



Terms of Reference

Workshop 2.4 The Finance Cluster

Cape Verde's transformation agenda is anchored on the development of key economic clusters. Among the clusters is finance. This is a critical cluster given the important of financing for the development of the other clusters and the important contributions it can make, as a key sector, in Cape Verde's economy. This workshop will undertake a critical review of the finance cluster to examine the state of the cluster ten years after the transformation agenda.

The reality today is that access to cheap financing by Cape Verde is fast drying up with the reducing aid and access to concessional financing. This is happening at a time when Cape Verde continues to require substantial investments to develop a world class socioeconomic infrastructure to build an economy that is able to compete based on high productivity, quality and efficiencies. An urgent challenge therefore is how to develop the finance cluster to facilitate financing and attract investments into Cape Verde to support the development of the other clusters. There is also the desire to build the financial sector into a cluster that is able to provide high value financial services with the region. That is to make Cape Verde into an international financial services center in its own right, as a way to diversify the economy and contribute to realization of the making Cape Verde a developed economy by 2030.

The workshop session will look at these two issues: developing the finance cluster as a support to other clusters and building Cape Verde into an international financial services center. Crucially, the workshop will take stock along these broad lines and also propose ideas going forward. Specifically, the workshop will therefore focus on the following questions:

1. What is the status, what are the challenges and opportunities?
2. What sub-sectors should be developed taking into account the comparative advantages of Cabo Verde and global competition?
3. What is the best way to organize the cluster? What reforms are necessary to modernize the cluster?
4. What is the role of the BVC, the BCV, the Ministry of Finance and the Private Sector?
5. How to strengthen the role of regulation in combatting illegal activities?
6. How to attract investments to Cabo Verde?