



Termos de Referencia

Workshop 1.5: Employment Creation

A structural challenge that Cape Verde has always had to grapple with is unemployment. The growth over the last decade led to growth in employment with sizeable number of jobs created in the tourism sector as well as construction and real estate. However, job creation in recent years, especially since the 2008 global downturn began, has been very anemic. Unemployment rate is on the increase. In the meantime, the labor force is increasing steadily while the number of jobs created is not keeping up with demand.

Unemployment is structural because of the nature of the Cape Verdean economy with its limited base of production. It is partly why the government embarked on an agenda for transformation to diversify the economy and ensure high economic growth over sustained period of time. In addition to embarking on the transformation agenda, the government is also actively promoting technical and vocational training, entrepreneurship, and has also pursuing several policies and programs. Among these are several funds, the national network of incubators and programs to support youth employment.

The challenge however is that these programs have yet to make a major dent on the employment problem facing the nation. Many will argue that the situation will persist until several critical reforms are undertaken. Among these are the rigid labor laws. In response, government has proposed labor market reforms. The educational system has also been identified as culprits, with its little relevance and emphasis on quantity as opposed to quality. The response has been the rapid increase in the network of professional and vocational education in the country. Also, some claim it is the lack of entrepreneurship and in recent years various programs have been proposed to promote entrepreneurship and increase access to financing by SMEs.

Addressing the employment problem will require creative and innovative ways given the structural nature of the problem. It will have to involve the Government, the private sector and labor. There is a need for a comprehensive approach and the underlying problems must be identified in order to formulate and implement appropriate responses to the major challenge of our time: creating jobs. As such, this workshop will address the following questions:

This workshop will address the following questions:

1. What are the challenges for the private sector to creating more employment, especially for young people?
2. What are the challenges for employment Cabo Verdeans in the exterior?
3. What behavioral changes are necessary in the work culture of Cabo Verdeans?
4. What are the factors that currently keep us from generating more employment?
5. How can we better manage incentive systems for the domestic and international investor, in order to create more employment?