) in comparison to the same quarter of 2013. In the same period, overnight stays decreased slightly - 0.1%. The UK was the leading country of origin of tourists. The British tourists were those who spent more time in Cabo Verde, with an average stay of 8.9 nights. The island of Boa Vista was the most popular among tourists, representing approximately 45.8% of overnight stays in hotels.

The data accumulated during the period January to June 2014, show that hotels registered 273 459 guests and about 1.7 million overnight stays, movements that translate into increases in tourist arrivals and in overnight stays of 1.2% and 0.9 % respectively over the same period of the previous year.

Figure 7- Cumulative evolution of guests and overnight stays

Global results	January to June 2013	January to June 2014	Cumulative variation (%)
Guests	270,280	273,459	1,2
Overnight stays	1.685,108	1.699,660	0,9

Source: Survey of guests' movements, 2<sup>nd</sup> Trim. 2014 (INE)

Analyzing data by quarter, it appears that in the second quarter of 2014, hotel establishments hosted 110,991 guests, 4.3% more than in the same period of last year. In absolute terms, more than 4,606 tourists have stayed in hotels in the same period of 2013. Overnights reached 717 034 in the same period, resulting in a slight decrease of -0.1%, compared to the second quarter of 2013. In absolute terms, there was a decrease of -543 overnights.

Figure 8 - Evolution of number of guests and overnights – 2013/2014

	2 <sup>nd</sup> trim. 2013	2 <sup>nd</sup> trim. 2014	Evolution (%)
Guests	106,385	110,991	4,3
Overnight stays	717,577	717,034	-0,1
Average Stay (Nights)	6,4	6,0	-0,4
Rate of bed occupancy (%)	48	47	-1,0 p.p.

Source: Monthly survey of guests' movements, 2<sup>nd</sup> Trim. 2014 (INE)

The analysis by type of establishment reveals that hotels remain the most popular of the accommodation establishments, representing 88.0% of the total entries. These are followed by residentials with approximately 4.4% and guest houses with 4.3%. Regarding overnight stays, hotels represent 92.6%, guesthouses and residentials 2,4% each respectively.

Sal is the island with the greater influx of tourists, with 35.9% of entries, followed by the Boavista Island (34.8%) and Santiago Island (16.3%). Regarding overnights, Boavista ranks first, with 45.8%, then Sal with 41.3%, and Santiago with 5.9%. By country of guests' residence, residents in Cabo Verde contributed to about 10% of the entries and 4.4% in overnight stays.

The main issuing market, this quarter remains the UK, with 20.0% of entries, followed by Portugal, Germany and France which accounted for 15.8%, 12.8% and 10.4 % of the incoming tourists, respectively. Regarding overnights, the UK also ranks in first place, with 27.9% of the total, followed by Germany, Portugal and the Netherlands, with 16.4%; 12.5 and 9.2% respectively.

Most tourists from the UK preferred the islands of Sal and Boavista representing, respectively, 67.3% and 31.9% of overnights, with 99.6% selecting the hotel as the preferred accommodation establishment. Germans have chosen the island of Boavista as the main destination (54.5%), followed by Sal (40.9%). They also selected the hotels as the preferred type of accommodation (95.5%).

Overnight stays by residents in Portugal were distributed mainly by the islands of Sal (43.1%), Boavista (42.0%) and Santiago (10.2%). The hotels were the most popular accommodation establishments (96.6%).

According to data collected by INE, in the quarter under analyses, visitors from the UK had the highest average stay in Cabo Verde (8.9 nights), followed by the Dutch (8.2 nights), the Germans (7.8) and the South Africans (7.5 nights). The Cabo Verdean residents stayed, on average, 2.6 nights in hotels.

During the second quarter of 2014, on average, the overall rate of bed occupancy was 47%, against 48% in the same quarter of the previous year. The islands of Boavista and Sal had the highest occupancy rates, with 68% and 46%, respectively. The hotels were the accommodation establishments with the highest occupancies (53%); followed by hotel-apartments with 34%, guest houses and residentials, both with 21%.

## C.2. VISION FOR THE TOURISM CLUSTER<sup>6</sup>

Tourism will continue to be the main engine of growth of Cabo Verde and the goal of the Transformation Agenda and the Government Program for the eighth Legislature is to promote tourism with high added value. The objective is to transform

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<sup>6</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

swiftly the sector, to better integrate with the local environment and ensure the transfer of benefits to the economy and population.

In the medium and long term, the vision is to build a competitive and sustainable tourism, of high added value, focused on medium/high segments, anchored in industries and services produced locally.

### C.3. STRATEGIC AGENDA FOR TOURISM

It is expected that the tourism industry continues to grow, despite the challenges posed by the global economic slowdown and the financial crisis of the Eurozone. The policy objectives for the planning period (2012-2016) are to accelerate the growth rate and improve the quality and resilience of the tourism sector. This includes a focus on diversification, the substantial increase in benefits for the economy and population, the expansion of links with other sectors, and the mitigation and minimization of social and environmental impacts. To achieve these policy objectives requires a robust strategic agenda.

The Document of the Poverty Reduction Strategy (DECRP III), produced by the Government, intends to implement a strategic agenda for eight items to transform the tourism sector:

- Management and governance of the sector;
- Market and product diversification;
- Marketing and promotion;
- Improvement of infrastructure services;
- Education: awareness and relevant skills;
- Entry visas and funding of the sector;
- Access to credit; and
- Social and environmental protection.

### C.4 STRATEGIC PLAN FOR THE DEVELOPMENT OF TOURISM<sup>7</sup>

In 2009 a three-year Strategic Plan for the Development of Tourism (SPDT) was elaborated. In order to pursue the Government's vision - "a sustainable and high value-added tourism, which effectively contributes to the improvement of the well-being of Cabo Verdeans, without jeopardizing the resources needed for future generations' survival"; the plan established

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<sup>7</sup> Terms of Reference for UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014

seventeen Programs in six Dimensions (access, general infrastructure, tourism infrastructure, institutional structure, sustainability and monitoring). Although the SPDT triggered some important projects and enabled a synchronized exercise among the stakeholders who had authority in different aspects of the tourism sector, the implementation of operational plans was weak. In this sense, one of the main priorities is to elaborate a document containing a new vision and strategies for the next ten years (overcoming political cycles), which should have strong inputs from the private sector, local authorities and civil associations. The idea is to take advantage of the recommendations from many recent studies that have already been done and focus more at designing priority action plans in the fields of institutional strengthening, legislation reinforcement, product development, marketing and investment strategies, quality standards, and impact assessment.

#### C.5. ACTION PLAN FOR SUSTAINABLE TOURISM

A range of regulatory framework and environment-related international agreements have been signed and rectified, demonstrating the Government's commitment towards an environmental sustainable development of Cabo Verde. However, the coastal tourism development combined with the growing real-estate business has produced some negative effects on the country's biodiversity which is considered globally significant. In this context, the General Directorate of Tourism and WWF formed in 2010 a Public-Private Partnership for Sustainable Tourism Development. Nonetheless, despite the creation of a steer committee and a strategy proposal, this extremely important project has not yet been launched. It is now time for a sustainable tourism agenda with action plans and policy tools (e.g. certifications, incentives), instruments (e.g. Strategic Environmental Assessment), preventive/corrective measures and indicators for sustainable destination management. Protecting the quality of the environment from which tourism depends is essential for the sustainability of the destination. Furthermore, it is believed that Cabo Verde's most important tourism asset is its people – who are the keepers of the traditional practices and cultural richness. In this sense, they should have greater control and involvement in tourism development and management, as well as in the proportion of the benefits. Evidence have suggested that despite some vulnerabilities and overseas leakage of tourism earnings, the sector does make a substantial contribution to poverty alleviation in Cabo Verde, especially through its economic effects (income generation). However, there is a need to combine efforts to enhance inter-sectorial linkages and local control, in order to ensure the long-term competitiveness and sustainability of this tourism destination. The recently created Social Sustainability Fund for Tourism (September 2013) and the UN Sustainable Tourism for Eliminating Poverty Program (ST-EP), are Instruments that can help implement this desire.

#### C.6. TOURISM OFFER - PRODUCT DEVELOPMENT AND DIVERSIFICATION

Cabo Verde wants to consolidate its "Sun and Sea" segment, while offering complementary tourism products based on other natural assets (e.g. natural parks, mountains, marine wildlife) and cultural resources (e.g. colonial monuments, cultural heritages). On the one hand, the public tourism authority aims to develop a project to assess and review the current quality standards of the country's tourism services, especially in the hospitality area. Together with the recently created Quality

Management Institute and IGAE, they will organize a national assessment plan and redefine quality criteria and controlling tools. An expected result will be the development of a new tourism accommodation classification system. On the other hand, DGT has already carried-out a Tourism Resource Inventory pilot-project and wishes to spread the exercise to the 22 municipalities of Cabo Verde. There is a need to ensure that this planning exercise actually provides strategic information to land use planning and tourism product development. Knowing the available tourism assets, will allow for an easier development and promotion of thematic itineraries, complementary land-entertainment offerings for cruise tourism, and other tourism segments such as cultural/creative tourism, ecotourism, community based tourism, etc.<sup>8</sup>

Cabo Verde is becoming by definition a destination of sun and sea, with emphasis on the all-inclusive model. This market needs to be consolidated and exploited, but there is need to develop different products and niches to diversify the tourism product through an assertive strategy of consolidation and diversification, based on pragmatic assumptions that activate factors of comparative and competitive advantage of Cabo Verde, while taking into account the proper segmentation of the tourism demand. The new market segments to target may include (i) young (typically accompanying families, have excellent potential to return to the country in the future); (ii) families (customers type of sun and sea resorts and packages); (iii) senior (appetite for alternative products with strong requirements levels and accessibility of health services); and (iv) the thematic tourists (cultural tourism, nature, sports, and rural). The strategy to expand the market and diversify the products will take into account three key elements.

The first is the consolidation of the existing tourism product sun and beach. The approach will be to increase the added value of current services through the promotion of complementary activities (i.e. nautical).

The second will focus on strengthening the cultural component of the tourism product in Cabo Verde. Actions converge substantially with initiatives proposed under the cluster of the creative economy and may include measures such as the clear definition of the actual and potential product. It is also necessary to invest in mechanisms to control the quality and regularity of the tourism product and qualification of the agents involved in tourism. It is important to have an agenda for the professionalization of culture and a new framework for the law of Patronage.

The third element is diversifying into new niches, through a proactive approach to mobilizing partnerships and investments in high-potential areas, according to the profile of the segments of demand.<sup>9</sup>

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<sup>8</sup> Terms of Reference For UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014

<sup>9</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

## D. TOURISM IMPACT AND CONTRIBUTION TO THE CABO VERDEAN ECONOMY

### D.1 TOURISM AS THE ECONOMIC DRIVER OF CABO VERDE<sup>10</sup>

Contributing to about 20% of the GDP, the tourism sector is seen as one of the main pillars of Cabo Verde's economy. Statistical data from national and international sources show that since the new millennium, there has been a dramatic increase of international tourist arrivals to the country – from around 115,000 in 2000 to 482,000 in 2012 (UNWTO). According to the National Institute of Statistics (INE), in 2012 some 534 thousand guests spent a total of 3.3 million overnight stays at Cabo Verde's registered tourism accommodation establishments. The UK (21.6%), France (13.0%), Portugal (12.7%) and Germany (12.6%) were the main source markets. The latest tourism supply inventory (2012) counted 207 accommodation establishments, amounting 8,522 rooms and 14,999 beds.

Tourism is also a major generator of employment together with other related sectors such as construction and real estate. According to INE, 5,385 people were employed by accommodation establishments, of which 90% were national citizens and 58% were female workers - which translates tourism's potential to alleviate poverty through employment generation, especially among Cabo Verdean women.<sup>11</sup>

The current objective of the Government is to maintain growth, diversify supply and the origin of tourists, increasing the local benefits of the value chain and gradually promote tourism added value.

According to data from INE (2011), regarding the structure of tourism expenditures, approximately 57% are made in Cabo Verde and the remaining at the origin. According to the Survey of Tourist Spending and Satisfaction (INE, 2011), the overall assessment of Cabo Verde by tourists was positive, with about 34.1% classifying the stay as very good, 48.9% as good, 15.5% as fair, 1.3% as poor and 0.2% as very poor.

Tourism currently represents the most important sector of the Cabo Verde economy. The development of the industry was fast and notorious. The number of tourists grew from a base of about 30,000 in the mid 90s, mainly made up of emigrants seeking to return to visit family and relatives, to about 500,000 in 2013, most of whom foreign nationals (coming from Europe). The rise was motivated by the instalation in Cabo Verde of big international hotel chains, vertically integrated, and who brought to the archipelago large all inclusive resort accomodation units. The growth was centered on Boa Vista and Sal, which have currently

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<sup>10</sup> Terms of Reference For UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014

<sup>11</sup> Government of Cabo Verde, 2012: Poverty Reduction Program (DECRP III, 2012 – 2016).

a quota above 90% of the share of overnights by guests in the country, taking advantage of the sun and beach characteristics that these islands offer.<sup>12</sup>

Notwithstanding the positive evolution of the sector, growth brings with it a number of challenges. The constraints in terms of transport services and infrastructures, sanitation, safety, energy, housing and other complementary services to the sector are notorious. Additionally, the tourism demand is very little diversified and geographically focused, not benefiting a large percentage of the population, and is heavily focused on the sun and sea niche, not adequately exploring other high potential niches - e.g. nature tourism, rural, nautical sports, culture. The model that has been followed has also implied a reduced connection of foreign operators to local products and services due to the high level of vertical integration of these chains and to the difficulties that local suppliers feel in selling in quantity and quality with whole respect of standards and international regulations of food safety and hygiene.

Recognizing these challenges, the Government of Cabo Verde has noted in the corresponding Government Program and in the GRPSP III, and launched the basis for a sector reform based on sustainable growth, covering the entire country, and with higher dividends for the national economic structure. The reform implies the necessary revision of the governing formula, currently dispersed in several intervening agents, not always oriented by a unified and integrated sector vision. The difficulties in coordinating the actions of several agents - Central Administration, Municipalities, public real estate management entities, regulatory authorities, port management company and private operators - imply the inefficiencies in the conception, implementation and promotion of a solid touristic product with a strong return for the benefit of the population and national economic agents.

As part of the reform program, the Government has already implemented a few measures such as the introduction of the Touristic Contribution Tax (TCT) seeking to reinforce the financing of the sector, the Tourism Social Sustainability Fund, whose objective is to leverage pertinent interventions to reinforce the quality of the destination also based on TCT revenues. The global reform effort is however lacking a more profound revision of the institutional framework with the objective of improving the global management capacity. To that effect, and with the support of the World Bank, the Government is studying the potential creation of a National Tourism Organization (NTO) in the form of an institute or agency. Such organization could centralize and coordinate some of the responsibilities currently dispersed, and could also leverage a forum for bigger private sector intervention in sector policies in a public-private partnership model possibly implemented through a mixed Administrative Council.

For the purpose of gathering good practices in similar countries, the Government and the World Bank organized in June of 2014 a Mission, participated by members of Cabo Verde public and private sector, to the Republic of Seychelles in the area of tourism. This small island country located in the Indian Ocean is recognized as one of the best practices in the promotion and

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<sup>12</sup> Concept Note Tourism Retreat – SAL 26 and 27 September 2014 MFP/MTIE/WB

management of the tourism industry, having attained international praise in terms of sustainability practices and quality of the tourism supply. The lessons learned constitute valuable inputs for the planning of the reform in Cabo Verde.<sup>13</sup>

## E. CABO VERDE TOURISM STRUCTURES AND ACTIVITIES<sup>14</sup>

### E.1 STRUCTURE OF TOURISM SECTOR

Even in a small country such as Cabo Verde, there are numerous public and private sector entities that have an important role to play in the country's tourism sector. The entities with the most prominent roles within the Cabo Verde tourism sector are the following:

#### Ministry of Tourism, Investment and Business Development (MTIDE)

MTIDE is the line ministry in charge of the sector while, according to Cabo Verde law, the General Directorate of Tourism (DGT) serves as the country's "central tourism authority". DGT has the following broad responsibilities:

- Propose plans, programs, and projects that contribute to the development of the tourism sector.
- Contribute to the definition and execution of the tourism policy by proposing actions that will diversify and improve the national tourism supply.
- Contribute to the elaboration and implementation of legislative norms and regulations and accompany the licensing, qualification, and certification efforts as demanded by law.
- Monitor tourism activity by keeping updated information on supply and demand in the sector.
- Review tourism project proposals and issue permits to those that are approved.
- Maintain oversight and licensing power over tourism services and attractions.

In order to accomplish its mandate, DGT is divided into two departments: one dealing with tourism activity support services and the other with policies, studies, and market services. The first department is tasked specifically with surveying the activity of the sector; elaborating norms, regulations, and technical specifications about tourism establishments; conducting oversight visits seeking to license the establishments (upon their opening); and monitoring their operations henceforth in accordance with the tourism law. The second department is responsible specifically for data collection and analysis for the purpose of informing policy makers; organizing and participating in international and domestic trade fairs seeking to promote the national product; and developing partnerships meant to further national tourism development.

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<sup>13</sup> Concept Note Tourism Retreat – SAL 26 and 27 September 2014 MFP/MTIE/WB

<sup>14</sup> Establishing a Tourism Ministry, Board, or Institute? Selecting an Institutional Arrangement to Promote Tourism Growth in Cabo Verde – World Bank, September 15, 2014



### Cabo Verde Investments (CVI)

The Cabo Verde Agency for Promotion and Investments (CVI) was created in 2005 out of the merging of the Center for Touristic Promotion, Investment and Exports (PROMEX) and the Institute for Support to Corporate Development (IADE). The agency, autonomous in administrative and financial terms while responding to MTIDE, is charged with the following three main objectives:

- Active promotion of favorable conditions to execute foreign investment projects.
- Promotion of Cabo Verde as a tourist destination (until December 2013) and for investment in the sector.
- Promoting an increase in the trade of goods and services of Cabo Verdean origin.
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CVI is organized around a conventional Cabo Verde corporate-type governance structure that features a president, board of directors, general council, and fiscal council - all with three-year terms to be proposed by the line Minister and approved by the Prime Minister. CVI is mandated to have foreign delegations in cooperation with the embassies and diplomatic services but currently only has offices in Praia. The operating revenues of CVI are mainly from state budget transfers.

### Society for the Integrated Development of Tourism in the Islands of Boa Vista and Maio (SDTIBM)

SDTIBM is a state-owned entity created in 2005 with an initial equity of €2.2M. It is jointly owned by the central administration (51%), the Municipality of Boa Vista (35%), and the Municipality of Maio (14%). It is headquartered in Sal Rei, Boa Vista Island, and its objective is to manage, plan, license, execute, and transact all real estate located within six Special Integrated Tourism Development Zones (ZDTIs) that have been created on the two islands. It must do so in accordance with the objectives of the national tourism development strategy as well as the individual Touristic Planning Documents (POTs) for each of the ZDTIs.

SDTIBM was created as part of the consolidated attempt to strengthen the governance of the sector and promote a different model for the development of tourism in Boa Vista and Maio. The development model involves lower construction density so as to limit environmental impacts and attract high quality investors. SDTIBM is managed according to conventional corporate statutes, under which the board of directors and president are responsible to the shareholders. The central administration is represented by officials of the line Ministry (MTIDE) and also the Ministry of Finance and Planning (MFP).

### Tourism Social Sustainability Fund (TSSF)

TSSF was created in the wake of the introduction of the Tourism Tax through a Council of Ministers resolution in August 2013. The fund, which responds to MTIDE, has been mandated to support the following:

- Development of infrastructure that will improve the tourism product.
- Development of promotion activities that place Cabo Verde as a high value tourism and FDI destination.
- Development of activities to increase the involvement of local enterprises into the local value chain.
- Financing of programs that can leverage culture as a distinctive factor in the tourism product.
- Training of human resources for the sector.

The TSSF sources of revenue are the proceeds of the Tourism Tax, a portion of the forthcoming gaming tax, and other transfers to be determined from the state budget. TSSF's governance is comprised of a board of directors and a president. The board meets once a month on an ordinary basis and is chaired by the General Director of Tourism. It includes representatives from the Treasury Directorate, Chamber of Tourism, CVI, and the Professional Training and Employment Institute (IEFP). It has the full power to deliberate, through a qualified majority, on the projects to be supported by the fund whilst the president is responsible for administering the fund and carrying out the deliberations of the board with the support of an executive secretariat. The annual budget based on the income from the Tourism Tax, whose collection initiated on May 2013, is estimated to amount to approximately €5.4 million annually.

#### Municipalities

The administrative division of the Cabo Verde territory contains 22 municipalities. Municipalities are key stakeholders with an important role in all economic sectors considering their responsibilities for the construction, management, and maintenance of key infrastructure and services at the local level. These include water and sanitation, basic local infrastructure (roads, sidewalks, green spaces), basic health units, social housing, public transport, education, promotion of local culture and tourism, and security. Municipalities receive their funding from their own taxes and fees, as well as yearly transfers from the Municipal Financing Fund according to parameters of size and population.

#### Chamber of Tourism

The Chamber of Tourism, the apex private sector body for the country's tourism sector, was formed in September 2011 out of the merging of two industry associations: Promitur (Cabo Verdean Association of Tourism Real Estate Promoters) and UNOTUR (National Association of Tourism Operators). Its social governing bodies (General Assembly, Directive Council, Consultative Council and Fiscal Council) are chaired by representatives of national private sector companies. The chamber holds one seat on the five-member board of the TSSF and is regularly involved in public sector-related workshops and strategic dialogues. The Chamber of Tourism's headquarters is based at Sal.

## School of Hospitality and Tourism of Cabo Verde (EHTCV)

EHTCV was inaugurated in the city of Praia with the status of a professional training center in 2011. Supported by the Luxembourg Agency for Development Cooperation, it provides tourism-related professional training courses to feed the growing tourism industry. The range of courses offered spans areas such as restaurant and bar, reception, advanced cooking, bakery, and travel agency operation. The average length of courses is nine to 10 months, with a subsequent three-month internship period with a private sector operator. The school can receive between 300 and 450 trainees per year and is now in the process of developing accommodation facilities to house students from other islands. EHTCV's operations fall under the responsibility of the Ministry of Finance and Planning.

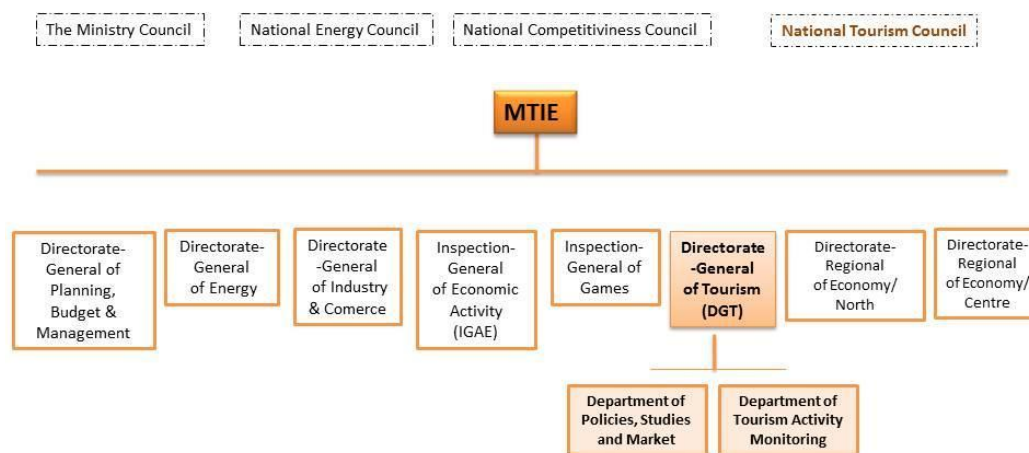
## E.2 INSTITUTIONAL FRAMEWORK<sup>15</sup>

The Ministry of Tourism, Investment and Business Development (MTIDE) is the Government's department responsible for defining, implementing and monitoring public tourism policies and strategies (see organisational structure in Figure 9). At present, it mainly does that through its General Directorate of Tourism (DGT), which is situated at Praia, the capital City. The DGT, which has a staff of less than 10 people (including high officials), is responsible for ensuring the implementation of policies, diversification strategies, and quality monitoring. It also issues tourism activity licenses, organizes and participates in national and international tourism promotion events; promotes market studies, shares statistic information, establishes partnerships with tourism stakeholders, etc. Although counting with the collaboration of the Ministry's Regional Directorates (licensing and monitoring tourism activities), the Cabo Verde Investments (investment and promotion), as well as the General Inspection of Economic Activities- IGAE (hotel and restaurant inspections), it is believed that DGT does not have the institutional capacity needed to fulfill its attributions, due to its limited budget, staff and autonomy. In this sense, an initial proposal for the creation of a Cabo Verde Tourism Institute has been presented, stressing that its financial source would come from the existing overnight accommodation tax, as well as future casino taxes. Be it an Institute, a National Directorate, a Board or Agency, what is most important is to review the existing institutional framework of the tourism sector in Cabo Verde. For that, it is necessary a benchmark in relation to other similar tourism destinations to see what would be the best structure, and the way to successfully implement the change.

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<sup>15</sup> Terms of Reference For UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014

Figure 9. Organizational Structure of the Ministry of Tourism, Investment and Business Development



- Has Superintendence Power Over the Following Public Institutes:
  - Quality Management National Institute (IGQ);
  - Intellectual Property Institute (IPI);
  - Agency for Enterprise Development and Innovation (ADEI)
- Guarantees Relations Between the Government and The Following Enterprises:
  - Electricity and Water of Cape Verde (ELECTRA)
  - Cape Verde Commercial Free Zone SA (FIC)
  - Shipyards of Cape Verde (CABNAVE)
  - Emprofac S.A.R.L (Pharmaceutical Products)
  - Lazareto Industrial Zone (ZIL)

### E.3 CABO VERDE PUBLIC SECTOR TOURISM ACTIVITIES<sup>16</sup>

#### Marketing and PR

Marketing and PR are coordinated by DGT, yet other stakeholders intervene in the tourism promotion chain. CVI is responsible for representing the country at international events while the twenty-two municipalities play a role through promotion activities at the local level. Since 2010, the country has pursued a strategy that segments the tourism product into three categories based on geographic comparative advantages. The first and most prominent is the “sunny islands” group composed of Sal, Boa Vista and Maio, which offer a more traditional sun and sea product. The second category is the “essence islands”, comprised of Santiago and São Vicente, which is geared towards business, events, and cultural tourism. The third category is the “senses islands” made up of Santo Antão, São Nicolau, Brava and Fogo, which are more oriented towards nature-related activities and sports.

Promotion of the country primarily occurs through a dedicated website ([www.turismo.cv](http://www.turismo.cv)), press trips, participation in international tourism fairs, and cooperation with private sector events. In terms of trade fairs, the main domestic event is a

<sup>16</sup> Establishing a Tourism Ministry, Board, or Institute? Selecting an Institutional Arrangement to Promote Tourism Growth in Cabo Verde – World Bank, September 15, 2014

yearly fair dubbed Expotur. Organized since 2009, the three-day event rotates yearly among different islands and aims to be a showcase for domestic tourism, local culture, products, and service niches. In terms of international presence in industry trade fairs, CVI coordinates most of the participation of Cabo Verde delegations. However, many are multi-sector events not specifically focused on tourism. Cabo Verde does not have any foreign offices or representations abroad to promote the destination.

#### Statistics Collection/Market Research

The National Institute of Statistics (INE) and the Bank of Cabo Verde (BCV) both produce relevant statistics on the tourism sector. INE provides periodic disaggregated annual data on the inventory of hotel supply (rooms, beds, staff number and characteristics, services offered, average daily rate) and regular trimester updates on the movement and tourists of guests entering the country and their length of their stay. BCV produces external sector and balance of payments data that provides some measure of tourism flows from a financial perspective.

In addition, INE is said to be developing, with the support of the Spanish Cooperation Agency (AECID), more thorough statistics on tourism through the implementation of Tourism Satellite Accounts (TSA). The process has registered delays, although INE has promised advances and outputs during 2014 (the launching of the multi-objective continuous survey in 2013 is expected to contribute towards gathering essential information to complete some of the tables of the TSA). The data should provide a more precise estimate of the volume and contribution of tourism to the national economy (now estimated to account for about 20% of GDP).

In terms of market research, DGT has been mandated to create and manage a Statistics Information System (SIT) that can act as a centralized database for all sector operators, issued permits, classifications, etc. The creation of this system has nonetheless not yet fully materialized. A Tourism Observatory unit was created with the purpose of providing a holistic collection of sector data in addition to analysis and recommendations. Starting in February 2010, four editions were published. They included a six-month review of international and domestic developments of the sector. However, these editions have since been discontinued. DGT also produced, with the support of consultancies, some market research studies such as a study on source markets in 2010. However this research is not standardized in form or substance nor is it produced on a regular basis.

#### Sector Coordination/Partnership Building

The MTIE Decree-Law also calls for the creation of a “National Tourism Council”, which is meant to serve as a consultative body dealing with policy options for the sector and their interconnection with the national development strategy. The mission, composition, and guidelines of this body are referred to in a forthcoming law which has not yet been approved or published.

## Policy and Planning

The planning for the sector is made through a multi-tier system of legislative decrees which establish the overarching principles that guide the development of the sector (Base Law of Tourism), and then subsequently through a Strategic Plan for the Development of Tourism (SPDT) on a multi-year horizon. The SPDT was developed by DGT in 2009 and covered the period of 2010 to 2013.

The plan provides a thorough diagnosis of the sector and lays out a broad and ambitious agenda to be implemented along six axes: i) access (improving transport access to and among the islands); ii) general infrastructure (better health, water, and sanitation); iii) tourism infrastructure (development, classification, and promotion of tourism accommodation units and attraction sites); iv) institutional structure (better centralized and coordinated management of the tourism sector); v) sustainability (safeguarding of cultural and environmental resources); and vi) monitoring (improving the monitoring and evaluation of the sector). Other relevant planning documents include the Growth and Poverty Reduction Strategy Paper (now in its third edition spanning 2012 to 2016), the Marketing Plan for the Tourism of Cabo Verde, and a forthcoming Strategic Plan for Cruise Ship Tourism in Cabo Verde.

## Capacity Building / Quality Enhancement

With regards to technical support to the industry, the role is spread amongst a few public stakeholders. In the field of professional training and capacity building, EHTCV takes the lead. Technical assistance to small and medium enterprises is provided through the Agency for Corporate Development and Innovation (ADEI) that includes business development services, incubator programs, and support to restructuring plans. Although the ADEI program is operated within MTIDE, it does not specifically focus on the tourism sector. Moreover, it is also expected that the TSSF will have a role in financing capacity building activities.

## Licensing and Standards

This role is divided amongst several public entities. While DGT plays the central role in licensing, other regulatory and oversight agencies intervene in supervising basic aspects of service delivery--namely food and hygiene standards and basic retail operating principles. DGT is specifically tasked with surveying the activity of the sector; elaborating norms, creating regulations, and technical specifications about tourist establishments; conducting oversight visits seeking to license the establishments (upon their opening); and monitoring their operations. Its mandate also extends to covering issues such as guidelines for ecotourism and rural tourism but it does not currently have the resources or staff to undertake these tasks.

The General Inspectorate for Food and Pharmaceutical Produce (ARFA) and General Inspectorate of Economic Activities (IGAE) also have a role to play in the protection and compliance of certain industry standards. They have a shared lead role in the oversight of food safety and hygiene standards, as well as other complementary regulations on business operations such as opening hours, safety standards, and fire standards. The General Labor Inspectorate (IGT) is responsible for overseeing the protection of workers according to the stipulations of the labor code. Finally, the recently established Institute for the Management of Quality (IGQ) is intended to leverage a nationwide approach, dubbed the National System for Quality, to reform a number of industry standards and regulations according to international best practices.

#### Investment Promotion

As mentioned earlier, CVI is tasked with the promotion of investments to Cabo Verde, including those in the tourism sector. More specifically, CVI's mandate is to identify potential sources of investment as well as serve as a bridge between local entrepreneurs and international investors. In order to achieve these objectives, CVI supports, financially if necessary, the organization and participation in important tourism festivals, fairs, seminars, and exhibitions (especially those held in international venues). The agency is granted exclusivity in dealing with foreign investors but works in collaboration with other public and private sector entities that can help during the investment promotion cycle.

#### Infrastructure Development

The role of infrastructure development is coordinated at the level of the Council of Ministers, with input on priorities from the relevant line ministries. The focus of public investment in recent years has been to alleviate various sector-wide bottlenecks in transport (ports, roads, and airports), energy, water, and sanitation. As for infrastructure projects that directly support the tourism sector, a recent collaboration between the central administration and the Sal Municipality yielded a €5.5 million project associated with an intervention centered on improving the accesses and areas surrounding the resorts on that island – specifically 1.7km of paved and cobbled road near a hotel resort concentration area in Santa Maria, Sal Island. Also, it is anticipated that the cruise ship terminal will be expanded in Porto Grande, São Vicente.

## F. TOURISM CHALLENGES<sup>17</sup>

### F.1. GENERAL CHALLENGES

The future holds great challenges, but also great opportunities for Cabo Verde. The analysis and understanding of the dynamics of the key markets will be crucial in adapting the country's development strategies to international trends, so avoiding falling into the error of mass tourism and consequent loss of quality and the differentiating characteristics of the country.

The investment in markets where there is potential for increasing market share, as is the case with the United Kingdom, France and Germany, as well as the capture of a position in new markets like the Czech Republic, Poland and Russia and other typical markets of sun and sea as the Scandinavian market, should be the priority for Cabo Verde.

However, to improve its competitive advantage, the country will have to eliminate some of its weaknesses, such as: the reduced number of air connections between the Archipelago and potential source markets; the lack of a competitive pricing structure when compared with other tourist destinations; and the improvement of accessibilities between the various islands to allow the circulation of tourists within the Archipelago.

The emergence and consolidation of sun and sea destinations, with considerable promotional budgets, and the strong competition by established destinations like Portugal, Spain and Egypt, are key factors to be taken into account in the development of the country as a tourism destination.

It is extremely important to consistently implement a clear developmental and promotional strategy, which consolidates the brand image of Cabo Verde whilst establishing the country as an attractive tourism destination.

In short, Cabo Verde has unique conditions for becoming a tourism destination of excellence and, in the coming years, it can easily attain high levels of notoriety and so increasing its touristic flows. However, to achieve this desideratum, it must clearly define the internal policies of destination management and of interaction with all its national and international stakeholders.

The competitiveness and sustainability of Cabo Verde tourism have to be built around a harmonious and balanced relationship between the various sectors of activity of the Cabo Verdean economy. For that end, it is fundamental to adopt a concerted and centralized management model for the sector, in order to ensure the conditions under which the country is attractive to domestic and international investors, tourists and local community.

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<sup>17</sup> CABO VERDE Tourism Value Chain Analysis - 2010



In recent years, the country has taken several measures to professionalize the tourism sector, in particular, from 2009, the year in which Cabo Verde has recognized tourism as a sector of strong leverage potential to its national economy. Its proximity to the main tourist markets, as well as to potential and emerging markets, the political and social stability and the climate conditions, can be seen as the main competitive advantages of Cabo Verde.

Cabo Verde, being an emerging tourist destination, faces a series of challenges that need closer attention so that the country may attain higher levels of competitiveness. Of these, the following should be emphasized:

#### Regional Planning, Organization and Environment

- Excessive concentration of foreign direct investment in the sector, on the islands of Sal, Boavista, São Vicente and Santiago;
- Tourism excessively concentrated on the islands of Sal, Boavista, São Vicente and Santiago;
- Need for decentralization in the implementation of tourism policies;
- Inadequate management and treatment of solid wastes.

#### Infrastructure and accessibility

- Poor inter-island connections, which is a limitation to internal mobility;
- Insufficient air links with main tourist markets;
- Constraints in the supply of electricity and water, causing imbalances between existing needs and the response capacity (both in quantitative and qualitative terms);
- Comparatively high prices of water, energy and communications, that impact on the overall cost of Cabo Verde as a tourist destination;
- Low quality ground transportation systems for tourist use;
- High prices of internal transport services;
- Lack of coordination/integration between different means of transport (air, sea and ground), to maximize and extend tourist visit and stay;
- Tourism infrastructure not prepared to receive tourists with physical limitations;
- Need for greater consequence in the allocation of resources – there is still a profound need for public investment to qualify tourism supporting infrastructures.

#### Qualification of Tourism offer

- Human resources with low qualifications for the tourism sector;
- Lack of quantitative and qualitative data, for analysis, development and monitoring of the competitiveness of the destination;

- Lack of a monitoring system of the main trends in key tourist markets;
- Nationals make no quality requirements in their interaction with service providers;
- Need for strengthening the project “Secure Tourism“ in those destinations with greater concentration of tourist activity;
- Lack of a formal and unified system of evaluation of service quality and tourist satisfaction;
- Deficient rating system of ‘tourism units’ and its articulation with an incentive policy;
- Need to professionalize the process of production-distribution of national products, to make these available in good conditions to the final consumers;
- Lack of an official entity, responsible to receive and deal with complaints related to the quality of the tourist product.

#### Tourism - Organization of Supply and Partnerships

- Currently there are enclaves within the hotel sector – companies undertake their activities, forgetting the local community;
- Poor articulation of business/marketing strategies between transport operators and tour operators;
- Insufficient institutional capacity of the Government - there is an imbalance between Government’s strategic vision to the tourism sector and the institutional resources made available;
- Poor coordination between the different agents (players) regarding the promotion of Cabo Verde as a tourist destination;
- Insufficient accommodation capacity;
- Touristic products poorly organized in respect of a clear marketing perspective;
- Poor communication of historic sites and museums;
- Need for a strong policy of cultural promotion, associated with the development of tourism;
- Cabo Verde institutional tourism organization seen as fragile, with fragmented skills and assignments;
- Collaboration between tourism operators still inefficient in terms of articulation of policies and shared vision.

#### Economy

- National private sector still dedicated to incipient tourism projects;
- Cabo Verde seen as an expensive destination, both in respect of travel expenditures and prices at the destination (in comparison with competing and emerging destinations);
- Reduced budget for the promotion and development of institutional projects targeted to meet the demands of tourism;
- Inexistence of a “tourism satellite account” that could assess the real impact of the tourism sector on the economy;
- Need to stimulate the consumption of local food production, particularly by hotels;
- Nationals have difficulty accessing investment opportunities;

- Investors feel confused, as there are differences in policies and practices of incentives and taxes between the Islands – this situation causes embarrassment, problems and conflicts;
- National companies supplying the construction sector are struggling to sell their products to foreign companies operating in Cabo Verde – lack of quality of national products and slow response rate seen as main causes.

## F.2 ADDITIONAL CHALLENGES<sup>18</sup>

### Markets & Marketing

Cabo Verde is a country of contrasts, but since the start of tourism development, the main assets sought and promoted have been the beaches and the warm dry climate. In this sense, "Sun, Sand and Sea" has been identified as the country's core tourism product, and due to their endowments, Sal and Boa Vista have been the preferred destinations (in 2012 they received about 73% of total guests). This geographic concentration not only brings some negative environmental impacts, but can also hinder the possibility for the poorest communities to directly participate in the tourism sector - by comparing the distribution of poverty and tourism demand, one can see that the islands with the largest rural populations and highest poverty rates are those which have been receiving the smallest share of tourist visitors. Moreover, national data show that more than 75% of guests come from Europe, and that even within Sal and Boa Vista, the majority of tourists stay in a small number of large foreign-owned hotels/resorts – making the country very vulnerable to external shocks. The Tourism Marketing Plan published in 2010 (timeframe also expired), called for a higher diversification both from the demand side (suggested new markets such as South Africa and USA), and supply side (proposed strategies to promote Cabo Verde as "one country, ten destinations"). Nevertheless, the implementation of those recommendations has been forceless. The Cabo Verde Investments has been the agency responsible for promoting the country both as an investment and tourism destination. The Government has now decided that DGT should take on the responsibility for positioning, branding, marketing and promoting Cabo Verde as a tourism destination. Currently there is a phasing-out process in course. The objective is to develop a new strategy with a greater focus on new source markets and more participation of the other islands in the tourism dynamics.

Successful market diversification requires extensive marketing and promotion. Cabo Verde needs to implement a new strategy for the promotion and marketing of tourism products. The national brand that was created in recent years is not enough, being necessary to follow a more inclusive and comprehensive process with proper analysis of its impact.

### Cost and quality of resources

A crucial factor in the competitiveness of the sector is the cost of resources. The Government has made substantial investments over the last decade to expand the coverage of infrastructure and improve its reliability. However, there remains a mismatch, especially when it comes to management, cost and quality. The energy, water and sanitation and transport remain

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<sup>18</sup> Terms of Reference For UNWTO Technical Cooperation - Draft presented by the Ministry of Tourism, Industry and Energy of Cabo Verde Islands - 2014

inadequate and costly, thereby reducing the country's competitiveness.

A major challenge is the transport that affects all economic activity in Cabo Verde and is a constraint to the development of an integrated national market. It will be important to increase the efficiency of ports to promote reliable and complementary inter-island connections for air transport. It will be also important to improve the international access to Cabo Verde and implement the conditions for full and open competition in the air transport market especially on certain routes currently in logic duopoly. One of the key objectives will be to bring new air operators to Cabo Verde who can boost traffic to international airports. In this sense it is important to streamline the national airline and connect their business plan with the priorities of the tourism development plan.

The issue of logistics is also a major challenge with implications for the liason between tourism and other sectors of the economy. There are logistics companies of reference in Cabo Verde that can facilitate and provide links between producers and consumers, and in this sense it is important to promote logistics and distribution that facilitates the storage and distribution in scale of production sectors such as agriculture, fishing and livestock.

#### Education: skills and public awareness

Despite the investments and reforms, there is the need to strengthen the quality and diversity of education in an integrated way. The conventional careers and vocational education must put greater emphasis on building skills, including foreign languages, ICT and history. It is fundamental to have compulsory disciplines in school curricula as English, French and information technologies. Another important aspect is the teaching of history as it is fundamental to the cultural aspect of qualifying the supply side of the country. Adding to skills development, it is also a challenge the need to sensitize the general public to the importance of tourism in the economy and build a civic awareness of good practice in services associated with the sector and its reception of visitors.

#### Access to credit

Access to credit is a constraint in Cabo Verde and across all sectors. Given the importance of tourism in the country, there is a need to implement a new funding strategy. The state should have a decisive role to facilitate and reduce the cost of access to capital for small initiatives linked to tourism.

#### Social and Environmental Protection

Tourism brings significant social and environmental impacts and in this context it is important to invest in programs focused on mitigating the negative social phenomena generated by the activity. The issue should be properly addressed in the tourism sector strategy and have the contribution and input of various sectoral programs. Another key area is the environmental sustainability. The Government should continue to implement a cross-program of environmental governance in the management of environmental balance and biodiversity, to promote nature conservation and good management of natural

resources. It is also necessary to safeguard the social and supporting services by promoting developments of social housing on islands whose capacity to absorb new workers to the industry is not enough. In this sense, it is important to involve the private operators to activate and implement social responsibility strategies of active intervention in the community in collaboration with the municipalities. Another example is the provision of health services.

#### Management and governance of the sector

The management and governance of tourism face several challenges. There is a need for a reform agenda that seeks to rationalize the institutional framework designed to reorganize the sector. Such a reform agenda should facilitate the management of the sector, including the formulation and implementation of policies.

The growth of tourism in Cabo Verde has occurred despite the challenges faced and among these there is the management and planning of the sector. The planning and implementation of sector strategies are fragmented between various stakeholders - CVInvestments, Chambers of Commerce, General Directorate of Tourism, Tourism Development Corporation of Boa Vista and Maio (SDTIBM).

The articulation between public and private sectors is poor and the role of local government in the sector is unclear. This reality has led to fragmentation and has not favored an integrated management approach, thus resulting in inefficiencies. Inefficiencies are apparent in the promotion and marketing; in data processing and associated analyses; the weak regulatory capacity; and the lack of diversified products.

Other elements of the business environment with significant implications for the tourism sector include the process of registration and notary which is not swift, difficult access to credit especially by national operators, and the rigid labor market with direct effects on costs and productivity . The challenge is amplified by the low-skilled human resources and a system of education / training that is not optimized to introduce the necessary skills for the tourism industry. Similarly, the social services are inadequate, constituting a problem in the main tourist islands. The lack of provision of health and housing services is visible in the islands of Sal and Boa Vista in view of the influx of migrants and migrants from other islands of the west coast of Africa to work in the sector.

### **G. OVERVIEW OF CURRENT STRATEGIC PLAN FOR THE DEVELOPMENT OF TOURISM OF CABO VERDE (2010-2013) AND THE NEED FOR A REVISED STRATEGIC TOURISM DEVELOPMENT PLAN**

The Strategic Plan for the Development of Tourism of Cabo Verde (SPDTCV)<sup>19</sup> contextualises tourism in the country by arguing that the growth of the tourism sector in Cabo Verde, assumed by the Government as one of the engines of development of the country, due to its impact in terms of employment generation, income and development in general, requires

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<sup>19</sup>Ministry of Economics, Growth and Competitiveness, 2009: Strategic Plan for the Development of Tourism in Cabo Verde (2010-2013).

an effort of planning in the short and medium term in order to maximize the positive effects of tourism and mitigate potential negative impacts that it generates.

The plan also analysis the touristic competitiveness of the country and identifies key challenges/limitations to overcome in the near future. The most relevant are:

#### *Accessibility*

- Insufficient air connections with main tourist source markets;
- Limited connections inter-islands, limiting internal mobility
- High prices of domestic transportation services.

#### *General infrastructure*

- Insufficient public health and sanitation to sustain tourism growth (infrastructure, human and technological resources);
- Limited supply of electricity and water leading to imbalances between demand and response in quantitative and qualitative terms;
- Comparatively high price of water, power and communications impacting on the overall cost of destination Cabo Verde.

#### *Tourism infrastructure*

- Insufficient accommodation units, excessively concentrated on three islands (Sal, Santiago and São Vicente);
- High prices in hotels and restaurants compared to other competing destinations;
- Poor marketing of products and of the destination Cabo Verde
- Lack of human resources for the tourism sector, despite the high unemployment rate.

#### *Institutional structure*

- Complex, diffuse and overlapping institutional structure related to tourism (public sector, NGOs, associations);
- Inadequate coordination between the various actors; absence of an entity to coordinate multi-sectorial interventions for the development of tourism;
- Insufficient institutional capacity of the Government to develop the sector (scarce institutional resources made available).

#### *Sustainability*

- Need for better coordination between the objectives of tourism development and the needs of conservation and environmental sustainability;
- Lack of policies and mechanisms to respond to negative social effects generated by tourism development;
- Fiscal policy designed for the sector does not incorporate the need for sustainability.

### *Monitoring*

- Lack of efficient tourism monitoring/evaluation system;
- Lack of a tourism satellite account, limiting the analysis of tourism impact on economy;
- Lack of formal and unified system of quality assessment / tourist satisfaction.

The majority of challenges/limitations identified in the SPDTCV reflect those presented in the previous sections of this report and can be said to still exist, thus needing special attention and action. As a brief recap, the following deserve emphasis:

Poor international image, infrastructural and service constraints, planning limitations, limited product diversity, skills gaps, limited value for money, inadequate institutional capacity, access constraints, inadequate branding and marketing, limited public-private sector coordination and poor local government capacity.

The SPDTCV aligns its vision for tourism with that of the Cabo Verde Government, presented in the proposed program for the 2006/2012 term:

The government will continue to consider Tourism as the main engine of our economy. ... and will work towards a significant increase of the international competitiveness of Cabo Verde tourism sector; ... as well as promoting the development of integrated tourist resorts of superior quality.

In respect of the tourist development model for Cabo Verde, the SPDTCV defines four main underlying principles:

- A sustainable and high value added tourism, with the involvement of local communities in the production process and in the resulting benefits;
- A tourism that maximizes the multiplier effects in terms of income generation, employment and social inclusion;
- A tourism that increases the level of competitiveness of Cabo Verde, by focusing on the quality of services provided;
- A tourism that promotes Cabo Verde in the international market as a diverse, quality destination.

These principles are then translated into the following general and specific objectives:

#### *General objectives of SPDTCV*

- To ensure growth and development of tourism in a sustainable manner, increasing the responsibility of

companies linked to the sector;

- To develop infrastructure capable of increasing the level of competitiveness of Cabo Verde as an international tourist destination.
- To expand the capacity of the tourism sector to generate employment, income and social inclusion;
- To ensure greater internalization of the tourism production chain and, consequently, increase the multiplier effects of this sector in the economy.
- To create an institutional structure to coordinate and implement a National Tourism Policy.

*Specific objectives of SPDTCV*

- To achieve an annual flow of 600,000 tourists as from 2013
- To duplicate the direct employment generated by tourism until 2013
- To increase the contribution of tourism to GDP to 25% in 2013
- To reach 2 million 'contos' (circa 18 Million Euros) by 2013 in tourism taxes to minimize negative impacts generated by tourism in society and environment.

From a generic point of view, we may conclude that the general objectives were used by public and private operators as guidelines for their actions. In fact, and due to its broad band of influence, almost any positive action in the tourism sector, would fall into one of the general objectives. However, when we analyse the specific objectives, and despite the very positive evolution of Cabo Verde tourism sector, none has been totally achieved.

Another area covered by the SPDTCV is that of main target source markets for Cabo Verde. In this respect, Europeans accounted for approximately 85% of the country's inbound tourism in 2008. Still according to the National Institute of Statistics (INE), among the major source countries, some stand out in respect of the tourists sent: Portugal: 57,854; UK: 51,680; Italy: 48,956; Germany: 32,705; and France: 25,145 tourists.

In respect of the lodging capacity, according to INE, in 2008 the hospitality offer in Cabo Verde comprehended 158 hotel establishments offering 6172 bedrooms, with 11,420 beds available. This offer was distributed in the following manner amongst the existing accommodation types: hotels (4,436 rooms), pensions (546 rooms), and residenciales (442 rooms). The remaining rooms were distributed between tourist villages (370), apartment-hotels (294), and guest houses (84).

Regarding tourism strategy's implementation, this was based on three general axis:

1. to raise the competitiveness of Cabo Verde destination
2. to guarantee the sustainability of the touristic activity
3. to maximize the internalization and democratization of tourism benefits



The SPDTCV also includes 17 “strategic programs” in the areas of general infrastructure, touristic infrastructure, institutional structure, sustainability and monitoring, thus providing answers to the challenges/limitations previously identified.

In conclusion, the SPDTCV (2010-2013) has provided a good foundation for the development of Cabo Verde tourism sector, with the general aims remaining pertinent today. It is, however, now timely to update and improve the plan in view of the identified gaps/limitations, in particular, in the following areas:

- Revised, specific, measurable objectives and targets for tourism growth (with statistics and market intelligence urgently improved for measuring tourism progress and growth).
- Clear, competitive positioning to define the way that Cabo Verde will differentiate itself over the next decade from competitors like Canary Islands and Morocco, amongst others. Decisions regarding the scope and scale of developments and the investment direction pursued should be guided by such market positioning. The positioning should be translated in an effective brand communication to ensure that Cabo Verde’s brand identity underpins all destination communications.
- Transport strategies for improving air, land and sea access, so as to accelerate tourism circulation and growth.
- Clear definition of priority and secondary markets, that may help reduce seasonality and changes in the buying behaviour of tourists.
- Clarification of the relationship and partnership between the public and private sectors in the promotional model (and the responsible entity) of Cabo Verde tourism.
- The role and importance of local government has become a critical tourism success factor and a revised plan should provide role clarity and clear guidance and include practical actions for ensuring effective land use planning and implementation of the strategy at local level.
- The revised plan should contain a prioritised and budgeted action plan in support of strategic objectives and should propose suitable institutional arrangements for taking ownership of and driving the implementation of the plan. Implementation responsibilities and monitoring mechanisms should be clearly defined.

### III. TECHNICAL ASSISTANCE MISSION: KEY INPUTS/CONTRIBUTIONS

#### A. THE TECHNICAL ASSISTANCE MISSION

The technical assistance mission aimed at providing a sound knowledge of Cabo Verde tourism sector, to support the preparation of the present project document for the formulation of the Strategic Plan for Tourism Development of Cabo Verde (SPDTCV – 2014/2024). The mission took place between the 22nd and the 27th of September, with the objective of meeting with all relevant stakeholders from the public sector, private sector and NGOs to identify and agree on key issues that needed to be addressed in the formulation of the SPDTCV.

From these meetings resulted a vast number of inputs and contributions, some transmitted during the meetings and others sent by email after the meeting took place (see Appendix A, for the list of persons interviewed during the field mission).

#### B. KEY INPUTS/CONTRIBUTIONS

The contributions made by public and private stakeholders, were organized under the following themes:

- current situation of tourism in Cabo Verde
- strengths, weaknesses, opportunities and threats of tourism in Cabo Verde
- priority target markets
- needs on infrastructure development
- training needs and areas for development
- current state of public-private partnerships

From the various contributions made (see Appendix B, for a list of contributions), the majority are aligned with the limitations/challenges already identified in previous studies presented in section II of this report, and relate to transport to and within Cabo Verde, sanitation and public health, marketing and promotional strategies, skills development for the tourism sector, amongst others.

The information resulting from the field mission, complement that gathered from previous studies related to the tourism sector in Cabo Verde, as well as the conclusions taken from the SPDTCV 2010-2013. The contributions resulted from these different sources provided a sound basis to support the proposals presented in the next section of the report on the project strategy.

## IV. PROJECT STRATEGY

### A. GOALS AND OBJECTIVES

The overall project aim is to support Cabo Verde Government's economic development goals, through technical and financial assistance, for developing its tourism sector, leading to rapid economic growth and job creation.

Specifically, the project objectives are:

- To increase revenues and employment opportunities throughout the economy, with tourism contributing towards increasing the GDP per capita.
- To diversify the country's tourism attractions and services so as to accommodate larger numbers of travellers, from various source markets, without reducing the sustainability and environmental quality of the tourism destinations and circuits.
- To maximise employment creation and use tourism as a tool for development of human resources, poverty alleviation and for providing local communities with income and better living standards, especially in the least developed areas.

### B. STRATEGIC APPROACH

The above mentioned objectives will be achieved through a program of support measures leading to a long term vision while maximising immediate tourism opportunities and addressing the identified critical challenges.

The proposed project strategy approach is expected to guarantee a sustainable, long-term tourism planning vision and action, while building competitive advantages and excelling tourism growth in the short term through a dynamic action plan and project implementation program. This is to be achieved through the following actions:

#### B.1 REVIEW OF THE CURRENT STRATEGIC PLAN AND FORMULATION OF A REVISED STRATEGIC TOURISM DEVELOPMENT PLAN

The project will take a long term perspective and growth path by reviewing, updating and where necessary reformulating the SPDTCV 2010-2013, to serve as an encompassing and sustainable planning framework for the Ministry of Tourism, Investment and Business Development (MTIDE) and all related public and private partners over the next 10 years. The plan will be complimented by a 10-year Action Plan to support strategy implementation. The following approach will underpin this planning program:

- The economic recovery of the main European source markets will create additional opportunities for attracting more tourists, which may lead to subsequent investment in new tourism infrastructures and services.
- Cabo Verde competitive positioning and brand identity should be anchored in its natural and cultural diversity (10 islands, ten destinations), and its ability to substitute destinations in the Caribbean.
- In terms of markets and segments, the focus should be on diversifying to attract general and special interest travellers, to complement the sun and sea segment, basically concentrated at Sal and Boa Vista islands. This would help expanding tourism to the other islands and reducing seasonality.
- Product development and marketing should be focused and creatively directed towards attracting the selected target markets to ensure that available resources are harnessed and not diluted.
- The SPDTCV 2014-2024 should have the buy-in of all the important public and private partners and should strive to secure the commitment and support of the highest public and private sector offices.
- The plan should clearly specify realistic institutional and financing improvements and should contain a practical implementation action plan with measurable responsibilities and outcomes.

## B.2 FORMULATION OF DETAILED ACTION PLANS

The project will further provide a specific implementation program to direct the immediate development of critical elements of the growth strategy. While the exact nature of such interventions will derive from the findings of the Strategic Tourism Development Plan, the following are indicative critical aspects and projects to be considered:

***Revision of tourism institutional structure and governance:*** In face of the challenges and limitations identified in the SPDTCV 2010-2013, and the growth and complexity the sector has achieved, it is urgent to revise the governance structure of Cabo Verde tourism, clarifying the role and responsibilities of public sector, private sector, NGOs and associations. To guarantee the implementation success of the SPDTCV 2014-2024, it is fundamental that each stakeholder knows its role in the future development of tourism. The inadequate coordination between the various actors, the absence of an entity to coordinate multi-sectorial interventions and insufficient institutional capacity of the Government to develop the sector (scarce institutional resources), may jeopardise the success of the future Strategic Plan.

***Program to improve air connectivity:*** In spite of the investment on airport facilities and ground transportation, international air access to Cabo Verde and air connectivity among the islands need improvement. The reduced number of flights and their cost affects the competitiveness of the tourism sector. As the present tourism development is heavily dependant on the 'all inclusive model, to stimulate other special interest travellers to the country, air transport needs to be more flexible and affordable.

**Development of Human Resources:** Detailed action plan, tailored to the needs of professionals and those aiming at entering the tourism sector. The training areas should be aligned with the current and projected demand for Cabo Verde tourism. The plan should also contain awareness campaigns directed to youth and society in general, calling attention to the tourism experience and how population in general have an important role to play.

## C. TARGET BENEFICIARIES

The prime beneficiaries will be the communities and population of Cabo Verde through increased income and employment opportunities, enhanced social and economic welfare and improved natural and cultural environments. The immediate beneficiaries will be:

- The Ministry of Tourism, Investment and Business Development (MTIDE), the General Directorate of Tourism, the Cabo Verde Investments;
- The regional and local governmental entities and municipalities;
- Private sector tourism businesses and organizations (e.g. Tourism Chamber, Boa Vista and Maio Tourism Development Agency, and all its member associations);
- Related Ministries and agencies e.g. Ministry of Finance and Planning, Ministry of External Relations, Ministry of Infrastructures and Maritime Economy, Ministry of Environment, Housing and Territory Planning, Ministry of Culture, Ministry of Youth, Employment, and Human Resources Development, etc.;
- Media to raise awareness of tourism and to facilitate its promotion; and
- Other beneficiaries such as NGOs etc. who may link to and learn from the project.

## D. MANAGEMENT ARRANGEMENTS

### D.1 PROJECT COORDINATION

The project will be coordinated and governed by the Cabo Verde Ministry of Tourism, Investment and Business Development (MTIDE), and the United Nations World Tourism Organization (UNWTO) will be the executing agency on behalf of the Ministry and funders. MTIDE will appoint a project steering group to guide and oversee the implementation of the project. The Steering Committee should be chaired by the General Director of Tourism or another senior Ministry official, with representation from relevant funding partners and UNWTO, senior representatives of related government departments (e.g. those represented on the National Tourism Council, such as aviation, immigration, transportation, finance, physical and infrastructure planning, education, etc.) as well as private tourism industry entities and others as agreed by the project parties. The committee will meet on a regular basis as decided at its first meeting.

In respect of funding sources, from the meetings held, the following were identified as potential funding partners:

- UNDP
- The African Capacity Building Foundation
- Cabo Verde Tourism Social Sustainability Fund - FSST

In the case of UNDP and FSST, these institutions stated the availability and interest in analysing the specifics of the implementation program and discuss means and funding budgets as soon as the project document is ready. It has also been agreed that sub-actions may be funded either separately or collectively, depending on the extent and requirements of the funding programs. The possibility of having the African Capacity Building Foundation as a funding source has been identified by governmental sources, depending on the stage of development of other projects already underway.

## D2. PROJECT SPECIALISTS

The project team will consist of the following experts:

Figure 10. Composition and time allocations of specialists

Speciality	International Consultants	National Consultant Support
Tourism Strategist and Planner – Team leader	12 weeks	12 weeks
Marketing Specialist	8 weeks	8 weeks
Economist/Business Advisor	8 weeks	-
Land Use Planner	8 weeks	8 weeks
Infrastructure and Transport Planner	6 weeks	-
Tourism HRD Specialist	6 weeks	6 weeks
Hospitality Specialist	4 weeks	4 weeks
Sustainable and Conservation Tourism Specialist	6 weeks	6 weeks

Local consultants will be appointed to work with international consultants in certain disciplines as suggested above.

## E. COUNTERPART SUPPORT

A National Project Co-coordinator and selected counterparts will be appointed by MTIDE to facilitate the project and assist the international and local experts in conducting and completing their terms of reference.

Counterpart staff should be sourced from the General Tourism Directorate and other relevant Directorates and tourism-related agencies. In this way, the staff of the various agencies concerned with the development of tourism in the country will be directly involved in the formulation and execution of the program, while the use of national experts will transfer technical know-how and focus international expertise on specialist tasks. A feature of the project will be the transfer of knowledge and the conducting of professional day-to-day training within the project for Ministerial staff members and counterparts. A workshop will also be conducted in connection with the presentation of the final draft report.


## F. PROJECT INPUTS

The MTIDE will provide:

- Assistance to UNWTO in recruiting national consultants.
- Adequate office space for the entire project team with furniture and equipment including one computer with software, Internet connections for experts, scanner, printer, photocopy facilities, two local mobile phones, landline telephone connection and necessary office supplies. Depending on office sizes several offices may be required to accommodate both international and local experts.
- Secretarial and administration services.
- Meeting and logistics arrangements.
- Local transport for the entire project team in Praia as well as for travel to other parts of the country for site inspections and other related project activities.
- A Project Coordinator and qualified counterpart for the team members, and making them available on a full-time basis during the course of the project.
- Suitable venue(s) and audio-visual equipment for holding the training seminars.
- Availability of all relevant existing reports, plans, topographic maps for planning purposes, information and data on tourism in the country.
- Translation and interpretation facilities where necessary (Crioulo to Portuguese and/or English).
- Any other assistance required by the team members at the local level for the successful completion of the project.

As executing agency, the UNWTO will be responsible for:

- Recruitment of international and national consultants.
- Overall responsibility for the project's implementation and delivery of key outputs.
- Provision of technical, administrative support and backstopping of the project including review of reports.
- Preparation and submission of periodic progress reports to the government and project partners by agreed dates.
- Management, monitoring and evaluation of the technical outputs of the international and national consultants.

The following final reports will be delivered to MTIDE by UNWTO: 

- Twenty (20) printed copies of the SPDTCV 2014-2024 final report in English
- Ten (10) printed copies of the detailed action plans in English.
- Fifty (50) copies of the Executive Summaries of all reports in English
- Electronic copies in PDF format of all final reports and summaries.
- Electronic copies in PDF of all supportive documentation, field notes, etc.



## V. DELIVERABLES AND ACTIVITIES

### A. SUMMARY OF END-OF-PROJECT DELIVERABLES

At the end of the project, the MTIDE will have:

- A Strategic Plan for the Development of Tourism, Horizon 2014-2024, that will be based on a review of the Strategic Plan for the Development of Tourism, Horizon 2010-2013 and will guide the long term development of tourism, set the longer term goals and targets for the tourism sector, define the competitive positioning and target market strategy, recommend a suitable institutional and financing framework and serve as a guide for sustainable tourism growth over the next 10 years. It will contain a strategic action plan as a framework for accelerated tourism growth over the next ten years. The strategic action plan will identify the key drivers of tourism growth over this demanding period and will include product and human resources development priorities and projects, a suitable marketing program and a practical implementation action plan with deliverables, time frames and budget allocations.
- Detailed action plans for critical areas of implementation and that will serve as practical work plans for advancing tourism growth such as revision of tourism institutional structure and governance, program to improve air connectivity, human resources development plan and revised tourism investment and promotion plan.

### B. OUTPUTS AND ACTIVITIES

Key outputs	Activities
<p><b>1. Strategic Plan for the Development of Tourism, Horizon 2014-2024</b></p> <p>Reviewing and adapting the SPDTCV 2010-2013 and formulating a revised 10-year Strategic Plan for the Development of Tourism including a 10-year action plan, which will address the most critical factors for building a competitive tourism industry and driving the industry towards a long term vision.</p>	<ul style="list-style-type: none"> <li>- Conduct a thorough SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) as the basis for formulating a revised Strategic Plan for the Development of Tourism, taking into consideration the following aspects:               <ul style="list-style-type: none"> <li>• the inventory and evaluation of existing and potential tourism resources and attractions with particular reference to the coastal, cultural, natural and special interest tourism resources and related products.</li> <li>• performance and demand-trend review of the industry using available market statistics and research on the international and domestic tourism markets, based on the materials attained by all possible means. Review and prepare projections on the short, medium and long-term type and scale of domestic and international tourist markets.</li> <li>• availability and quality of existing and potential tourism supply including transportation, service infrastructure, tourist facilities and services (lodging establishments, tour operations, travel agencies, attractions, transportation services, tourist restaurants, and tourism commodity manufacturers and distributors). Recommend improvements to meet the requirements of existing and likely future markets.</li> <li>• the existing and developing domestic and international transportation access and service network to the country from its major domestic and international markets and make recommendations on how this can be improved.</li> <li>• the socio-cultural, environmental, and economic impacts of tourism development and recommend strategies to prevent or minimize negative impacts, and provide guidelines for sustainable tourism development practices.</li> </ul> </li> </ul>

- tourism-related legislation, regulations and policies, their application procedures, and suggest improvements in the context of the tourism products and markets to be developed.
  - the existing and future human resources requirements in the tourism sector and the long-term training needs, and prepare projections by skills category.
  - the hospitality quality assurance situation, systems being used to evaluate and ensure hospitality quality and challenges with implementing such systems.
  - the existing training institutions and training programs and make appropriate recommendations to ensure that the necessary quality and quantity of skilled human resources will be available.
  - the institutional arrangements for tourism development and promotion and recommend improvements and changes as required.
- Formulate a vision, goals, principles and strategic guidelines for developing and promoting tourism in the short, medium and long-term and state specific objectives and strategies for tourism development at the national and local level.
  - Assess Cabo Verde's current and future competitive positioning, differentiation strategy and brand identity and propose a suitable market position and image that sets the country apart from competitors.
  - Based on the market analysis, formulate a target market strategy that identifies a realistic range of key source markets and segments as a departure point for an integrated development program. The target market strategy should have the capacity to contribute to increased length of stay, expenditure reduction of seasonal effects, and distribution of tourism benefits to less developed areas.
  - Match tourism products to target market requirements, i.e. identify the type and quality of experiences that would meet the needs of target markets and that could build on the available natural and cultural resources on offer in the country. Recommend experiences, attractions and facilities that should be targeted for expansion and improvement.
  - Following the vision, target market and product development strategy, review the development framework contained in the SPDTCV 2010-2013 and prepare a revised tourism structure plan. The structure plan should show the main transportation gateways to the country, the main tourism transportation network within the country, the primary and secondary tourism development areas, the main tourist attractions, existing and proposed tourism circuits and stopovers. The structure plan should be appropriately staged through the planning period.
  - Flowing from the structure plan, review and identify primary and secondary tourism development zones based on the economic priorities of the government, describe them, evaluate them, and make appropriate recommendations with regard to their planning, development, financing, promotion and tourism integration.
  - Identify the critical drivers and success factors for accelerated tourism growth over the next 10 years and devise a strategic action plan for achieving the set goals and objectives and building Cabo Verde's competitive advantage over the next 10 years, including:
    - using DGT's marketing strategy as a basis, develop a suitable promotions program, including an indication of products to be promoted and promotional activities to be undertaken for each of the target markets on a year-by-year basis. This should include improvements in promotional and tourist information materials and e-marketing resources and capacity.
    - tourism attraction and facility development priorities for the short and medium term in the primary and secondary tourism areas identified in the tourism structure plan.
    - infrastructure priorities to ensure appropriate access and amenities in support of product

	<p>development and promotions strategies.</p> <ul style="list-style-type: none"> <li>• key business advancement measures and investment priorities for creating a favourable business and investment climate in line with market potential and requirements.</li> <li>• measures and procedures for enhancing and ensuring consistent delivery of hospitality quality at local and national level.</li> <li>• human resources development needs and actions to address these.</li> </ul> <ul style="list-style-type: none"> <li>- Analyse available tourism financing sources and propose strategies and options for improved financing of the action plan.</li> <li>- Draft a 10-year implementation action plan with key performance areas, actions and outcomes, costs, time frames and responsibilities for executing the action plan.</li> <li>- <b>Identify appropriate implementation arrangements including project management and technical support.</b></li> <li>- Prepare the draft SPDTCV 2014-2024 and strategic action plan report for review by the Project Steering Group, MTIDE and its partners and the UNWTO. Subject to their comments, prepare the final output, which should include complete copies (illustrations, tables and appendixes), executive summaries, and other materials relevant to the plan.</li> </ul>
<p><b>2. Detailed action plans</b></p> <p>Providing the MTIDE with technical support and advise for the implementation of strategic action plans.</p>	<ul style="list-style-type: none"> <li>- <i>Revision plan for tourism institutional structure and governance:</i> Advising on the governance structure of Cabo Verde tourism, identifying roles and responsibilities of public sector, private sector, NGOs and associations. <ul style="list-style-type: none"> <li>• Assess the nature and intervention scope and responsibilities of the various actors in the Cabo Verde tourism sector.</li> <li>• Analyse the level of coordination of the multi-sectorial interventions.</li> <li>• Analyse and assess the institutional capacity of the Government to develop the sector (i.e. institutional resources),</li> </ul> </li> <li>- <i>Air connectivity improvement plan: conducting and analysis of airport and ground transportation facilities, international air access to Cabo Verde and air connectivity among the islands</i> <ul style="list-style-type: none"> <li>• Analyse the flight routes, and their relevance to a new model of tourism development (non-tourist package).</li> <li>• Analyse the costs of air travel to and within Cabo Verde, and its impact on the competitiveness of the tourism sector.</li> <li>• Propose new routes to stimulate independent traveling and the growth of diversified tourism products.</li> </ul> </li> <li>- <i>Human resources development plan: Identification of training needs for improving tourism service performance.</i> <ul style="list-style-type: none"> <li>• Assess the nature and extent of current and projected demand for tourism and hospitality skills using industry surveys, interviews and demand modeling.</li> <li>• Assess the tourism qualifications framework and advise the Ministry on standards and systems for curriculum development and qualifications of quality assurance.</li> </ul> </li> </ul>

## C. PROJECTED COSTS

As in respect to costs, the grand total costs for the international experts include consultants' fees, travel to Cabo Verde and living expenses (per diem) while in the Country. Although the functional positions of the international team of experts are fixed, the time inputs may vary depending on the exact input requirements of each team member. The Tourism Development Planner/Team Leader (both international and local counterpart), however, will need to be allocated 20 weeks (12 weeks for the Strategic Development Plan and 8 weeks for the Catalyst Projects) during the life of the project.

The budget in this project document does not cover the Government inputs prescribed in Section on Management Arrangements / Project inputs, which would involve expenses such as recruitment of national counterparts, internal transportation, office equipment and other administrative and secretarial services. The Ministry prior to the commencement of the project will prepare a separate Government budget.

Figure 11. Project Budget

Program Element	Time (weeks) and Costs US\$														Total
	Tourism Strategist and Planner (team leader)		Marketing and E-Marketing Specialist		Economist/Business Advisor	Land Use Planner		Infra-structure & Transport Planner	Tourism HRD Specialist		Hospitality Quality Specialist		Sustainable and Conservation Tourism Specialist		
	International	Local	International	Local	International	International	Local	International	International	Local	International	Local	International	Local	
Expert Time (weeks)	12	12	8	8	8	8	8	6	6	6	4	4	6	6	102
Fees (US\$)	36000	9000	24000	6000	24000	24000	6000	18000	18000	4500	12000	3000	18000	4500	207000
Per Diem (US\$)	13500		9000	-	9000	9000		6750	6750	-	4500	-	6750	-	65250
Flights (US\$)	4000	-	2000	-	-	2000		2000	2000	-	2000		2000		16000
Sub-Total	53500	9000	35000	6000	33000	35000	6000	26750	26750	4500	18500	3000	26750	4500	288250
Seminars x 3															10000
In country travel															15000
Surveys and data															20000
Printing/Report Production															5000
Miscellaneous															2000
Total	53500	9000	35000	6000	33000	35000	6000	26750	26750	4500	18500	3000			340250
<b>Grand Total</b>															<b>US\$ 340250</b>

## D. WORK PLAN

The job descriptions of international and local team members are contained in the next Section. These descriptions are based on the full spectrum of tasks and should be adapted depending on the sequence and extent of project phasing and tasks agreed.

The project will be conducted over a three-month period and experts will join the team at various stages over the period. The following indicative work plan is suggested. A detailed work program will be finalized by the Tourism Development Planner/Team Leader in cooperation with the Ministry's Project Coordinator at the commencement of the project. The work program should include sufficient time for review of the draft reports by the Project Management Group and the UNWTO.

Figure 12. Work Plan

Input	Total Time	Weeks											
		1	2	3	4	5	6	7	8	9	10	11	12
Tourism Strategist and Planner – Team leader	12 weeks	■	■	■	■	■	■	■	■	■	■	■	■
Marketing and E-Marketing Specialist	8 weeks					■	■	■	■	■	■	■	■
Economist/Business Advisor	8 weeks			■	■	■	■	■	■	■	■		
Land Use Planner	8 weeks			■	■	■	■	■	■	■	■		
Infrastructure and Transport Planner	6 weeks					■	■	■	■	■	■		
Tourism HRD Specialist	6 weeks			■	■	■	■	■	■				
Hospitality Quality Specialist	4 weeks							■	■	■	■		
Sustainable and	6 weeks						■	■	■	■	■	■	

Conservation Tourism Specialists													
Regional Training Seminars in Tourism Destination Management	X3 1,5 days												
Stakeholder Workshops (in regions)	X3 1 day												
Stakeholder Feedback Session (Maputo)	1 day												
Steering Committee Meetings	X3		*					*				*	

It is intended that team members will spend all of their allocated time in the Country in order to maximize interaction and coordination with the counterpart staff and national consultants.

All project reports will be prepared in English.

## VI. JOB DESCRIPTIONS OF PROPOSED SPECIALISTS

### A (I) INTERNATIONAL TOURISM STRATEGIST AND PLANNER (TEAM LEADER)

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *12 Weeks*

#### **Responsibilities**

The Tourism Strategist and Planner (Team Leader) is responsible for overall successful completion of the project including coordination of the activities of the team members and their counterparts and ensuring that all technical outputs are of a high quality level. Equally important is the coordination of the project with the Project Management Group, the Project Coordinator, the Ministry of Tourism and other involved agencies. The Tourism Strategist and Planner (Team Leader) will make presentations at the Project Steering Group meetings and any other relevant meetings. A counterpart staff member of the MTIDE will be assigned to the International Tourism Strategist and Planner (Team Leader) position. The counterpart may be the local Project Coordinator or another person. In addition to administrative duties, this position is directly responsible for technical activities as follows:

- Formulate the ten-year tourism development strategy and structure plan in cooperation with other relevant team members.
- Prepare the ten-year implementation action plan.
- In collaboration with the team, survey and evaluation of the natural, historic, cultural, and other special interest tourism resources of the country, review and evaluate existing and potential product development opportunities and formulate recommendations for development of the tourism attractions.
- In collaboration with the team, survey, evaluate and make recommendations regarding road transportation, airports, and seaports infrastructure, facilities and services, as well as other infrastructure services such as electric power supply, sewage and solid waste management and telecommunications for the priority tourism areas in the Country.
- Work closely with the Land Use Planner in scoping and conceptualizing priority tourism development areas and projects.
- Evaluate the environmental and socio-cultural impacts of tourism and formulate any recommendations required within the framework of present government policies and programs.
- Evaluate the institutional factors in developing and managing tourism including tourism-related organizational structures, tourism data management, laws and regulations and investment policies. Any recommendations for improvements will be made within the framework of present government policies and organizational structures.
- Prepare reports on the ten-year tourism development plan and 10-year strategic action plan, first in draft form and then in final form including edition of the inputs of other team members.
- Work with, and train a counterpart staff member on a continuous basis during the course of the project.



- Guide and coordinate the participation of the international and local experts to ensure that expert outputs and deliverables are in line with project objectives.
- Provide expert input in all of the projects, as required and act as general resource on the various project topics covered by the project experts.
- Convene and arrange for recording of steering committee meetings.
- Convene team meetings and discussions regarding the various projects, as required.
- Coordinate project reports and formats and compile a final portfolio of project documents.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert.

### **Qualifications**

Substantial and broad experience is required in the preparation of comprehensive national/regional tourism development plans, as well as involvement in the more detailed levels of tourism development planning. Experience is also required in sustainable tourism planning and management of tourism planning projects with particular reference to working effectively within a multi-disciplinary environment. Previous project experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Oral presentation and report writing skills are important. Fluency in English is essential and knowledge of Portuguese is an advantage.

## **B (II) NATIONAL TOURISM STRATEGIST AND PLANNER (PROJECT COORDINATOR)**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *12 weeks*

### **Responsibilities**

The local Project Coordinator will work closely with the international Team Leader in coordinating local project schedules and stakeholder participation. The Local Project Coordinator will ensure adequate logistical support for the project team and will advise the Team Leader regarding local protocols, requirements and priorities to be considered. He/she will also arrange stakeholder engagements and meetings as required.

In addition to these administrative duties the position is responsible for providing:

- Information and guidance for the survey and evaluation of the natural, historic, cultural, and other special interest tourism resources of the Country.
- Advice regarding existing and potential product development opportunities.

- Information regarding the status of conservation and development of tourism attractions, in cooperation with other relevant team members.
- Input towards formulation of the ten-year tourism development policy and structure plan in cooperation with other relevant team members.
- Advice and information regarding the environmental and socio-cultural impacts of tourism within the framework of present government policies and programs.
- Information regarding tourism-related organizational structures, tourism data management, laws and regulations and investment policies.
- Support for the preparation of the reports on the ten-year tourism development plan and ten-year strategic action plan.
- Support for the Team Leader in guiding and coordinating the participation of the international and local experts to ensure that expert outputs and deliverables are in line with project objectives.
- Input towards scoping and conceptualizing priority tourism development areas and projects.
- Support and participation during team meetings and discussions regarding the various projects.
- Support for the Team Leader in coordinating project reports and formats and compiling a final portfolio of project documents.
- Provide input in training seminars, as required.
- Input in all of the projects, as required.

#### **Qualifications**

Experience in tourism planning and preparation of planning reports is required. Hands-on tourism planning experience in Cabo Verde is a prerequisite. The expert will have key contacts in related Ministries and the national travel trade. Project experience in Cabo Verde is a prerequisite. Report writing skills are important. Fluency in English is essential.

### **C. (I) INTERNATIONAL TOURISM MARKETING SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *8 weeks*

#### **Responsibilities**

Under the general direction of the Tourism Strategist and Planner (Team Leader), the Tourism Marketing Specialist will be responsible for undertaking the market analysis, product development, marketing planning and development of market promotion programs. A counterpart staff member from DGT and a local Tourism Marketing Specialist will be assigned to work with the marketing specialist. The specific responsibilities of this position will be:

- Design a survey of visitors to the Country if considered necessary.

- Assess the country image in various markets and identification of key messages and image-building actions to be undertaken.
- Assess the country's positioning and brand identity and formulate an outline brand strategy for further application and rollout by creative specialists.
- Conduct workshops and meetings with key tourism industry stakeholders (both direct and indirect tourism role players) in Cabo Verde to establish stakeholder views regarding the country's tourism products, key markets, selling proposition, brand values, personality traits and brand essence.
- Use these inputs and based on an acknowledged brand development process and model, consolidate Cabo Verde's brand essence, brand personality and brand values, present these to stakeholders and achieve consensus.
- Survey and evaluation of existing and planned tourist accommodation and other tourist facilities and services in cooperation with other relevant team members, and formulating general recommendations for improvements to these to meet market expectations. This activity will be carried out in cooperation with the Tourism Strategist and Planner (Team Leader) and Hospitality Quality Specialist.
- Working with the Tourism Strategist and Planner (Team Leader) and other experts to establish realistic market targets for the Country based on a consideration of the likely product, market, and transportation development scenario.
- Provide market analysis inputs for the preparation of pre-feasibility studies for priority tourism development projects.
- Analyze and review current product/market strategy, including both domestic and international segments. The analysis will include establishing market targets by five-year periods. If necessary contacts will need to be made with key tour operators in the major source markets within and outside Cabo Verde.
- Review the present marketing strategy and promotion programs and formulate a suitable strategy and detailed promotion program for the ten-year strategic action plan. This strategy and program will give particular attention to attracting more international leisure tourists, increasing their average length of stay and expenditure in the Country.
- Review the present promotional and information material produced by the Country and make recommendations for types of improvements needed.
- Analyze tourism e-marketing plans, capabilities and systems of key public and private sector tourism marketing agencies and recommend improvements and formulation of an e-marketing strategy, to be implemented by DGT.
- Draft a scope of work for upgrading and improvement of the official tourism destination website and plotting the further expansion and development of the website.
- Propose an effective social media campaign using primarily Facebook applications and competitions but also YouTube, Twitter, Pinterest and other applications and drawing on the loyalty and enthusiasm of residents and visitors throughout the world.
- Write the relevant marketing strategy sections of the Strategic Tourism Development Plan.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines.

- Work with, and train a counterpart staff member during the course of the project.

**Qualifications**

Substantial and broad experience in conducting market analyses and segmentation, preparing tourism marketing studies at the regional and local project levels including experience in preparing promotion strategies and programs. The expert will have key contacts with the travel trade in the major source markets. Project experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Report writing skills are important. Fluency in English is essential.

## **D. (II) NATIONAL MARKETING SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *8 weeks*

### **Responsibilities**

The local Tourism Marketing Specialist will work under guidance of the international expert and will support him in undertaking the market analysis, marketing planning, and development of the market promotion programs components of the project. The specific responsibilities of this position will be:

- Assist the Tourism Marketing Specialist to design and execute a survey of visitors to the Country if considered necessary.
- Provide support and input as required in assessing the country's image and positioning and brand identity.
- Provide input and support regarding the preparation of a market analysis of domestic and international market segments and target markets.
- Conduct a survey and evaluate existing and planned tourist accommodation and other tourist facilities and services.
- Work with the rest of team in setting realistic market growth targets for the country and projecting of the number and type of lodging establishments required in the future.
- Provide and source market data for the preparation of pre-feasibility studies for priority tourism development projects.
- Provide input in training seminars, as required.
- Assist with analyzing tourism e-marketing plans, capabilities and systems of key public and private sector tourism marketing agencies and recommend improvements and formulation of an e-marketing strategy, to be implemented by DGT.

### **Qualifications**

Experience in preparing marketing studies and in hands-on marketing in Cabo Verde is a prerequisite. The expert will have key contacts with the national travel trade in the major source markets. Knowledge of e-Marketing will be an advantage. Report writing skills are important. Fluency in English is essential.

## **E. (I) INTERNATIONAL TOURISM ECONOMIST/BUSINESS ADVISOR**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *8 weeks*

### **Responsibilities**

Under the general direction of the Tourism Strategist and Planner, the Tourism Economist/Business Advisor is responsible for the economic analysis component of the tourism development strategy. A counterpart staff member from MTIDE will be provided to work with the economist. The specific responsibilities of this position will be:

- Prepare an economic analysis of tourism at present and in the future based on the market targets and other plan recommendations. The analysis will include foreign exchange and income earned, contribution to the gross domestic product, direct, indirect and induced employment generated, contribution to government revenues, and investment. Recommendations will also be made on enhancing economic benefits including increasing tourist length of stay and expenditures and enhancing backward and forward linkages with other sectors of the economy.
- Analyze and make recommendations pertaining to the investment climate, investment opportunities and mechanisms and incentives to encourage investment.
- Analyze and make recommendations pertaining to the small business development climate, small business development opportunities and mechanisms to encourage small business development.
- Lead and formulate the price competitiveness plan (including value chain analysis) and coordinate team inputs in this regard.
- Provide economic and financial analysis inputs, investment guidelines, business reform proposals and supply linkages proposals for detailed priority tourism zone plans.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines.
- Write the relevant sections of the SPDTCV.

### **Qualifications**

Substantial experience is required in preparing economic impact studies of tourism at the national/regional levels, tourism project feasibility studies, small business development strategies and investment promotions strategies. Report writing skills are important. Experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Fluency in English is essential.

## F. (I) INTERNATIONAL TOURISM LAND USE PLANNER

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *8 weeks*

### **Responsibilities:**

Under the general direction of the Tourism Strategist and Planner, the Tourism Land Use Planner is responsible for preparing an overall spatial tourism structure plan and land use plans for priority tourism zones. The land use planner will work closely with other relevant team members, including the Marketing Specialist, Transportation/ Infrastructure Planner and Tourism Economist/Business Advisor, in preparing the conceptual land use plans. The land use planner will also work closely with the Team Leader to include sustainable tourism guidelines and principles in land use plans. A suitable national specialist will be assigned to work with the land use planner. The specific responsibilities of this position will be:

During Formulation of the SPDTCV 2014-2024:

- Review of the current SPDTCV and preparation of an overall spatial tourism guide plan for the country. The guide plan should show the main transportation gateways to the country, the main tourism transportation network within the country, the primary and secondary tourism development areas, the main tourist attractions, existing and proposed tourism circuits and stopovers. The guide plan should be appropriately staged through the planning period.
- Formulation of recommendations regarding improvements needed for sustainable development and conservation of attractions, in cooperation with other team members and incorporating these improvements into the land use plans of priority tourism zones.
- Assist in preparing the reports for the guide plan including graphic illustrations and cost estimation.
- Formulation and illustration of tourism development guidelines and standards in highly sensitive cultural and natural environments.
- Assisting in the physical production of the structure plan.
- Working closely with, and training, counterpart staff members on a continuous basis during the course of the project.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines
- Flowing from the Development Strategy and the 10-year Action Plan, identify 2-3 priority tourism development zones/attractions, which should be developed as flagships for tourism growth.

- Prepare concept land use plans and development guidelines for improvement of the selected pilot tourism development areas
- Analyze these to identify the key tourism development opportunities and challenges facing these areas and prepare detailed and practical implementation plans for their development including:
  - Spatial zoning, master planning and potential design concepts
  - Tourism facilities, amenities and interpretation improvement
  - Sustainable and responsible development guidelines
  - Road and air access improvements
  - Infrastructure utilities provision and improvement (water, sanitation, electricity, etc.)
  - Tourism investment environment, obstacles and possible improvement measures.

**Qualifications**

A qualified town and regional planner or urban planner with experience in preparing land use plans for tourist areas preferably with some experience in planning tourist attraction features with particular reference to nature and culture tourism areas. Experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Skills in graphic illustration of land use plans are important. Fluency in English is essential.

**G. (II) NATIONAL TOURISM LAND USE PLANNER**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *8 weeks*

**Responsibilities:**

The National Tourism Land Use Planner is responsible for supporting the International Land Use Planner in preparing an overall spatial tourism structure plan and land use plans for major attraction sites. He/she will provide specialist local knowledge regarding sustainable tourism guidelines and principles in land use plans. The specific responsibilities of this position will be:

During Formulation of SPDTCV 2014-2024:

- Assist the international land use planner in preparing an overall spatial tourism structure plan for the country.
- Advise the study team regarding improvements needed for sustainable development and conservation of attractions and incorporate these improvements into the guide plan.
- Assist the international land use planner in preparing reports for the land use plans including graphic illustrations and cost estimation.
- Advice and inputs regarding the formulation and illustration of tourism development guidelines and standards in highly sensitive cultural and natural environments.



- Assist with the physical production of the structure plan.
- Provide input in training seminars, as required.
- Provide advice and inputs for identifying 2-3 priority tourism development zones/attractions which should be developed as flagships for leisure tourism growth.
- Assist the international land use planner in preparing concept land use plans and development guidelines for improvement of the selected pilot tourism development areas
- Participate in analysis of these to identify the key tourism development opportunities and challenges facing these areas and preparation of detailed and practical implementation plans for their development, including:
  - Spatial zoning, master planning and potential design concepts
  - Tourism facilities, amenities and interpretation improvement
  - Sustainable and responsible development guidelines
  - Road and air access improvements
  - Infrastructure utilities provision and improvement (water, sanitation, electricity, etc.)
  - Tourism investment environment, obstacles and possible improvement measures.

**Qualifications:**

A qualified urban and regional planner or urban designer with substantial land use planning experience. Experience in tourism planning is highly desirable and experience in Cabo Verde is a prerequisite. Skills in graphic illustration of land use plans are important. Fluency in English is essential.

## **H. (I) INTERNATIONAL TOURISM INFRASTRUCTURE AND TRANSPORT PLANNER**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *6 weeks*

**Responsibilities**

The Infrastructure and Transport Planner will work closely with the Land Use Planner in providing transport inputs for priority project plans (see Land Use Planner) and making proposals for improved airline and other forms of access to Cabo Verde. The specific responsibilities of this position will be:

- Survey and evaluate transportation access to priority sites with particular reference to domestic and international airlines and sea ferry services including recommendations on ways in which the existing services might be enhanced to meet the market targets set in the tourism development strategy and action plan.
- Analyze the prevailing air access conditions and identify key barriers to improved tourism air access.
- Devise a strategy and suggested steps to be taken to improve air connectivity, convenience and affordability.
- Hold meetings and presentations with relevant policymakers to present the findings and facilitate their implementation.

- Working in close cooperation with the Tourism Land Use Planner, prepare infrastructure recommendations for the land use plans prepared by the project for priority tourism development zones.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines

#### **Qualifications**

An Engineering qualification with substantial experience in comprehensive infrastructure plans, especially for tourism development, including experience in analyzing airport and air service needs. Experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Report writing skills are important. Fluency in English is essential.

### **I. (I) INTERNATIONAL TOURISM HUMAN RESOURCE DEVELOPMENT SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *6 weeks*

#### **Responsibilities**

Under the general direction of the Tourism Strategist and Planner, the Human Resource Development Specialist is responsible for the tourism manpower planning component of the project. This position will work closely with the Tourism Economist/Business Advisor and other team members. One or more local counterparts will be assigned to the Human Resource Development Specialist. The specific responsibilities of this position will be:

- Conduct an industry demand assessment of manpower requirements over the next ten years. Based on this and the general projections of tourism employment prepared by the Tourism Economist, prepare broad manpower planning tables broken down by position and skill type and level. Manpower needs should be projected by five-year periods to the horizon year of the plan.
- Evaluate the qualifications and capabilities of present employees in tourism and formulation of recommendations on improvements required regarding existing skills.
- Survey and evaluate the programs currently offered by educational institutions and other training providers in the country in hotels, catering industries, tourism and travel operations, tourism management and overall tourism awareness and customer care. The evaluation will include the effectiveness of the programs to meet present needs and projected future needs to provide qualified manpower in tourism. This survey and evaluation will include universities, colleges, secondary schools and vocational schools.

- Formulate recommendations for developing and improving education and training programs in tourism to meet present and projected future needs and propose guidelines and systems for improved curriculum development and quality assurance in tourism training. These recommendations will pertain across the spectrum to universities, colleges, secondary schools and vocational schools.
- Suggest measures to improve coordination in the country of training courses and programs.
- Prepare a report on tourism manpower planning that includes the results of the survey and evaluation and the recommendations for improvements. This report will be summarized for inclusion in the tourism master plan.
- Working with, and training, a counterpart staff member on a continuous basis during the course of the project.
- Formulate a practical and implementable tourism Human Resource Development plan for improvement of tourism training capacity, quality and knowledge in destination management
- Organise, coordinate and participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines

**Qualifications:**

An appropriate postgraduate qualification in HRD or a related discipline. Substantial experience is required in preparing comprehensive tourism manpower planning studies that include education and training programs at the national and regional levels. Experience in the management and operations of hospitality and tourism training schools/facilities is desirable. Experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Report writing skills are important. Fluency in English is essential.

**J. (II) NATIONAL TOURISM HUMAN RESOURCE DEVELOPMENT SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *6 weeks*

**Responsibilities**

The local Tourism Human Resource Development Specialist will work under the guidance of the international expert and will support the international expert in developing the tourism manpower planning component of the project. The specific responsibilities of this position will be:

- Assist the international HRD expert in conducting and industry manpower demand survey and source all relevant information and assist the international expert in preparing broad manpower planning tables, projecting manpower requirements for a ten-year period.

- Conduct an evaluation of the qualifications of present employees in tourism and advising the international expert in formulating recommendations on improvements required to existing skills.
- Conduct a survey and evaluation of the programs currently offered by educational institutions and other training providers in the country including the effectiveness of the programs to meet present needs and projected future needs to provide qualified manpower in tourism. This survey and evaluation will include universities, colleges, secondary schools and vocational schools.
- Provide the international expert with input and views regarding recommendations pertaining to present and projected tourism training programs in universities, colleges, secondary schools and vocational schools.
- Assist the international expert in preparing a separate report on tourism manpower planning in the country, which will be summarized for inclusion in the tourism master plan.
- Assist the international expert with:
  - Arranging two or three short seminars for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management.
  - Planning (identification of target audiences, scoping the content and level of courses, etc.), logistics and arrangements and delivery of lectures, group discussions, etc.

**Qualifications:**

Substantial experience is required in training and education planning in Cabo Verde, with special reference to tourism if possible. Report writing skills are important. Fluency in English is essential.

## **K. (I) INTERNATIONAL HOSPITALITY QUALITY SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *4 weeks*

### **Responsibilities**

Under the general direction of the Tourism Strategist and Planner, the Hospitality Quality Specialist is responsible for advising on a suitable hospitality quality assurance scheme for Cabo Verde. This position will work closely with the Tourism Economist/Business Advisor, the HR Specialist and other team members. One or more local counterparts will be assigned to the Hospitality Quality Specialist. The specific responsibilities of this position will be:

- Assess the current status of hospitality quality in Cabo Verde in terms of standards, consistency, quality assurance systems, skills and capacity for managing hospitality quality and assurance systems, etc.
- Prepare a situation analysis report regarding the status and challenges associated with hospitality quality assurance.
- Provide benchmark overviews of successful hospitality assurance systems and extract lessons for Cabo Verde in this regard.
- Engage the hospitality industry and authorities responsible for hospitality quality assurance in Cabo Verde and recommend improvements and/or changes to the hospitality quality assurance systems being used.
- Formulate recommendations for training and capacity building programs in hospitality quality management and assurance for private and public sector hospitality professionals.
- Suggest measures for improving the sustainable implementation of hospitality quality assurance schemes including human and financial capacity improvements.
- Prepare a report on quality improvement and assurance in the hospitality sector, tourism manpower for inclusion in the SPDTCV.
- Working with, and training, a counterpart staff member on a continuous basis during the course of the project.
- Formulate a practical and implementable Hospitality Quality improvement plan for Cabo Verde.
- Organise, coordinate and participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines

### **Qualifications:**

An appropriate qualification is required in Hospitality Management or a related discipline. Substantial experience is required in hospitality quality management including management and implementation of destination hospitality quality assurance systems,

especially in developing destinations with multi-tier governance systems. Experience in Africa is highly desirable and experience in Cabo Verde is an advantage. Report writing skills are important. Fluency in English is essential.

## **L. (I) NATIONAL HOSPITALITY QUALITY SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *4 weeks*

### **Responsibilities**

The national Hospitality Quality Specialist will work closely with the international expert in devising a suitable and implementable hospitality quality assurance scheme for Cabo Verde. This position will work closely with the Tourism Economist/Business Advisor, the HR Specialist and other team members. The specific responsibilities of this position will be:

- Arrange contacts, meetings and workshops for assessing the current status of hospitality quality in Cabo Verde in terms of standards, consistency, quality assurance systems, skills and capacity for managing hospitality quality and assurance systems, etc.
- Gather information to support the national expert in preparing a situation analysis report regarding the status and challenges associated with hospitality quality assurance.
- Conduct background research for benchmark overviews of successful hospitality assurance systems and extract lessons for Cabo Verde in this regard.
- Work with the international expert to engage the hospitality industry and authorities responsible for hospitality quality assurance in Cabo Verde and recommend improvements and/or changes to the hospitality quality assurance systems being used.
- Provide technical support to the international expert in formulating recommendations for training and capacity building programs in hospitality quality management and assurance for private and public sector hospitality professionals.
- Engage the local industry and obtain their inputs regarding measures for improving the sustainable implementation of hospitality quality assurance schemes including human and financial capacity improvements.
- Provide input to a report on quality improvement and assurance in the hospitality sector, tourism manpower for inclusion in the tourism master plan.
- Assist the international expert in formulating a practical and implementable Hospitality Quality improvement plan for Cabo Verde.
- Assist, where appropriate in organising, coordinating and participating in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination

management. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines

**Qualifications:**

Substantial experience is required in hospitality management and quality assurance in Cabo Verde. Report writing skills are important. Fluency in English is essential.

**M. (I) INTERNATIONAL SUSTAINABLE AND CONSERVATION TOURISM SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *6 weeks*

**Responsibilities:**

Under the general direction of the Tourism Strategist and Planner, the Sustainable and Conservation Tourism Specialist is responsible for the evaluation of all aspects of the natural and cultural heritage of Cabo Verde and for recommendations on its development for tourism while still maintaining its natural and cultural values and integrity. A local expert will be assigned to work with the Sustainable and Conservation Tourism Specialist. The specific responsibilities of this position will be:

- Survey and evaluate all major aspects of the nature and cultural heritage of the Country including conservation practices, development of national parks and conservation areas, historic, archaeological and religious sites, places of important cultural events, traditional architectural styles and villages, arts, crafts, dance, music, drama, customs dress, cuisine and any other expressions of the cultural heritage.
- Formulate recommendations for responsible tourism management of the natural and cultural heritage and interpretation of such heritage to domestic and international tourists. Recommendations will include improvements required concerning tourism management and interpretation of parks, conservation areas and cultural heritage sites, evaluation of existing nature and cultural heritage interpretation and related facilities and any new means of interpretation needed.
- Prepare a report on nature and cultural heritage tourism development in the country, with a summary of relevant sections of that report to be incorporated into the Master Plan.
- Provide input into the formulation of plans, products, and programs for the development and promotion of nature and cultural heritage features of the country.
- Analyse the environment for Community-based Tourism (CBT) development and recommend suitable courses of action to encourage CBT, in consultation with other project team specialists.
- Writing the relevant sections of the SPDTCV and land use plans.
- Assist the Land Use Planner in the preparation of guidelines and standards for tourism development as it relates to the nature and cultural heritage aspects.

- Work with, and train one or more counterpart staff members on a continuous basis during the course of the project.
- Participate as expert in three short seminars in regions (1,5 days each) for operational and middle management officials in tourism planning, development and marketing to develop technical knowledge and capabilities of tourism and related staff and private sector role-players in the key aspects of destination management, to be organised and led by the HR Expert. Topics may include the development of Public-Private-Partnerships, Marketing and Branding, Quality Standards, Sustainable Product Development and other relevant disciplines.

**Qualifications:**

Substantial experience is required in responsible/sustainable tourism planning and interpretation of the diverse aspects of nature and cultural heritage in tourism areas. Experience in Africa and knowledge of Africa's nature and cultural heritage are highly desirable, while experience in, and knowledge of, nature and cultural heritage in Cabo Verde is essential. Report writing skills are important. Fluency in English is essential.

**N. (II) NATIONAL SUSTAINABLE AND CONSERVATION TOURISM SPECIALIST**

**Location:** *Praia, with travel to selected parts of the country*

**Duration:** *6 weeks*

**Responsibilities**

The local Sustainable and Conservation Tourism Specialist will work under the guidance of the international expert and will support him/her in evaluating all aspects of the natural and cultural heritage of Cabo Verde and formulating recommendations on its enhancement. The specific responsibilities of this position will be:

- Collect data and information relating to all major aspects of the nature and cultural heritage of the country including conservation practices, development of national parks and conservation area, historic, archaeological and religious sites, places of important cultural events, traditional architectural styles and villages, arts, crafts, dance, music, drama, customs dress, cuisine and any other expressions of the cultural heritage.
- Work with the international expert in formulating recommendations for the effective conservation of the natural and cultural heritage and interpretation of this heritage to domestic and international tourists.
- Providing input into the formulation of plans, products, and programs for the development and promotion of nature and cultural heritage features of the Country.
- Obtain information and canvas local opinions regarding Community-based Tourism (CBT) development and recommend suitable courses of action to encourage CBT,



- Assist the Land Use Planner in the preparation of guidelines and standards for tourism development as it relates to the nature and cultural heritage aspects.
- Provide input in training seminars, as required.

**Qualifications:**

Local knowledge and experience is required in conservation and interpretation of the diverse aspects of nature and cultural heritage in Cabo Verde is a prerequisite. Experience elsewhere in Africa and knowledge of Africa's nature and cultural heritage are highly desirable. Report writing skills are important. Fluency in English is essential.

## Appendix A - List of persons interviewed during the field mission (22/27 September 2014)

Entity	Position	Representative
Ministry of Tourism, Investment and Entrepreneurial Development	Tourism Services Director	Zilca Paiva
Ministry of Tourism, Investment and Entrepreneurial Development	Adviser to the Minister	Dália Gomes
Prime Minister's Office - Centre for Policies and Strategy	General Coordinator	Manuel Pinheiro
INE – National Institute of Statistics	Tourism Statistics Directors	Silvina Santos / Raimundo Lopes
Ministry of Tourism, Investment and Entrepreneurial Development	General Tourism Director	Emanuel Almeida
Cabo Verde Investments	Executive Board Member	Nuno Martins
Pestana Tropico Hotel	General Director	Jorge Xavier
TACV – Cabo Verde Airlines	Executive Board Member	Marco Pereira
National Association of City Councils - ANMCV	General Secretary	Fernando Borges
UNDP	Economics Adviser Environment Unit Head	Heloisa Marone Antonio Querido
Agency for Business Development and Innovation - ADEI	Chairman	Frantz Tavares
School of Tourism and Hospitality of Cabo Verde - EHTCV	Coordinator Technical Advisor	Nadia Firmino Carlos Lima
BAI - Angolan Bank of Investments	President	Carlos Bessa
BCA – Comercial Bank of Atlantic	President Executive Board Member	Antonio Castro Guerra Eduarda Vicente
Tourism Social Sustainability Fund - FSST	Executive Secretary	Camilo Gonçalves
TAP Airlines	Regional Director	João Ingles
Ministry of Tourism, Investment and Entrepreneurial Development	Minister	Leonesa Fortes
Ministry of Finance and Planning	Minister	Cristina Duarte
Tourism Chamber	President	Gualberto do Rosario
ENAPOR – Ports Authority	Executive Board Member	Luis Silva
SDTIBM – Boa Vista and Maio Islands Tourism Development Corporation	Chairman Executive Director	Avelino Lopes Rui Santos
AAVTCV – Association of Travel and	President	Teresa Graça

Tour Operators		
Neptunus – Tourism Activities	CEO	Emidio Simões
Barracuda Restaurant	Owner	Benvinda and José Maria

## Appendix B – List of inputs/contributions by public and private stakeholders

### Question 1. What is the current situation of tourism in Cabo Verde?

- Undeveloped tourism
- Slowdown in the growth rate of tourist arrivals
- Pressure of Senegal sellers dislike tourists
- Garbage on the streets
- Abandoned animals
- Incipient sanitary network
- Absence of a pedestrian street along the seafront to host cultural events
- Lack of internal coordination - central islands and authorities - to enhance the entire value chain of the sector, lacking a reformulation/setting of the executive, administrative and supervisory organisms
- Absence of a policy that promotes the development of a genuine and sustainable tourism
- The vast majority of tourists who visit Cabo Verde does not repeat the visit
- Need to increase customer service
- The tourism taxes paid by visitors (2€ a day) have no impact on improving the quality of the tourism offer

In the medium to long term, Cabo Verde may have very good prospects, but there is a set of challenges, to face and solve:

- Diversification: of the source markets of the different islands
- Quality: training and attitude of collaborators (impact negatively the quality of the tourist offer)
- Planning and management: building a shared vision on planning, financing, infra-structure, sanitation, electricity and water (namely in respect to availability, cost and quality)
- Dialogue and sharing of responsibilities: institutionalization of forums and mechanisms for dialogue and consultation, establishment of relations based on greater mutual trust, shared responsibility (between public and private actors, but also among the public and among the private)
- Tax incentives: a framework for greater predictability and gradual reduction of the tax burden, speeding up the reimbursement of VAT, a framework for more tax incentives and simplified analysis procedures and clearer and more transparent decision.

### Question 2. What are the strengths, weaknesses, opportunities and threats of tourism in Cabo Verde?

#### STRENGTHS

- Climate

- Security
- Geographic location
- Landscape diversity
- Great beaches
- Uniqueness of the Cabo Verdean people
- Cabo Verdean culture
- Political and social stability
- Young country
- Proximity to major European source markets
- Starts developing good quality hotel offer
- Country with environmental concerns

#### WEAKNESSES

- Lack of organization on the institutional destination management office
- Ineffective internal and external promotion
- Poor use of the Cabo Verde brand
- Lack of preparation/organization of TACV to match a tourist service of the highest standard
- The tourist product of Cabo Verde reflects very little, or nothing, of the Cabo Verdean culture and soul
- Absence of an agenda of cultural events
- Lack of investment in qualifying the destination
- Dependence on source markets in terms of promotion and investment
- Lack of management of tourism potential - product/offer/market, focused on the development of an endogenous tourism
- Weak domestic agricultural production for tourism
- Scarcity in the transport network inter-island, by air and sea, in terms of transportation of people and products of domestic production
- Lack of "EDUCATE FOR TOURISM" programs, whether for the education sector or at the level of civil society
- Unattractive policy for domestic investment
- Lack of public lighting, police force, public cleaning
- Drugs and prostitution

#### OPPORTUNITIES

- Growth of tourism worldwide
- Security and stability of Cabo Verde, compared to other tourist destinations compromised by political instability, terrorism and threats to public health
- The reaffirmation of tourism as a strategic sector of the Cabo Verde economy
- Economic recovery worldwide
- Cabo Verde is among the top ten destinations with prospects of development 2014/2024 - information from the World Travel Tourism Council
- Increase in inflows to the country, either by air and by sea
- Geostrategic position in the Atlantic Ocean / the role of CV in world history.
- The rate of tourism growth in Africa, of about 5% per year

## THREATS

- Ebola
- Economic situation of the (European) traditional source markets
- Dependence on traditional source markets in terms of promotion and investment
- Competition from other destinations better structured in terms of product offer, promotion and price
- High prices of internal travel and frequent operational problems
- The fragility of the ecosystem
- Training in tourism and hospitality detached from the needs of the domestic labor market in the sector. Absence of a policy of medium and long term that fosters vocations and careers, aiming loyalty and consequently a performance of excellence
- Facilitated conditions for the implementation of new businesses are not being created - delayed processes
- Absence of extra-hotel activities
- Lack of regulation on the activity of taxis and transports, leaving the tourists exposed to very high prices

### **Question 3. What should be the priority target markets?**

- Europe
- New source markets with strong expression worldwide (eg. Nordic markets, residence and health tourism, Russian market)
- Northern European countries with which Cabo Verde has diplomatic relations since independence, at technical, scientific and other levels, the proximity in terms of air transport, notably Norway, Sweden, the Netherlands, Switzerland, Luxembourg - about forty million people

### **Question 4. What are the needs on infrastructure development?**

- Health - improving confidence among tourists
- Education
- Electricity (alternative energy) – reduction of production costs
- Public water supply network
- Sanitation
- Communications
- Transport and access (construction/improvement of roads, ports and airports)
- Plan investments for the health infrastructure, diversification of the tourism product offer (eg. lack of entertainment options outside the resorts), or in the retail trade. A Russian or Angolan tourist, for example, will not come or remain in Cabo Verde for a long time, if there is nowhere to shop and access to internationally renowned brands. In the particular case of retail, we will need to develop attractive commercial areas/duty free zones, outlets and, in time, initiatives like the Dubai Shopping Festival, suited to the scale of Cabo Verde

### **Question 5. What are the training needs and areas for development?**

- Tourist guides

- Foreign languages at all levels
- Operational area, including accommodation, food and beverage, events, entertainment, tour guide service, maintenance, administrative, travel agents, hygiene and safety at work, attracting FI, marketing, image and communication, promotion for internal and external markets, labour rights and obligations
- New technologies - development of tourism marketing online. Technical treatment of tourism products and services for online sales. Studies to survey the training needs are crucial, for the three economic actors (employed, unemployed and employers), thus able to respond to multiple requests, and at all levels. And those surveys should be made so that they can be replicated annually without great costs, for example through an IT platform.

**Question 6. How do you evaluate the current state of public-private partnerships?**

- Beneath expectations and needs
- Deficit of institutionalized dialogue with an agreed agenda
- Distrust (for either party) between the public and the private and the trend of responsabilization of others to escape their own responsibilities do not have favored public-private partnerships
- Many projects of foreign investors are not implemented and are blocked