



Promoting growth oriented entrepreneurship in Cape Verde

Context

While the small island state Cape Verde is classified as Middle Income Country, it still faces severe vulnerabilities such as a difficult access to water, strong dependence on remittances and foreign aid, growing drug trafficking and crime and poverty in remote islands. The country has 10 islands and a resident population of about 500,000 people, and is characterized by high youth unemployment and low competitiveness. With a view to contribute to poverty reduction UNIDO has been promoting since 2009 growth oriented entrepreneurship that will ultimately create job and income opportunities.



Strategy

The Government of Cape Verde has undertaken significant reform efforts to improve the business environment, improving their relative position from rank 149 in 2009 to 119 in 2012 Doing Business report. UNIDO supports the country to create the capacities to implement reforms based on a dialogue with private sector and civil society in order to improve the business environment affecting entrepreneurship. UNIDO also helps improve the quality and diversify the advisory and training capacities in response to needs of micro, small and medium industries. Last but not least, to contribute to the development of entrepreneurial human resources, the strategy is to assist in the introduction of entrepreneurship curriculum in general secondary and technical education. The objective is to reach out to the youth through national education system and help them through an action-oriented learning process to develop entrepreneurship competencies.

At a Glance

GOAL:	Promoting growth and economic opportunities
THEME:	MDG 1/ Poverty reduction through productive activities
DONORS:	One UN, UNIDO
PARTNERS:	Coordination Unit for Government Reform (UCRE), General Directorate for Public Administration (DGAE), Agency for Entrepreneurship and Innovation Development (ADEI), Ministry of Education (MED)
BUDGET:	US\$ 380,000
STATUS:	Ongoing
DURATION:	2009 – 2013

Results:

- ♦ Cape Verde is now considered as one of the world's top ten reformers. A study on the constraints in start up and operation of businesses based on an enterprise survey and an analysis of performance of local institutions in business regulation, administration and promotion covered all municipalities, different stakeholders - enterprises, decision makers and the public administration. The analysis encompassed for the first time not only a comprehensive sub-national dimension but also a gender analysis of business environment reforms. A public-private consultation process on the results led to a detailed action plan which is part of the Government programme "Change to Compete".
- ♦ To improve government service quality, a total quality management methodology for self-assessment and self-improvement has been introduced on a pilot basis in two institutions that deal with private sector, namely the Directorate of Industry and the Property registry.
- ♦ 80 small business advisors were trained on how to enhance productivity for MSMEs and how to facilitate self-help business groups. These programmes are highly relevant in the Cape Verdean context. The advisors applied the new knowledge to provide enterprises with personalized assistance on improving business productivity, and to associations and groups to set up their collective projects. A network and a database of local specialized business trainers was created.
- ♦ A strategy to integrate entrepreneurship as a teaching subject into secondary, professional and vocational training curricula was developed and approved by the Government. It addresses the need to find effective solutions to the employment situation of young people in Cape Verde.