



Mission Permanente de la République du Cabo Verde

A Representante Permanente

Trade and Development Board

Trade and Development Commission – Eleven Session

Trade and Vulnerability: SIDS - Small Countries, Big Challenges

Statement by

Permanent Representative of Cabo Verde

Amb. Maria de Jesus Veiga Miranda

Dear Director General,

Dear Directors,

Colleagues Ambassadors and participantes,

Ladies and Getlemen,

Allow-me to start by thanking Director, Pamela Coke-Hamilton, Division on International Trade and Development, for inviting us to this important Panel on SIDS and their big challenges.

As a Small Island, Middle Income Country, Cabo Verde's biggest challenge is to build an economy with a high level of sustainable and inclusive growth, in order to overcome structural vulnerabilities, external dependence, unemployment, poverty and inequality in income distribution.

Cabo Verde is confronted with natural vulnerabilities related to its volcanic origin and live activity, its fragmented territory, its lack of mineral resources and its location in the Sahel region, which entails extreme scarcity of rainfall and droughts.

Moreover, its small territorial, demographic and economic size and its isolation from the African continent limit its real development possibilities.

Cabo Verde is also highly vulnerable to international circumstances such as fluctuations in the external market for trade and tourism as well as to the Agro-Climate variations, now exacerbated by Climate Change.

Our main challenges, thus, reflect our vulnerabilities. But they are, equally, positively related to our determination to work for the realization of the SGDs, having as backdrop our relatively successful record on development, together with our strong believe that with appropriate resources and partnerships, sustainable development is attainable

Now, back with the Challenges, starting from the more basic ones:

High Food Insecurity Risk in Cabo Verde is the result of structural deficit of the national food production and of the strong dependence on the international market. Strengthening **Food Security** and Nutrition Information System (FSNIS) has always been a first-rate challenge.

In the field of **Health**, development and qualification of Human Resources, Reinforcement of Primary Health Care, Sustainability of the National Hospital Network (NHS) and implementation of an effective Health Information System are challenged by the fragmentation of the Territory, and the consequent replication of the infrastructures, equipment and medical personal.

In Cabo Verde, the right to **Education** is enshrined in the Constitution of the Republic. Here, besides the cost of infrastructure replication, as in all the other sectors, the concentration of the higher education facilities in few Islands only, may generate structural opportunity asymmetries and inequalities. To counteract that imbalance, huge amounts of resources are demanded for scholarships and student residence building.

In the **Water Sector**, Cabo Verde has largely relied on desalinated water. Its relatively high indicator in the access to water, was achieved through a high cost and extensively energy consuming water production system.

As for the Energy, the Government has strongly invested in **Energy Security and Energy Sustainability**, aiming to make the transition to a secure, efficient and sustainable energy sector, reducing dependence on fossil fuels and ensuring universal access to energy. The wind and solar component have already been strategic in reducing the electricity and water cost. As such, Renewable Energy remains a challenge but also a remarkable opportunity for investment in Cabo Verde.

The vulnerability to climate change and drought, makes changing the structural **subsistence farming**, an important milestone in order to build

resilience. In fact, regardless its relatively low productivity, Agriculture is the sector of activity that creates the most employment (followed by trade), except in periods of drought as it has been the case in the last 3 years.

Therefore, **Preparedness, Adaptation, Mitigation and long-term Resilience** take the front line of priorities for Agriculture and generally.

As the social sphere is concerned, Reinforce Social inclusion, massively invest in young qualification and employability, Enhance National Capacity, both internally and in the framework of Regional and International Cooperation, to face the increasing pressure of **Transnational Organized Crime and other Security Threats**, are big concerns and constitute enormous challenges, both on the top and at the bottom of our priorities, in order to preserve and constantly improve our main asset and development resource, which is the **Social, Political and Economic Stability**.

Cabo Verde addresses all those challenges with the country's early appropriation and ownership of the 2030 Agenda for Sustainable Development, aligning the SDGs with the national Strategic Sustainable Development Plan (PEDS) and declining them in Government Program, and in sectoral and municipal strategic plans.

The mechanisms for building resilience are properly identified, for instance, in relation to energy, water, solid waste, biodiversity, fishing, disaster prevention, food security, cities and human settlements, **Blue Economy and Climate Change**. It has been the government priority, the development of the strategic vision and the Five-year Plan of each

governance area, fully integrated into the national planning instruments and in line with the SDGs.

However, **there are currently no guarantees of resources** for the effectiveness of these mechanisms, which call for our capacity to deepen partnerships.

In this framework, Cabo Verde engages with the full achievement of the SDGs by mainstreaming them into public policies and planning and through the **mobilization and efficient use of domestic public resources**. In line with the Addis Ababa Action Agenda, the Government is pursuing fiscal reform and transparency, as well as promoting private entrepreneurship and investment as drivers of economic growth.

But Cabo Verde also underscores the Addis Ababa Action Agenda's emphasis on the need for the International Community to design methods, allowing a better consideration of the complex realities of the Middle-Income Country and SIDS.

As a Small Island, a Middle Income, highly indebted and vulnerable country, Cabo Verde requires alternative, non-traditional mechanisms and indicators for accessing development financing and urges the international community to use new methodologies and indicators that go beyond economic growth. Cabo Verde calls, particularly, for the use of **Vulnerability Profile as a specific criterion for Small Island Developing States and MICs** to access Public Aid and Development Financing under concessional conditions.

We, SIDS, should count on ourselves, in the first place, but we count on the International Community as well, to mobilize resources for the implementation of our Strategic Sustainable Development Plans, the instruments designed to make sustainable development goals operational and the resilience possible.

In line with this principle and advocacy, Cabo Verde has been active in promoting debates and consensus building around this issue, namely, by hosting meetings and other form of coordination for the Small Island Developing States with Middle Income status and for African SIDS.

Cabo Verde is also a strong believer in the necessity and the potential of the International Community working together for a more coordinated, SDGs oriented mobilization of finance for Development. My country has been for many years, a real pilot country for testing, with success, this coordination. Starting from the UN delivery as one and UN joint office (of which CV was the only success case), and now with UN Country Team working together with other multilateral and bilateral partners to help in the planning, implementing and evaluating the SDGs in Cabo Verde, in an integrated manner.

In conclusion, I would like to thank the UNCTAD for the important work the organization does, autonomously and/or in the framework of the UN Inter-Agency Cluster on Trade and Productive Capacity, in support of SIDS / MIC's development agendas and, to support Cabo Verde, in particular. The last Country IPR (Investment Policy Review) is the more recent event in this context.

we look forward to continuing this fruitful cooperation in the future.

I Thank once again Director Pamela-Cock Hamilton for the invitation.

I thank you for your attention.