



# Strategic planning and foresight in Africa in response to COVID-19

Wednesday, December 8, 2021

# Contextualization

## Overcoming challenges and building an Inclusive Cape Verde

We are a people with five and a half centuries of history, we were born from the cross between Europeans and Africans and we are an African Creole Nation. We live five centuries of colonialism, but we do not settle down.

Under the superior guidance of Amílcar Cabral, we fought and achieved national independence on July 5, 1975.

We are today an advanced democracy, with fully functioning Democratic Institutions, free and democratic elections, press freedom and citizen participation. The constitutional democratic rule of law enshrined in the 1992 Constitution has allowed this country stability and credibility, one of our greatest assets.

In these 45 years of independence, we have made a successful journey in ending hunger, making education a national goal, a vehicle for upward social mobility and a decisive factor for development.

# Contextualization

## Overcoming challenges and building an Inclusive Cape Verde

We seek to ensure everyone's health, thus achieving a life expectancy of 77 years, but also conferring the right to reproductive health, reducing the average number of children per woman from 7 to 2.5.

We achieved a GDP per capita of US\$ 3,600, we reduced inequalities, setting the Gini Index at 0.46 and poverty at 35% of the population. We have been, since 2007, a Middle Income Country and are part of the Small Island Developing States (SIDS) group.

In this journey that we are proud of, as well as our development partners, the country has registered important progress in all areas of activity. Globally having achieved the MDGs, today we embrace the ambition of achieving the Sustainable Development Goals.

**We have ambition. By 2030**, Cape Verde will be a consolidated and modern, inclusive democracy, a blue, digitized, emerging and resilient nation, a circulation economy located in the Middle Atlantic integrated into ECOWAS, with full employment and shared prosperity, a useful country to the world and reference of pride for everyone.

## **Contextualization**

### **Overcoming challenges and building an Inclusive Cape Verde**

We face the COVID-19 pandemic and align ourselves with the best international practices, in the protection of companies, jobs and income and in social protection measures for informal workers and families, at the same time we progressively adopt measures for recovery, stabilization and acceleration of economic growth.

**Why did we do all this?**

## **Contextualization**

### **Overcoming challenges and building an Inclusive Cape Verde**

**Because we soon understood that as a country we don't have space or money for improvisation.**

# Contextualization

## Long-term planning instruments



Cape Verde began using the Growth and Poverty Reduction Strategy Paper as a development management tool in 2002, with the production of the Interim Poverty Reduction Strategy Paper (iPRSP - interim Poverty Reduction Strategy Paper) > 2002 - 2003

This was followed by the First Growth and Poverty Reduction Strategy Paper (DECRP I), prepared in 2004 to guide the nation until 2007, which took care to incorporate the main intervention measures in the areas of economic growth and poverty reduction > 2004-2007.

Then came the Growth and Poverty Reduction Strategy Paper (DECRP II), in force between 2008 and 2011, highlighted some of the gains achieved to date. However, unlike the GPRSP I, it adapted to the Government's Program and the Transformation Agenda as a vision for long-term development and as the path to achieving sustained growth and economic expansion, in order to alleviate poverty and social inequality, which implied significant reforms in several sectors. While progress has been made on all fronts, challenges remain as the country moves forward.

And in the wake of the challenges, mainly in the context of the graduation from Cape Verde to a Medium Development Country and the persistent international crisis, the Growth and Poverty Reduction Strategy Document (DECRP III) was presented, which reflects a set of priorities to implement, and expresses how the Government should materialize its Transformation Agenda during its execution period from 2012 to 2016.

# Contextualization

## Long-term planning instruments

2000



**But before all that, in 2000**

The first strategic-thinking exercises carried out in the 2000s led to the adoption by the National Assembly of The Grand Options Plan (2002). The Grand Options of Plan sets the medium-term objective for development management. Subsequently, the Economic Transformation Strategy was formulated and approved at a national forum in 2003. The agenda provides a long-term framework for development policy and an economic strategy focused on services.

## **Our ambition !!!**

# **The Strategic Plan for Sustainable Development – (PEDS) 2017-2021 is thus aligned with the SDGs and with Agenda 2063: The Africa we want**

We elaborated and implemented the 2017- 2021 PEDS, which was aligned with the SDGs, the 2063 Africa Agenda and the SAMOA Pathway, thus framing our challenges within the context of sustainable development and basing our actions on global references. We managed to reduce poverty to 13.1% in 2020 thanks to the growth registered up until the pre-crisis year (with an average of 4.7% per year) and to a major reduction in inequalities that came as the result of investments in decentralization, in the territorialization of public policies, in inclusion, in regional development, in the reduction of regional asymmetries and in good governance.



**Our ambition !!!**

**Consequently**

The strategic plans that operationalize the Governments Programs will be aligned with those international agendas and should operationalize them.

**Our ambition !!!**



## Our ambition !!!



However, from the COVID-19 pandemic, structural changes and priorities emerge related to the fight against impoverishment, sanitary security, housing security, water and sanitation and urban requalification. Priorities for the diversification of the economy, with sustainable tourism, the energy transition, the transition to the blue economy, the digital economy, industry, as a new sector of opportunities, within the framework of ECOWAS and in particular of the Free Trade Area in Africa , the international platform for health, smart agriculture and culture and creative industries.

## **Our ambition !!!**



Like in the rest of the Small Island Developing States, we faced a harsh recession of 14.8% due to the impact of the pandemic.

## Our ambition !!!



We carry out Ambition 2030 with an essential commitment to sustainable development planning, as a mechanism for the operationalization of Cape Verde's Strategic Agenda for Sustainable Development and for locating the SDGs so as not to leave anyone behind, ensuring gender equality and resilience, but also as a mechanism qualification of the technical and political dialogue with society, between powers and with development partners, the mobilization of resources and partnerships, namely within the scope of the National Integrated Financing Framework and an instrument of transparency and social control.

## Our ambition !!!



This exercise allowed for the production and sharing of knowledge, the confrontation of strategies and pronouncements through 11 territorial consultations, 9 thematic studies and 27 strategic debates. It mobilized Cape Verdean society, Municipalities, the business sector, civil society organizations, public administration, academia, the diaspora, the media, development partners, personalities and institutions with an interest in Cape Verde.

It conferred high visibility, deepened the country's notoriety and credibility, created conditions for strategic choices and cemented long-term commitments for the sustainable development of Cape Verde.

This exercise promoted the alignment of the main actors of sustainable development on major strategic guidelines, adopting the SDG accelerators.

## **Our ambition !!!**



The COVID-19 pandemic threatens decades of development gains and requires an urgent and exceptional response that involves three phases: relief, restructuring and resilient recovery.

**In this regard, we identify these sectors as priorities for promoting growth and accelerating progress:**

# Our ambition !!!



Human capital development is the first accelerator

The blue economy is the 2nd accelerator and was elected, in the framework of Ambition 2030, to be Cape Verde's 2nd largest international anchor

The digital economy

Renewable energies are one of the accelerators, as they will determine the reduction of factor costs

The added value of the tourism industry is an accelerator, as when tourism anchors agriculture, fishing, crafts, creative industries and other services, they accelerate modernization, productivity and the entire constellation of tourism





**Working on the right policies to solve the country's structural problems, today we have the following scenario: 86% of the population with the first dose of the COVID-19 vaccine and 68% of the eligible population with two doses of the vaccine.**

Cabo Verde **Ambição**  
**2030**



Thank you

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# Behind the scene: SF in Cabo Verde

## Pathways for change in a context of volatility and uncertainty

December 7<sup>th</sup>, 2021





# A context of high volatility and great uncertainty



COVID-19 landed in Cabo Verde on structural constraints as a SIDS



It also hit a country in transition: income status, demographic, epidemiologic, nutritional, etc.



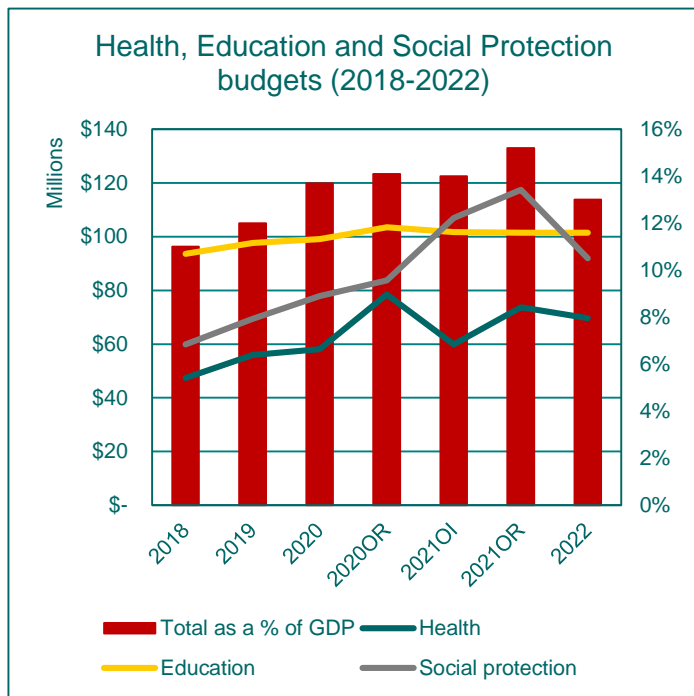
It overlapped and exacerbated other exogenous crises: climate change, inequalities, energy, food prices



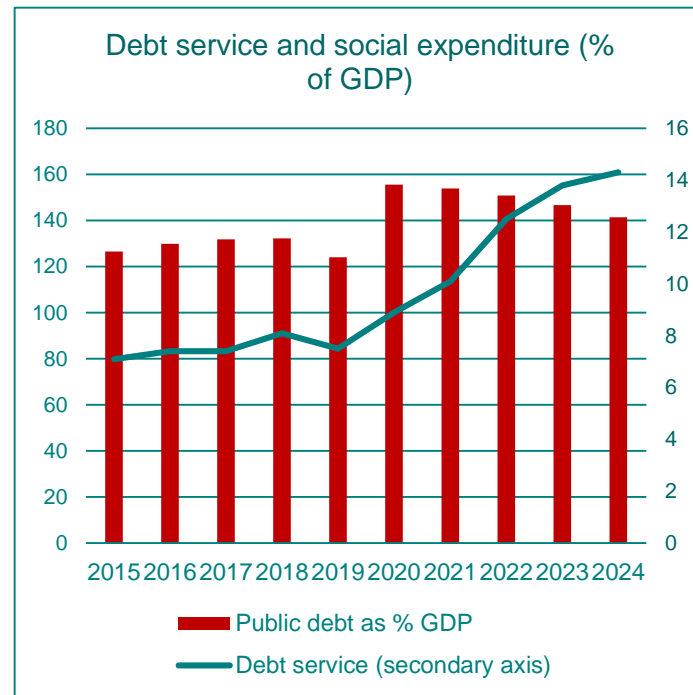
Volatility was already high, uncertainty became the norm

# The overwhelming weight of COVID impact

## Short term investment in human capital...



## Will soon be matched by debt service





# Multiple emerging risks, several competing priorities



High public debt and limited public revenues hamper public investment



Slow recovery foreseen with pressure on incomes, jobs, poverty, domestic investment



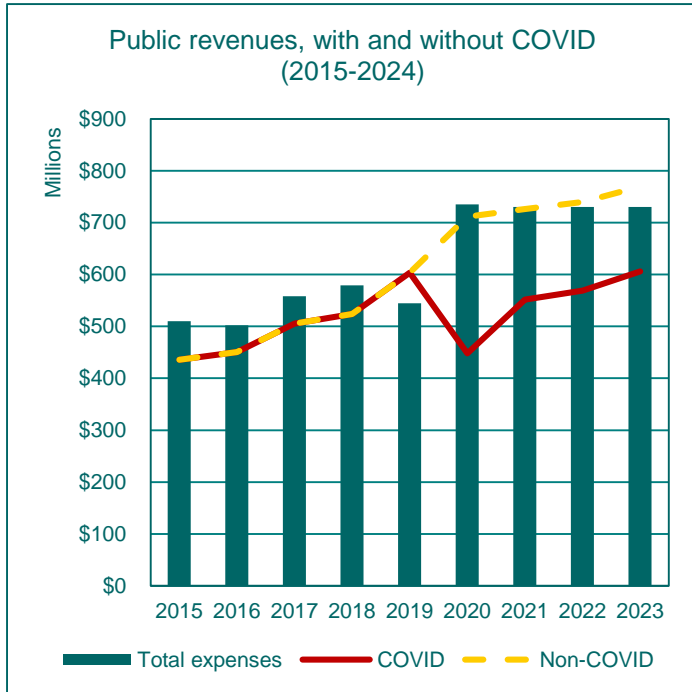
Inequalities on the rise: internal and external migrations, violence (public and domestic)



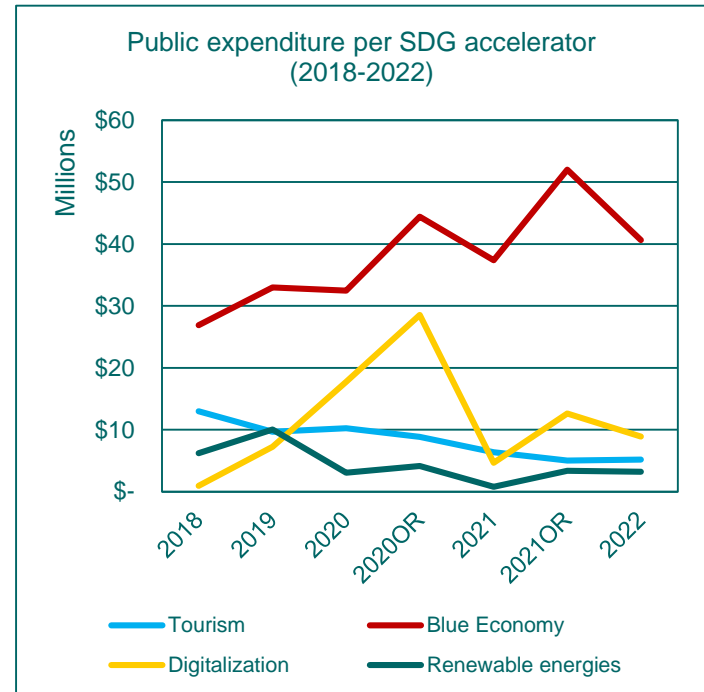
Need to navigate amongst trade-offs: short vs long term and thematical priorities

# How to address competing priorities?

## A widening financing gap...



## Makes it difficult to invest consistently in CV's future





# Econometric projections mixed with qualitative foresight



Conduct forward-looking analysis to feed-in strategic planning (SEIA, VNR, LNOB, CCA)



Link short term response to longer-term sustainable development vision, including climate action (PEDS II, NDC, CVA2030)



Develop a harmonized vision of Cabo Verde's future amongst multiple stakeholders

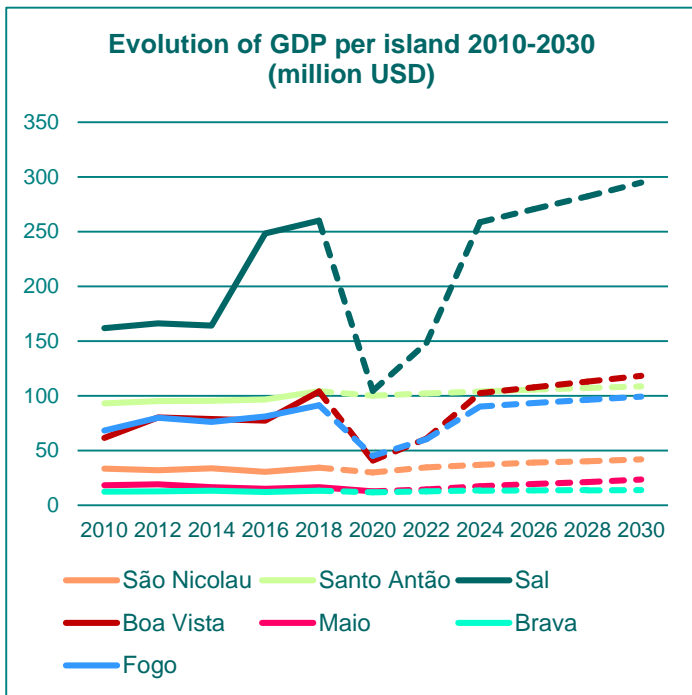


Build partnerships to unleash potential for economic diversification, social inclusion and resilience

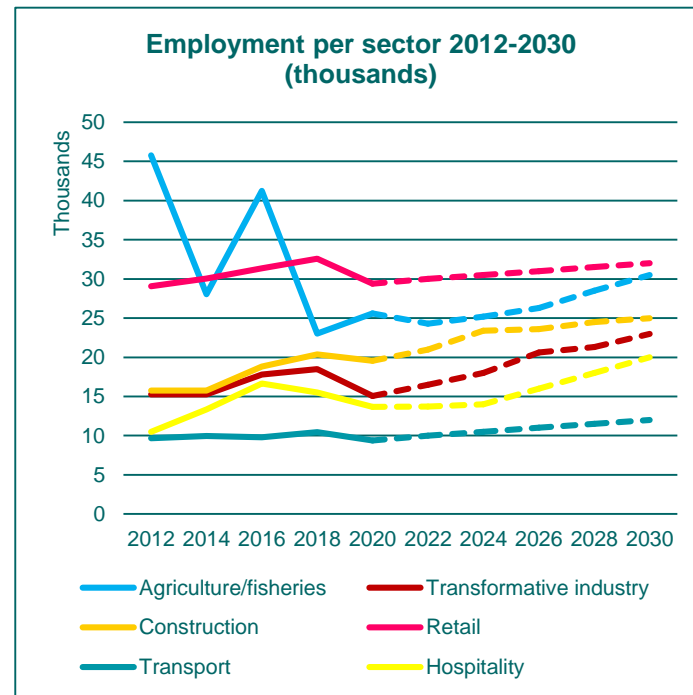


# Economic transformation and social inclusion as CV's future

## Recovery will be slow and uneven...



## New sectors will drive growth and create jobs



# THANK YOU!

