

Cape Verde: Statistical Appendix

This Statistical Appendix paper for **Cape Verde** was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed on **December 6, 2002**. The views expressed in this document are those of the staff team and do not necessarily reflect the views of the government of **Cape Verde** or the Executive Board of the IMF.

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CAPE VERDE

Statistical Appendix

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Approved by the African Department

December 6, 2002

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Table 1. Cape Verde: Selected Economic and Financial Indicators, 1997–2001

	1997	1998	1999	2000	2001
	(Annual percentage change)				
National income and prices					
Real GDP	8.5	8.0	8.9	6.6	4.0
Real GDP (per capita)	5.6	5.2	7.1	4.4	1.8
Consumer price index (annual average)	8.6	4.4	4.4	-2.4	3.7
Consumer price index (end of period)	6.7	8.3	-1.5	-1.1	4.6
External sector					
Exports 1/	35.9	-2.9	16.4	26.2	19.8
Imports 1/	15.8	14.8	21.5	6.1	11.7
Real effective exchange rate (annual average)	3.1	-2.5	8.4	-7.3	-2.7
Terms of trade (minus = deterioration)	0.1	1.3	-4.8	-0.1	-4.3
Government budget					
Total revenue (excluding grants)	4.9	11.6	22.3	7.8	12.8
Total expenditure	0.5	-3.9	28.5	23.5	-29.5
Recurrent expenditure	18.1	-0.7	29.3	56.3	-32.7
Capital expenditure and net lending	-15.2	-7.9	8.9	-7.9	-20.5
	(Annual change in percent of beginning-of-period broad money, unless otherwise specified)				
Money and credit 2/					
Net domestic assets	14.5	2.5	7.6	15.5	4.0
Of which: net claims on the central government credit to the economy	11.0	1.7	-20.9	11.1	0.1
Broad money	10.3	2.5	15.4	12.9	9.8
Income velocity (GDP/M2)	1.54	1.62	1.74	1.62	1.52
Discount rate 3/	12.1	10.0	8.5	9.5	11.5
	(In percent of GDP)				
Saving-investment balance					
Gross domestic investment	22.7	19.9	19.8	18.7	17.4
Public	9.6	7.9	7.4	6.4	4.8
Private	13.1	12.0	12.4	12.3	12.5
Gross national savings	14.1	7.8	6.9	7.5	6.6
Of which: public sector	5.7	11.8	1.8	-7.6	5.1
External current account (including official transfers)	-8.5	-12.1	-12.9	-11.2	-10.7
Government budget					
Total revenue (including grants)	30.4	33.0	27.8	27.0	27.3
Total grants	10.8	13.4	7.3	6.2	4.9
Total expenditure	43.0	37.0	40.8	47.3	31.8
Overall balance after grants	-12.6	-4.0	-13.0	-20.4	-4.6
Domestic bank financing	4.7	1.0	1.3	8.2	0.1
Domestic public debt, net 4/	39.7	35.7	20.1	26.1	26.1
External current account (excluding official transfers)	-18.5	-21.5	-17.3	-15.3	-14.6
Overall balance of payments	3.3	-1.1	7.0	-8.5	2.3
Total external public debt (end of year; including arrears and Fund credit)	47.3	45.2	53.8	61.4	64.9
	(In millions of U.S. dollars, unless otherwise specified)				
External current account (after grants)	-42.1	-63.4	-74.9	-61.7	-58.1
External public debt (end of period; excluding arrears)	215.8	236.9	295.4	301.3	331.1
External arrears (public sector; end of period)	9.9	9.1	3.8	27.8	15.3
Gross international reserves (end of period)	19.3	8.3	43.5	28.2	41.9
Gross international reserves (in months of imports of goods and services)	0.8	0.3	1.5	1.0	1.4
External debt service (in percent of exports of goods and nonfactor services)	12.0	11.3	30.2	28.2	19.2
Memorandum items:	(In units specified)				
Nominal GDP (in billions of Cape Verde escudos)	46.0	51.3	59.8	63.6	66.7
Nominal GDP (per capita, in U.S. dollars)	1,197.5	1,235.7	1,354.2	1,250.5	1,206.0
Exchange rate (Cape Verde escudos per U.S. dollar; period average)	93.2	98.2	102.7	115.9	123.2

Sources: Cape Verde authorities; and staff estimates.

1/ Exports and imports of goods and nonfactor services.

2/ Reflects revised presentation consistent with the Central Bank of Cape Verde.

3/ Central bank lending rate; in percent.

4/ Excluding the claims on the offshore Trust Fund.

Table 2. Cape Verde: Selected Social and Demographic Indicators, 2000

(In units as indicated)

Area (in square kilometers)	4,036
Population	
Total (in thousands)	440
Growth rate (percent a year)	2.3
GDP per capita (in U.S. dollars)	1,250
Population	
Life expectancy at birth (years)	69
Male	66
Female	72
Infant mortality (per thousand)	23
Crude death rate (per thousand; 1999)	7
Crude birth rate (per thousand; 1999)	32
Fertility rate (births per woman)	4
Urban population (percent)	54
Health	
Population per physician (1999)	4,274
Population per hospital bed (1999)	631
Immunization rate (percent under 12 months)	
DPT	69
Measles	61
Access to safe water (percent of population)	70
Urban	76
Rural	26
Education	
Adult illiteracy rate (percent of population over 18 years)	25
Male	16
Female	33
Primary school enrolment	96
Pupils-teacher ratio (primary schools; 1999)	29
Labor force	
Total (in thousands; 1998)	166
Female (percent; 1998)	39

Sources: Cape Verde authorities; and World Bank.

Table 3. Cape Verde: Sources and Uses of Resources, 1997–2001

	1997	1998	1999	2000	2001
	(In millions of Cape Verde escudos)				
Gross domestic product	45,968.7	51,306.5	59,819.1	63,634.9	66,694.5
Current account	-3,921.4	-6,220.0	-7,692.5	-7,144.3	-7,157.1
Current account, excl. official transfers	-8,502.6	-11,051.6	-10,325.5	-9,757.8	-9,757.9
Resource balance	-14,351.6	-18,592.3	-23,190.7	-21,875.1	-23,029.6
Exports of goods and nonfactor services	12,020.9	11,677.1	13,594.9	17,159.1	20,557.6
Imports of goods and nonfactor services	-26,372.5	-30,269.4	-36,785.5	-39,034.2	-43,587.1
Net factor income	-754.5	-542.9	-867.3	-1,436.6	-508.8
Public sector	-565.4	-350.0	-393.0	-917.0	-476.0
Private sector	-189.1	-192.9	-474.3	-519.6	-32.8
Unrequited transfers	11,184.7	12,915.2	16,365.5	16,167.4	16,381.2
Public sector	4,581.2	4,831.6	2,633.0	2,613.6	2,600.7
Private sector	6,603.5	8,083.6	13,732.5	13,553.9	13,780.5
Gross national product	45,214.2	50,763.6	58,951.8	62,198.3	66,185.7
Gross national income	56,398.9	63,678.8	75,317.3	78,365.7	82,567.0
Public sector					
Current revenue	8,992.8	10,039.5	12,273.7	13,227.6	14,919.5
Current expenditure 1/	10,948.4	10,869.9	15,552.3	21,986.0	14,770.5
Capital expenditure 1/	8,797.6	8,106.2	8,827.1	8,126.2	6,463.2
Gross domestic investment	10,421.9	10,215.2	11,825.2	11,896.2	11,578.2
Fixed capital formation	10,421.9	10,215.2	11,825.2	11,896.2	11,578.2
Public sector 1/	4,398.8	4,053.1	4,413.6	4,063.1	3,231.6
Private sector	6,023.0	6,162.1	7,411.7	7,833.1	8,346.6
Change in stocks	...	...	...	...	...
Domestic consumption	49,898.4	59,683.6	71,184.6	73,613.8	78,145.9
Public sector 1/	15,347.2	14,923.0	19,965.9	26,049.1	18,002.1
Private sector 2/	34,551.2	44,760.6	51,218.7	47,564.7	60,143.8
Domestic saving	-3,929.7	-8,377.1	-11,365.4	-9,978.9	-11,451.3
Public sector	-1,390.2	-480.3	-2,885.6	-7,841.4	625.0
Private sector 2/	-2,539.5	-7,896.7	-8,479.9	-2,137.5	-12,076.3
National saving	6,500.5	3,995.2	4,132.8	4,751.9	4,421.1
Public sector	2,625.5	6,045.2	1,071.4	-4,827.1	3,412.1
Of which: total external grants	4,974.6	6,875.5	4,350.0	3,931.3	3,263.2
Private sector 2/	3,874.9	-2,050.0	3,061.4	9,579.0	1,009.0

Table 3. Cape Verde: Sources and Uses of Resources, 1997–2001 (concluded)

	1997	1998	1999	2000	2001
	(In percent of GDP)				
Gross domestic product	100.0	100.0	100.0	100.0	100.0
Current account	-8.5	-12.1	-12.9	-11.2	-10.7
Current account, excl. official transfers	-18.5	-21.5	-17.3	-15.3	-14.6
Resource balance	-31.2	-36.2	-38.8	-34.4	-34.5
Exports of goods and nonfactor services	26.2	22.8	22.7	27.0	30.8
Imports of goods and nonfactor services	-57.4	-59.0	-61.5	-61.3	-65.4
Net factor income	-1.6	-1.1	-1.4	-2.3	-0.8
Public sector	-1.2	-0.7	-0.7	-1.4	-0.7
Private sector	-0.4	-0.4	-0.8	-0.8	0.0
Unrequited transfers	24.3	25.2	27.4	25.4	24.6
Public sector	10.0	9.4	4.4	4.1	3.9
Private sector	14.4	15.8	23.0	21.3	20.7
Gross national product	98.4	98.9	98.6	97.7	99.2
Gross national income	122.7	124.1	125.9	123.1	123.8
Public sector					
Current revenue	19.6	19.6	20.5	20.8	22.4
Current expenditure 1/	23.8	21.2	26.0	34.6	22.1
Capital expenditure 1/	19.1	15.8	14.8	12.8	9.7
Gross domestic investment	22.7	19.9	19.8	18.7	17.4
Fixed capital formation	22.7	19.9	19.8	18.7	17.4
Public sector 1/	9.6	7.9	7.4	6.4	4.8
Private sector	13.1	12.0	12.4	12.3	12.5
Change in stocks	...	...	...	...	...
Domestic consumption	108.5	116.3	119.0	115.7	117.2
Public sector 1/	33.4	29.1	33.4	40.9	27.0
Private sector 2/	75.2	87.2	85.6	74.7	90.2
Domestic saving	-8.5	-16.3	-19.0	-15.7	-17.2
Public sector	-3.0	-0.9	-4.8	-12.3	0.9
Private sector 2/	-5.5	-15.4	-14.2	-3.4	-18.1
National saving	14.1	7.8	6.9	7.5	6.6
Public sector	5.7	11.8	1.8	-7.6	5.1
Of which: total external grants	10.8	13.4	7.3	6.2	4.9
Private sector 2/	8.4	-4.0	5.1	15.1	1.5

Sources: National Institute of Statistics (INE); and staff estimates.

1/ Assuming that 50 percent of capital expenditure, as classified by the treasury, is actually current expenditure;
 2/ Private consumption and private saving are calculated as residuals and therefore include statistical discrepancies.

Table 4. Cape Verde: Gross Domestic Product at Current Prices, 1997–2001

	1997	1998	1999	2000	2001
	(In millions of Cape Verde escudos)				
Agriculture, forestry, and livestock	4,629	5,269	6,239	6,239	6,295.0
Fishing	719	708	721	613	593.7
Industry and energy	4,363	4,827	5,233	5,756	6,098.3
Construction	4,141	4,943	5,589	5,309	5,196.2
Commerce	7,453	8,370	9,517	9,801	10,087.6
Hotels	958	1,119	1,320	2,126	2,316.6
Transport and communications	8,589	9,074	10,418	11,459	12,197.7
Banks and insurance	2,380	2,745	2,892	3,326	3,624.4
House renting	2,819	2,873	3,719	3,904	4,061.7
Public service	7,196	7,644	9,175	8,995	9,311.9
Other services	935	1,520	1,620	1,912	1,967.8
Intermediary banking services 1/	-1,988	-2,407	-2,111	-2,028	-2,097.4
Sum of value added 2/	42,194	46,685	54,333	57,412	59,654
Taxes on imports	3,775	4,621	5,486	6,223	7,041
Gross domestic product at market prices	45,969	51,307	59,819	63,635	66,695
	(In percent of GDP)				
Agriculture, forestry, and livestock	10.1	10.3	10.4	9.8	9.4
Fishing	1.6	1.4	1.2	1.0	0.9
Industry and energy	9.5	9.4	8.7	9.0	9.1
Construction	9.0	9.6	9.3	8.3	7.8
Commerce	16.2	16.3	15.9	15.4	15.1
Hotels	2.1	2.2	2.2	3.3	3.5
Transport and communications	18.7	17.7	17.4	18.0	18.3
Banks and insurance	5.2	5.4	4.8	5.2	5.4
House renting	6.1	5.6	6.2	6.1	6.1
Public service	15.7	14.9	15.3	14.1	14.0
Other services 3/	5.9	7.3	8.4	9.6	10.4
Gross domestic product	100.0	100.0	100.0	100.0	100.0
	(Annual percentage change)				
Agriculture, forestry, and livestock	7.3	13.8	18.4	0.0	0.9
Fishing	-16.5	-1.5	1.9	-15.0	-3.1
Industry and energy	1.9	10.6	8.4	10.0	5.9
Construction	5.2	19.4	13.1	-5.0	-2.1
Commerce	7.6	12.3	13.7	3.0	2.9
Hotels	79.4	16.8	18.0	61.0	9.0
Transport and communications	17.4	5.6	14.8	10.0	6.5
Banks and insurance	49.4	15.3	5.4	15.0	9.0
House renting	7.0	1.9	29.4	5.0	4.0
Public service	18.3	6.2	20.0	-2.0	3.5
Other services	12.3	62.6	6.6	18.0	2.9
Intermediary banking services 1/	66.3	21.1	-12.3	-3.9	3.4
Sum of value added 2/	10.7	10.6	16.4	5.7	3.9
Taxes on imports	5.4	22.4	18.7	13.4	13.1
Gross domestic product at market prices	10.2	11.6	16.6	6.4	4.8
Memorandum items:					
Change in CPI	8.6	4.4	4.4	-2.4	3.7
Change in GDP deflator	1.8	4.3	7.2	0.5	0.9
Real GDP growth	8.5	8.0	8.9	6.6	4.0

Sources: National Institute of Statistics; and staff estimates.

1/ This amount represents the value of intermediary banking services used by other economic sectors; it has been globally netted out from the total value added, because it was not possible to do it for each sector. The amount is estimated by the interest received by the banking sector for the period.

2/ Includes indirect taxes, net of subsidies, with the exception of taxes on imports.

3/ Includes "Intermediary banking services" and "Taxes and duties on imports".

Table 5. Cape Verde: Gross Domestic Product by Major Sector at Constant 1980 Prices, 1997–2001

	1997	1998	1999	2000	2001
(In millions of 1980 Cape Verde escudos)					
Agriculture, forestry, and livestock	984	1,546	1,744	1,759	1,759
Fishing	136	208	202	179	172
Industry and energy	1,212	1,416	1,463	1,604	1,684
Construction	1,706	1,475	1,583	1,500	1,455
Commerce	2,670	2,456	2,670	2,731	2,786
Hotels	288	788	927	1,158	1,250
Transport and communications	2,507	2,672	2,911	3,193	3,369
Banks and insurance	537	805	808	928	1,002
House renting	1,009	843	1,049	1,088	1,122
Public service	2,124	1,814	1,864	1,994	2,045
Other services	212	412	432	496	506
Intermediary banking services 1/	-477	-615	-628	-720	-738
Sum of value added 2/	12,907	13,819	15,025	15,909	16,411
Taxes on imports	1,155	1,368	1,517	1,724	1,932
Gross domestic product at market prices	14,062	15,186	16,542	17,633	18,343
(In percent of real GDP)					
Agriculture, forestry, and livestock	7.0	10.2	10.5	10.0	9.6
Fishing	1.0	1.4	1.2	1.0	0.9
Industry and energy	8.6	9.3	8.8	9.1	9.2
Construction	12.1	9.7	9.6	8.5	7.9
Commerce	19.0	16.2	16.1	15.5	15.2
Hotels	2.0	5.2	5.6	6.6	6.8
Transport and communications	17.8	17.6	17.6	18.1	18.4
Banks and insurance	3.8	5.3	4.9	5.3	5.5
House renting	7.2	5.5	6.3	6.2	6.1
Public service	15.1	11.9	11.3	11.3	11.2
Other services 3/	6.3	7.7	8.0	8.5	9.3
Gross domestic product at market prices	100.0	100.0	100.0	100.0	100.0
(Annual percentage change)					
Agriculture, forestry, and livestock	-3.5	57.1	12.8	0.9	0.0
Fishing	-8.5	53.1	-2.9	-11.3	-4.0
Industry and energy	7.7	16.9	3.3	9.6	5.0
Construction	2.9	-13.5	7.3	-5.3	-3.0
Commerce	5.9	-8.0	8.7	2.3	2.0
Hotels	66.4	173.7	17.5	25.0	8.0
Transport and communications	18.9	6.6	9.0	9.7	5.5
Banks and insurance	40.9	50.1	0.4	14.8	8.0
House renting	7.0	-16.5	24.5	3.7	3.1
Public service	12.7	-14.6	2.8	6.9	2.6
Other services	6.5	94.3	4.9	14.7	2.0
Intermediary banking services 1/	54.4	29.1	2.0	14.7	2.5
Sum of value added 2/	8.9	7.1	8.7	5.9	3.2
Taxes on imports	3.7	18.4	10.9	13.7	12.0
Gross domestic product at market prices	8.5	8.0	8.9	6.6	4.0

Sources: National Institute of Statistics; and staff estimates.

1/ This amount represents the value of intermediary banking services used by other economic sectors; it has been globally netted out from the total value added, because it was not possible to do it for each sector. The amount is estimated by the interest received by the banking sector for the period.

2/ Includes indirect taxes, net of subsidies, with the exception of taxes on imports.

3/ Includes "Intermediary banking services" and "Taxes and duties on imports".

Table 6. Cape Verde: Production and Consumption of Electricity and Water, 1997–2001

	1997	1998	1999	2000	2001
(In megawatt-hours)					
Electricity					
Production	108,828	118,783	133,552	148,783	164,332
São Vicente	34,709	36,433	39,485	42,471	45,953
Santiago	51,963	55,347	65,143	72,587	78,179
Sal	11,714	12,719	13,369	16,182	20,587
Boavista	1,250	1,465	2,003	2,165	2,382
São Nicolau	1,906	3,192	2,433	2,741	3,075
Santo Antão	2,514	3,764	4,527	5,867	7,156
Brava	854	897	1,192	1,389	1,671
Maio	660	863	1,097	1,001	1,270
Fogo	3,258	4,103	4,303	4,380	4,059
Consumption	95,668	104,419	117,403	130,792	127,049
Meat cold storage	2,392	2,610	2,935	3,270	3,176
São Vicente	1,843	2,012	2,262	2,520	2,448
Sal	548	598	673	750	728
Other industries	10,464	11,421	12,841	14,306	18,945
São Vicente	5,803	6,334	7,121	7,933	10,506
Praia	4,474	4,884	5,491	6,117	8,101
Sal	151	165	186	207	274
Boavista	35	39	43	48	64
Public lighting	2,097	2,333	2,598	2,895	2,788
São Vicente	997	1,210	1,348	1,501	1,591
Praia	902	914	1,018	1,134	859
Sal	145	160	178	199	279
Boavista	53	49	55	61	59
Desalination	14,489	14,941	17,290	19,261	21,959
São Vicente	4,736	5,018	5,807	6,469	7,747
Praia	5,363	5,325	6,162	6,865	7,724
Sal	3,910	4,035	4,669	5,202	5,699
Boavista	480	563	652	726	789
Private and government	29,314	38,831	42,383	47,652	53,087
São Vicente	11,124	14,735	16,083	18,083	20,145
Praia	15,444	20,458	22,329	25,106	27,969
Sal	2,390	3,167	3,456	3,886	4,329
Boavista	356	471	514	578	644
Commerce, social services, and embassies	20,402	22,268	25,037	27,892	27,094
(In cubic meters)					
Water					
Production	1,668,205	1,784,998	1,782,113	2,993,176	3,005,679
São Vicente	875,316	981,068	987,003	1,045,904	1,103,906
Praia	441,134	434,096	423,902	1,443,512	1,337,195
Sal	328,392	344,130	342,017	460,098	502,541
Boavista	23,363	25,704	29,191	43,662	62,037
Consumption	1,461,590	1,479,667	1,540,874	2,205,634	2,320,231
São Vicente	697,732	733,833	797,972	786,493	837,431
Praia	441,134	434,096	423,902	1,019,333	996,518
Sal	300,094	287,631	290,872	361,398	432,935
Boavista	22,630	24,107	28,128	38,410	53,347

Source: Electricity Company (ELECTRA).

Table 7. Cape Verde: Consumption of Petroleum Products, 1997-2001
(In metric tons)

	1997	1998	1999	2000	2001
Domestic consumption	96,136	98,392	97,346	...	101,619
Fuel	12,066	17,888	12,075	...	15,402
Gas oil	51,225	50,053	56,587	57,470	67,888
Jet fuel	15,387	12,469	9,850	...	...
Kerosene	1,642	1,610	2,803	1,300	1,248
Gasoline	7,458	7,660	6,534	8,036	7,422
Butane	8,358	8,712	9,497	9,931	9,659
Reexports	103,347	90,209	59,312	...	88,089
Fuel	3,387	1,961	2,030	...	1,590
Gas oil	8,311	11,032	8,412	...	7,560
Jet fuel	91,649	77,216	48,870	...	78,939

Sources: Cape Verde authorities; and petroleum companies (ENACOL and Shell Oil Company of Cape Verde).

Table 8. Cape Verde: Public Investment Expenditure, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001 Prov.
Total expenditure	9,217	8,111	10,342	8,954	7,164
Primary sector	1,772	1,099	1,287	2,173	1,917
Fisheries	185	167	664	1,092	255
Rural	1,587	931	623	1,081	1,662
Secondary sector	863	960	854	428	438
Industry	63	243	178	29	45
Construction	582	615	547	387	381
Commerce	25	51	10	3	0
Housing	194	52	118	9	12
Tertiary sector	6,581	6,052	8,202	6,353	4,809
Tourism	164	80	57	39	2
Transport and communication	1,927	858	2,286	945	329
Energy, water, and sewage	717	826	578	571	573
Public administration	1,238	2,073	1,501	1,859	1,124
Health	248	264	148	202	222
Social promotion	152	50	123	189	144
Education 1/	1,451	1,176	1,276	2,106	1,873
Poverty alleviation	685	726	733	416	445
Other 2/	0	0	1,500	27	98
Financing	9,217	8,111	10,342	8,954	7,164
Budgetary financing	8,997	8,111	10,342	8,954	7,153
Foreign	7,109	7,147	9,358	6,831	5,331
Grants	4,975	5,241	4,350	3,931	3,263
Loans	2,134	1,906	5,008	2,900	2,068
Domestic	1,888	964	984	2,123	1,822
Nonbudgetary financing 3/	220	0	0	0	11

Source: General Directorate of Planning (DGP), Ministry of Finance and Planning.

1/ Includes student scholarships, which are treated as transfers rather than capital expenditures in Table 13.

2/ CVEsc 1.5 billion of social emergency expenditures in 1999.

3/ Mainly enterprises' shares of government investment financing, usually in infrastructure.

Table 9. Cape Verde: Consumer Prices, 1997-2001

	1997	1998	1999	2000	2001
	(Index: 1989 = 100)				
January	159.6	169.5	181.4	176.6	174.5
February	163.4	169.4	183.2	175.9	174.8
March	164.2	167.8	180.5	173.9	179.6
April	165.7	168.9	179.5	175.4	182.6
May	165.2	172.0	180.4	175.7	183.3
June	167.1	171.5	180.7	175.8	182.8
July	168.8	172.1	183.2	176.0	185.0
August	170.8	175.8	183.8	181.5	189.6
September	171.3	178.6	184.1	180.1	190.6
October	166.5	179.1	181.9	179.0	188.4
November	167.6	179.1	178.9	177.5	185.7
December	168.3	182.3	179.5	177.6	185.7
Average	166.5	173.8	181.4	177.1	183.6
	(Monthly percentage changes)				
January	1.2	0.7	-0.5	-1.6	-1.7
February	2.4	-0.1	1.0	-0.4	0.2
March	0.5	-0.9	-1.5	-1.1	2.8
April	0.9	0.7	-0.6	0.9	1.7
May	-0.3	1.8	0.5	0.2	0.4
June	1.2	-0.3	0.2	0.1	-0.3
July	1.0	0.3	1.4	0.1	1.2
August	1.2	2.1	0.3	3.1	2.5
September	0.3	1.6	0.2	-0.8	0.5
October	-2.8	0.3	-1.2	-0.6	-1.2
November	0.7	0.0	-1.6	-0.8	-1.4
December	0.4	1.8	0.3	0.1	0.0
Average	0.6	0.7	-0.1	-0.1	0.4
	(Annual percentage changes)				
January	10.4	6.2	7.0	-2.6	-1.2
February	12.3	3.7	8.1	-4.0	-0.6
March	11.2	2.2	7.6	-3.7	3.3
April	11.0	1.9	6.3	-2.3	4.1
May	2.9	4.1	4.9	-2.6	4.3
June	9.8	2.6	5.4	-2.7	4.0
July	10.8	2.0	6.4	-3.9	5.1
August	8.3	2.9	4.6	-1.3	4.5
September	7.5	4.3	3.1	-2.2	5.8
October	6.0	7.6	1.6	-1.6	5.3
November	7.0	6.9	-0.1	-0.8	4.6
December	6.7	8.3	-1.5	-1.1	4.6
Average	8.6	4.4	4.4	-2.4	3.7

Sources: National Institute of Statistics (INE).

Table 10. Cape Verde: Average Daily Salary by Occupation, 1997–2001
(In Cape Verde escudos)

	1997	1998	1999	2000	2001 1/
Baker	510	510	510	510	510
Bricklayer	1,000	1,333	1,333	1,333	1,333
Car driver	766	800	867	867	867
Carpenter	701	721	721	650	650
Carpenter's assistant	450	470	500	500	500
Cashier (commerce)	1,235	1,266	1,266	1,266	1,266
Clerk	910	910	910	910	910
Digger	470	502	502	502	502
Foreman	1,440	1,440	1,440	1,440	1,440
Forgeman	1,100	1,150	1,200	1,200	1,200
Kneader	500	530	530	530	530
Locksmith	750	802	900	900	900
Master carpenter	1,150	1,500	1,500	1,333	1,333
Master mason	1,440	1,440	1,440	1,333	1,333
Mechanic	906	1,066	1,110	1,083	1,083
Painter	800	916	920	920	920
Paver	503	607	607	607	607
Porter	502	530	530	530	530
Sales clerk (commerce)	730	745	745	745	745
Servant	520	550	580	580	580
Store assistant (commerce)	847	850	900	900	900
Store head (commerce)	1,900	1,980	2,000	1,980	1,980
Worker	500	530	600	667	667

Source: General Directorate of Labor and Employment (DGTE), Ministry of Justice and Labor.

1/ Wages in 2001 reflect the outcome of negotiations on a wage freeze for the year between the government and trade unions.

Table 11. Cape Verde: Basic Monthly Civil Service Salaries by Grade, 1997–2001
(In Cape Verde escudos)

	1997	1998	1999	2000	2001 1/
Employment grade					
High-level managers (Grades A and D)					
Grade A	77,138	79,838	82,233	84,947	84,947
Grade D	52,148	53,973	55,592	57,427	57,427
Highly qualified workers (Grades E and H)					
Grade E	47,670	49,338	50,818	52,495	52,495
Grade H	34,004	35,194	36,250	37,446	37,446
Qualified workers (Grades I and N)					
Grade I	29,762	30,804	31,728	32,775	32,775
Grade N	20,743	21,469	22,113	22,843	22,843
Semiskilled workers (Grades O and R)					
Grade O	19,546	20,230	20,837	21,525	21,525
Grade R	15,110	15,638	16,107	16,639	16,639
Unskilled workers (Grades S and U)					
Grade S	14,028	14,519	14,955	15,448	15,448
Grade U	10,421	10,786	11,110	11,476	11,476

Source: Cape Verde authorities.

1/ Nominal wages were not increased in 2001.

Table 12. Cape Verde: Fiscal Operations of the Central Government, 1997–2001

	1997	1998	1999	2000	2001
(In billions of Cape Verde escudos)					
Revenue, grants, and net lending	14.0	16.9	16.6	17.2	18.2
Domestic revenue	8.8	10.0	12.3	13.2	14.9
Tax revenue	7.5	8.5	10.4	11.8	13.0
Income and profit taxes	2.7	2.8	3.2	3.9	4.8
Consumption taxes	1.5	1.7	1.8	1.9	2.1
International trade taxes	2.9	3.5	4.2	4.8	5.3
Other taxes	0.5	0.5	1.2	1.2	0.8
Nontax revenue	1.3	1.6	1.9	1.5	1.9
Fees and penalties	0.3	0.4	0.4	0.4	0.3
Other nontax revenues	0.4	0.7	0.8	1.1	0.9
Profit transfers	0.6	0.4	0.6	0.0	0.6
Domestic capital participation	0.2	0.0	0.0	0.0	0.0
External grants	5.0	6.9	4.3	3.9	3.3
Capital grants	5.0	5.2	4.3	3.9	3.3
Budget support	0.0	1.6	0.0	0.0	0.0
Net lending	0.0	0.0	0.0	0.0	0.0
Total expenditure	19.7	19.0	24.4	30.1	21.2
Recurrent expenditure	10.9	10.9	14.1	17.5	14.8
Primary current expenditure	9.1	9.0	13.3	15.8	13.4
Wages and salaries	4.5	4.9	6.0	6.4	6.6
Goods and services	0.6	0.4	0.7	0.5	0.6
Transfers and subsidies 1/	3.3	2.8	3.5	6.8	5.7
Other expenditures	0.7	0.9	3.1	2.1	0.5
Domestic interest payments	1.4	1.5	0.4	0.8	0.9
External interest payments	0.4	0.4	0.4	0.9	0.5
Extraordinary expenditures	0.0	0.0	1.5	4.5	0.0
Social emergency measures	...	0.0	1.5	0.0	0.0
Restructuring costs	...	0.0	0.0	4.4	0.0
Capital expenditure	8.8	8.1	8.8	8.1	6.5
Foreign financed	7.1	7.1	7.9	6.8	5.3
Domestically financed	1.7	1.0	1.0	1.3	1.1
Overall balance, including grants 2/	-5.8	-2.1	-7.8	-13.0	-3.1
Financing	5.0	2.6	8.2	12.9	4.0
Foreign (net)	0.9	1.6	2.9	3.6	4.0
Total drawings	2.1	2.7	7.3	4.5	7.1
Balance of payments, budget	0.0	0.8	2.3	1.7	5.0
Project loans	2.1	1.9	5.0	2.9	2.1
Amortization	-0.9	-1.0	-3.7	-3.9	-3.5
Bridge loans and Portuguese credit facility	...	0.0	-1.7	-1.7	-2.3
Other	...	-1.0	-2.1	-2.3	-1.2
Change in arrears	-1.8	-0.2	-1.2	3.0	-1.4
Refinancing and rescheduling of arrears	1.5	0.0	0.5	0.0	1.6
Debt relief	0.0	0.0	0.0	0.0	0.1
Domestic (net)	4.1	1.0	5.3	9.3	0.0
Banking system 3/	2.2	0.5	0.8	5.2	0.1
Nonbanks	1.9	0.4	3.7	2.1	1.4
Domestic arrears	0.0	0.0	0.8	2.0	-1.5
Net errors and omissions	0.8	-0.5	-0.4	0.0	-0.9
Financing gap	0.0	0.0	0.0	0.0	0.0
Memorandum items:					
Overall balance, excluding grants 4/	-10.8	-8.9	-12.1	-16.9	-6.3
Primary current balance 5/	-0.3	1.1	-1.0	-2.6	1.6
Primary balance 6/	-9.1	-7.0	-11.3	-15.1	-4.9
Domestic balance 7/	-3.2	-1.4	-3.9	-9.2	-0.5

Table 12. Cape Verde: Fiscal Operations of the Central Government, 1997-2001 (concluded)

	1997	1998	1999	2000	2001
	(In percent of GDP)				
Revenue, grants, and net lending	30.4	33.0	27.8	27.0	27.3
Domestic revenue	19.1	19.6	20.5	20.8	22.4
Tax revenue	16.3	16.5	17.4	18.5	19.5
Income and profit taxes	5.8	5.5	5.4	6.1	7.2
Consumption taxes	3.2	3.3	3.0	3.0	3.1
International trade taxes	6.3	6.7	7.0	7.6	8.0
Other taxes	1.0	1.0	2.0	1.8	1.1
Nontax revenue	2.8	3.0	3.2	2.3	2.9
Fees and penalties	0.6	0.7	0.7	0.6	0.5
Other nontax revenues	0.9	1.4	1.4	1.7	1.4
Profit transfers	1.4	0.8	1.1	0.0	1.0
Domestic capital participation	0.5	0.0	0.0	0.0	0.0
External grants	10.8	13.4	7.3	6.2	4.9
Capital grants	10.8	10.2	7.3	6.2	4.9
Budget support	0.0	3.2	0.0	0.0	0.0
Net lending	0.0	0.0	0.0	0.0	0.0
Total expenditure	43.0	37.0	40.8	47.3	31.8
Recurrent expenditure	23.8	21.2	23.5	27.5	22.1
Primary current expenditure	19.8	17.5	22.2	24.8	20.0
Wages and salaries	9.9	9.5	10.0	10.1	9.9
Goods and services	1.3	0.7	1.1	0.7	0.8
Transfers and subsidies 1/	7.2	5.5	5.9	10.7	8.6
Other expenditures	1.4	1.8	5.2	3.2	0.7
Domestic interest payments	3.0	3.0	0.7	1.3	1.4
External interest payments	0.9	0.7	0.7	1.4	0.7
Extraordinary expenditures	0.0	0.0	2.5	7.0	0.0
Social emergency measures	...	0.0	2.5	0.0	0.0
Restructuring costs	...	0.0	0.0	7.0	0.0
Capital expenditure	19.1	15.8	14.8	12.8	9.7
Foreign financed	15.5	13.9	13.1	10.7	8.0
Domestically financed	3.7	1.9	1.6	2.1	1.7
Overall balance, including grants 2/	-12.6	-4.0	-13.0	-20.4	-4.6
Financing	10.9	5.0	13.7	20.3	6.0
Foreign (net)	2.0	3.1	4.8	5.7	6.0
Total drawings	4.6	5.3	12.2	7.1	10.7
Balance of payments, budget	0.0	1.6	3.9	2.6	7.6
Project loans	4.6	3.7	8.4	4.6	3.1
Amortization	-1.9	-1.9	-6.2	-6.2	-5.2
Bridge loans and Portuguese credit facility	...	0.0	-2.8	-2.6	-3.5
Other	...	-1.9	-3.5	-3.6	-1.7
Change in arrears	-3.9	-0.4	-2.0	4.7	-2.1
Refinancing and rescheduling of arrears	3.2	0.0	0.8	0.0	2.5
Debt relief	0.0	0.0	0.0	0.0	0.2
Domestic (net)	8.8	1.9	8.9	14.6	-0.1
Banking system	4.7	1.0	1.3	8.2	0.1
Nonbanks	4.1	0.8	6.3	3.3	2.1
Domestic arrears	0.0	0.1	1.3	3.1	-2.2
Net errors and omissions	1.7	-1.0	-0.7	0.0	-1.4
Financing gap	0.0	0.0	0.0	0.0	0.0
Memorandum items:					
Overall balance, excluding grants 4/	-23.4	-17.4	-20.2	-26.5	-9.5
Primary current balance 5/	-0.7	2.1	-1.7	-4.0	2.3
Primary balance 6/	-19.9	-13.7	-18.9	-23.8	-7.4
Domestic balance 7/	-7.0	-2.8	-6.4	-14.4	-0.8

Sources: Ministry of Finance and Planning; Bank of Cape Verde; and staff estimates.

1/ Includes student scholarships.

2/ Overall balance, incl. grants = revenue, incl. grants - total expenditure.

3/ Due to TCMF operations, bank financing in 1999 and 2000 does not match change in banking systems' net credit to central government.

4/ Overall balance, excl. grants = revenue, excl. grants - total expenditure.

5/ Primary current balance = domestic revenue - primary current expenditure.

6/ Primary balance = domestic revenue - total expenditure + domestic and external interest payments.

7/ Domestic balance = domestic revenue - recurrent expenditure + external interest payments - extraordinary expenditures - domestically financed capital expenditure.

Table 13. Cape Verde: Central Government Revenue, 1997–2001
(In millions of Cape Verde escudos, unless otherwise indicated)

	1997	1998	1999	2000	2001
Tax revenue	7,479	8,488	10,384	11,761	12,988
Direct taxes	2,662	2,836	3,203	3,908	4,788
Unified tax on income and profits	2,571	2,836	3,203	3,908	4,788
Other direct taxes	91	0	0	0	0
Indirect taxes	4,817	5,652	7,181	7,853	8,199
Taxes on international trade	2,906	3,459	4,175	4,808	5,341
Import duties	1,874	2,306	2,838	3,255	3,705
Customs services fee	969	1,145	1,301	1,440	1,624
Other taxes	63	8	37	113	11
Consumption taxes	1,455	1,674	1,805	1,889	2,099
Domestic goods and services	...	246	112	164	63
International goods and services 1/	1,242	1,169	1,348	1,527	1,712
Tax on petroleum products	182	161	175	28	122
Liquor tax	31	90	106	110	105
Tourism tax	0	8	64	60	98
Municipal taxes 2/	62	140	117	136	68
Ecological tax	...	38	40	47	68
Other municipal taxes	62	102	78	89	0
Other indirect taxes	394	379	1,084	1,020	691
Stamp tax	394	345	579	583	591
Other	0	34	505	437	100
Nontax revenue	1,294	1,552	1,890	1,467	1,921
Fees and penalties	268	384	409	369	339
Property income	367	428	636	10	649
Transfers	257	259	647	587	384
Sales of fixed assets and services	288	280	198	201	293
Autonomous revenues 3/	114	200	0	300	0
Other revenues	0	0	0	0	256
Total budgetary revenue 4/	8,773	10,039	12,274	13,228	14,909
Annual percent change	2.3	14.4	22.3	7.8	12.7

Source: Ministry of Finance and Planning.

1/ Collected by the customs department on imports.

2/ In 1998, municipal taxes were collected by the central government and directly passed on to the municipalities.

3/ These are called *contas de ordem*, which are revenue as budgeted from the direct provision of services by government agencies, offset by the same amounts of current expenditure for each of these agencies.

4/ Excludes revenue from domestic capital participation and net lending.

Table 14. Cape Verde: Selected Indicators of Central Government Revenue, 1997–2001

	1997	1998	1999	2000	2001
(In millions of Cape Verde escudos)					
Tax revenue	7,479	8,488	10,384	11,761	12,988
<i>Of which:</i> taxes on income and profits	2,571	2,836	3,203	3,908	4,788
taxes on international trade	2,906	3,459	4,175	4,808	5,341
consumption taxes	1,455	1,674	1,805	1,889	2,099
Nontax revenue	1,294	1,552	1,890	1,467	1,921
<i>Of which:</i> property income	367	428	636	10	649
transfers	257	259	647	587	384
sale of fixed assets	288	280	198	201	293
(As percent of budgetary revenue)					
Tax revenue	85.3	84.5	84.6	88.9	87.1
<i>Of which:</i> taxes on income and profits	29.3	28.2	26.1	29.5	32.1
taxes on international trade	33.1	34.5	34.0	36.4	35.8
consumption taxes	16.6	16.7	14.7	14.3	14.1
Nontax revenue	14.7	15.5	15.4	11.1	12.9
<i>Of which:</i> property income	4.2	4.3	5.2	0.1	4.4
transfers	2.9	2.6	5.3	4.4	2.6
sale of fixed assets	3.3	2.8	1.6	1.5	2.0
(Annual percentage change)					
Tax revenue	7.4	13.5	22.3	13.3	10.4
<i>Of which:</i> taxes on income and profits	11.1	10.3	12.9	22.0	22.5
taxes on international trade	5.8	19.0	20.7	15.2	11.1
consumption taxes	4.2	15.1	7.8	4.7	11.1
Nontax revenue	-19.9	19.9	21.8	-22.4	31.0
<i>Of which:</i> property income	-38.2	16.7	48.5	-98.4	6,155.5
transfers	-52.7	0.9	149.5	-9.3	-34.6
sale of fixed assets	9.1	-2.7	-29.2	1.2	45.8
(In percent of GDP)					
Tax revenue	16.3	16.5	17.4	18.5	19.5
<i>Of which:</i> taxes on income and profits	5.6	5.5	5.4	6.1	7.2
taxes on international trade	6.3	6.7	7.0	7.6	8.0
consumption taxes	3.2	3.3	3.0	3.0	3.1
Nontax revenue	2.8	3.0	3.2	2.3	2.9
<i>Of which:</i> property income	0.8	0.8	1.1	0.0	1.0
transfers	0.6	0.5	1.1	0.9	0.6
sale of fixed assets	0.6	0.5	0.3	0.3	0.4

Sources: Ministry of Finance and Planning; and staff estimates.

Table 15. Cape Verde: Economic Classification of Central Government Expenditure, 1997–2001

	1997	1998	1999	2000	2001
(In millions of Cape Verde escudos)					
Total expenditure	19,746	18,976	24,379	30,112	21,234
Recurrent expenditure	10,948	10,870	14,052	17,525	14,770
Wages and salaries	4,529	4,894	5,978	6,412	6,577
Goods and services	619	350	655	474	566
Interest on public debt	1,832	1,893	783	1,741	1,413
Domestic 1/	1,402	1,543	390	824	937
External 2/	430	350	393	917	476
Subsidies and transfers	3,312	2,823	3,543	6,837	5,717
Public enterprises	419	0	0	0	0
Public sector	2,521	2,439	2,780	3,842	3,323
Other entities	372	384	763	2,995	2,394
Other current expenditure 3/	656	910	3,093	6,522	498
Of which: autonomous expenditure 4/	0	200	502	300	0
Capital expenditure 5/	8,798	8,106	8,827	8,126	6,463
Foreign financing	7,109	7,147	7,858	6,804	5,331
Grants	4,975	5,241	4,350	3,931	3,263
Loans	2,134	1,906	5,008	2,900	2,068
Domestic resources	1,689	960	969	1,322	1,132
(In percent of recurrent expenditure)					
Recurrent expenditure	100.0	100.0	100.0	100.0	100.0
Wages and salaries	41.4	45.0	42.5	36.6	44.5
Goods and services	5.7	3.2	4.7	2.7	3.8
Interest on public debt	16.7	17.4	5.6	9.9	9.6
Domestic 1/	12.8	14.2	2.8	4.7	6.3
External 2/	3.9	3.2	2.8	5.2	3.2
Subsidies and transfers	30.3	26.0	25.2	39.0	38.7
Public enterprises	3.8	0.0	0.0	0.0	0.0
Public sector	23.0	22.4	19.8	21.9	22.5
Other entities	3.4	3.5	5.4	17.1	16.2
Other current expenditure 3/	6.0	8.4	22.0	37.2	3.4
Of which: autonomous expenditure 4/	0.0	1.8	3.6	1.7	0.0
(In percent of GDP)					
Recurrent expenditure	23.8	21.2	23.5	27.5	22.1
Wages and salaries	9.9	9.5	10.0	10.1	9.9
Goods and services	1.3	0.7	1.1	0.7	0.8
Interest on public debt	4.0	3.7	1.3	2.7	2.1
Domestic 1/	3.0	3.0	0.7	1.3	1.4
External 2/	0.9	0.7	0.7	1.4	0.7
Subsidies and transfers	7.2	5.5	5.9	10.7	8.6
Public enterprises	0.9	0.0	0.0	10.7	8.6
Public sector	5.5	4.8	4.6	6.0	5.0
Other entities	0.8	0.7	1.3	4.7	3.6
Other current expenditure 3/	1.4	1.8	5.2	10.2	0.7
Of which: autonomous expenditure 4/	0.0	0.4	0.8	0.5	0.0

Sources: Ministry of Finance and Planning; and staff estimates.

1/ Including the debt service to the central bank and the Instituto Nacional de Previdencia Social (INPS).

2/ Including central government and public enterprises' debt guaranteed by the central government.

3/ In 2000, this item includes the "extraordinary expenditures."

4/ These are called *contas de ordem*, which are revenue as budgeted from the direct provision of services by government agencies, offset by the same amounts of current expenditure for each of these agencies.

5/ In 1999, capital expenditures include social emergency expenditures.

Table 16. Cape Verde: Public Domestic Debt of Central Government, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001
Stock of domestic debt, incl. claims on Trust Fund (TCMFs)	18,270	18,315	18,831	27,191	28,035
TCMFs	0	0	6,803	10,600	10,600
Stock of domestic public debt	18,270	18,315	12,028	16,591	17,435
Banking sector	15,977	15,714	9,038	12,973	13,015
Bank of Cape Verde	5,758	5,524	5,865	5,043	4,733
Banco Comercial do Atlântico	8,502	7,904	894	4,597	5,131
Caixa Económica de Cabo Verde	1,394	1,492	1,166	2,039	1,761
Banco Totta e Açores	324	270	376	275	460
Caixa Geral de Depositos	0	525	738	1,020	930
Nonbanking sector	2,293	2,601	2,990	3,618	4,420
INPS 1/	1,487	1,559	2,085	2,431	3,068
Garantia	107	192	182	170	125
Other	698	— 850	723	1,017	1,227

Sources: Ministry of Finance and Planning; Bank of Cape Verde; and staff estimates.

1/ Instituto Nacional de Previdencia Social (INPS).

Table 17. Cape Verde: Monetary Survey, 1997-2001

	1997	1998	1999	2000				2001			
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
(In millions of Cape Verde escudos)											
Net foreign assets	5,614	5,594	8,110	6,684	5,661	5,945	7,139	7,024	7,458	7,326	9,557
Foreign assets	6,821	6,734	9,899	8,488	7,529	7,739	9,244	9,399	9,449	9,461	11,489
Of which: foreign reserves	1,860	784	4,678	3,243	2,105	2,459	3,349	3,409	3,396	3,552	5,238
Foreign liabilities	-1,207	-1,141	-1,789	-1,804	-1,868	-1,794	-2,104	-2,375	-1,991	-2,135	-1,932
Net domestic assets	25,615	26,406	28,830	30,664	32,505	32,696	34,561	35,558	35,736	36,054	36,239
Net domestic credit	27,993	29,550	32,885	34,499	36,736	39,042	41,184	42,500	43,036	43,002	44,093
Net claims on general government	13,276	13,072	13,978	15,134	16,981	20,374	21,702	22,291	22,192	21,521	21,665
Claims on the Trust Fund (TCFMs) 1/	0	0	6,803	7,697	9,377	9,377	10,600	10,600	10,600	10,600	10,600
Net claims on the central government	13,662	14,190	7,516	7,936	7,944	11,547	11,625	12,147	12,225	11,457	11,676
Credit to central government	16,265	15,872	9,098	9,515	9,466	13,413	13,082	13,936	13,867	13,016	13,356
Deposits of central government	-2,603	-1,682	-1,582	-1,580	-1,521	-1,866	-1,457	-1,789	-1,641	-1,559	-1,680
Of which: project deposits	-702	-64	-410	-215	-201	-238	-211	-481	-86	-151	-331
Net claims on local government	-6	-183	81	50	3	10	-57	-32	-29	20	3
Net claims on other government agencies (INPS)	-380	-935	-422	-549	-344	-560	-466	-424	-604	-556	-614
Credit to the economy	14,717	16,478	18,908	19,365	19,755	18,668	19,483	20,209	20,844	21,481	22,428
Credit to public enterprises	24	22	512	445	424	414	156	160	117	154	215
Credit to private sector	14,692	16,451	18,390	18,915	19,326	18,249	19,327	20,041	20,719	21,320	22,206
Claims on nonbank financial institutions	0	6	6	6	6	6	0	8	8	7	7
Other items (net)	-2,377	-3,144	-4,056	-3,836	-4,231	-6,347	-6,624	-6,941	-7,300	-6,948	-7,854
Broad money (M2)	31,230	31,999	36,940	37,347	38,165	38,641	41,700	42,583	43,194	43,380	45,796
Narrow money (M1)	16,033	15,439	18,397	17,840	18,078	17,729	20,131	20,035	19,938	18,835	20,759
Currency in circulation	4,854	5,060	6,026	5,260	5,536	5,388	6,458	5,774	5,624	5,519	6,703
Demand deposits	11,179	10,380	12,371	12,581	12,542	12,341	13,673	14,261	14,313	13,316	14,056
Quasi money	15,031	14,916	16,432	17,446	17,828	18,828	19,371	20,029	20,863	22,154	22,931
Time deposits	13,962	13,733	15,343	16,314	16,598	17,571	18,081	18,896	19,595	20,772	21,802
Other quasi-monetary deposits	1,070	1,183	1,090	1,132	1,230	1,258	1,290	1,132	1,268	1,382	1,130
Foreign currency deposits	166	1,644	2,110	2,061	2,260	2,083	2,198	2,519	2,393	2,391	2,106
(Change in percent of broad money 12 months earlier)											
Net foreign assets	-4.2	-0.1	7.9	3.1	-1.9	1.3	-2.6	0.9	4.7	3.6	5.8
Net domestic assets	14.5	2.5	7.6	9.6	13.3	7.2	15.5	13.1	8.5	8.7	4.0
Net domestic credit	17.3	5.0	10.4	6.1	15.3	13.6	22.5	21.4	16.5	10.2	7.0
Net claims on the central government	10.5	1.7	-20.9	-24.4	-8.9	-3.9	11.1	11.3	11.2	-0.2	0.1
Credit to the economy	7.1	5.6	7.6	7.3	6.1	1.7	1.6	2.3	2.9	7.3	7.1
Other items (net)	-2.8	-2.5	-2.8	3.5	-2.0	-6.4	-7.0	-8.3	-8.0	-1.6	-2.9
Broad money	10.3	2.5	15.4	12.8	11.4	8.5	12.9	14.0	13.2	12.3	9.8
Narrow money	10.7	-1.9	9.2	4.4	4.6	1.4	4.7	5.9	4.9	2.9	1.5
Currency outside banks	1.2	0.7	3.0	1.0	1.3	0.9	1.2	1.4	0.2	0.3	0.6
Demand deposits	9.5	-2.6	6.2	3.4	3.3	0.4	3.5	4.5	4.6	2.5	0.9
Time and savings deposits	3.0	-0.7	5.0	6.7	6.0	6.9	7.4	6.9	7.9	8.3	8.9
Foreign currency deposits	-2.8	4.7	1.5	0.6	-1.0	-1.9	0.2	1.2	0.3	0.8	-0.2
(In units as indicated)											
Selected monetary indicators											
Excess reserves / total deposits	0.00	0.03	-0.01	0.03	0.03	0.03	0.01	0.02	0.02	0.02	0.01
Vault cash / total deposits	0.03	0.03	0.02	0.03	0.01	0.02	0.02	0.02	0.02	0.02	0.02
Money multiplier (broad money/reserve money)	3.11	2.92	3.16	3.02	3.03	3.03	3.08	3.13	3.20	3.24	3.14

Sources: Bank of Cape Verde; and staff estimates.

1/ Titulos Consolidados de Mobilização Financeira.

Table 18. Cape Verde: Summary Accounts of the Bank of Cape Verde, 1997-2001

	1997	1998	1999	2000				2001			
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sep.	Dec.
(In millions of Cape Verde escudos)											
Net foreign assets	4,272	3,496	6,476	5,049	3,749	3,629	4,053	4,140	4,147	4,241	5,945
<i>Of which:</i> net international reserves	1,642	728	4,590	3,177	2,037	2,388	3,221	3,335	3,318	3,481	5,100
Foreign assets	4,522	3,585	6,596	5,151	3,852	3,735	4,212	4,247	4,257	4,345	6,115
International reserves	1,860	784	4,678	3,243	2,105	2,459	3,349	3,409	3,396	3,552	5,238
Non reserve assets	2,662	2,801	1,918	1,907	1,747	1,276	864	837	861	792	877
Foreign liabilities	-250	-89	-120	-102	-103	-106	-160	-107	-110	-104	-170
Short-term foreign liabilities	-218	-57	-88	-66	-67	-71	-128	-75	-78	-72	-138
Medium- and long-term foreign liabilities	-32	-33	-32	-36	-36	-36	-32	-32	-32	-32	-32
Net domestic assets	5,763	7,475	5,225	7,299	8,844	9,113	9,499	9,463	9,371	9,162	8,635
Net domestic credit	6,634	6,518	6,552	8,757	10,331	10,722	10,867	11,259	10,992	10,639	9,976
TCMFs ^{1/}	0	0	0	0	1,680	1,680	4,167	4,167	4,167	4,167	4,167
Net claims on central government	4,962	5,008	5,027	6,331	5,699	5,849	4,444	5,086	5,350	4,850	4,183
Credit to central government	5,907	5,524	5,865	6,996	6,257	6,517	5,043	5,931	5,935	5,405	4,857
Deposits of central government	-945	-517	-838	-665	-558	-667	-598	-845	-585	-555	-675
<i>Of which:</i> project account	-702	-64	-410	-215	-201	-238	-211	-481	-86	-151	-331
foreign currency deposits	-49	-267	-291	-296	-236	-317	-272	-249	-364	-299	-256
Credit to the economy	1,152	1,148	1,193	1,190	1,158	1,154	1,157	1,155	1,161	1,183	1,189
Credit to public enterprises	0	0	87	87	87	82	82	82	82	82	82
Credit to private sector	1,152	1,143	1,101	1,097	1,066	1,067	1,075	1,072	1,079	1,101	1,106
Claims on nonbank financial institutions	0	6	6	6	6	6	0	0	0	0	0
Credit to commercial banks	520	362	331	1,236	1,794	2,038	1,099	853	315	438	438
Other items (net)	-871	958	-1,326	-1,458	-1,488	-1,609	-1,368	-1,796	-1,622	-1,477	-1,341
Assets	2,982	2,996	2,194	2,275	2,293	2,313	2,276	2,537	2,465	2,487	2,616
Liabilities	3,853	2,039	3,520	3,733	3,781	3,922	3,644	4,333	4,087	3,963	3,957
Reserve money	10,035	10,971	11,701	12,347	12,593	12,742	13,552	13,603	13,518	13,403	14,581
Currency outside banks	4,854	5,060	6,026	5,260	5,536	5,388	6,458	5,774	5,624	5,519	6,703
Cash in vaults	789	775	630	797	443	588	597	614	567	713	650
Deposits of commercial banks	4,392	5,137	4,955	6,289	6,613	6,765	6,496	7,215	7,326	7,171	7,227
Deposits of other financial institutions	0	0	90	2	0	0	1	1	1	1	1
(Twelve-month percentage change)											
Reserve money	0.5	9.3	6.7	13.6	19.0	7.7	15.8	10.2	7.3	5.2	7.6
Net foreign assets	-2.7	-7.7	27.2	13.9	-7.3	-4.0	-20.7	-7.4	3.2	4.8	14.0
Net domestic assets	3.2	17.1	-20.5	-0.3	26.3	11.7	36.5	17.5	4.2	0.4	-6.4
Net domestic credit	-1.5	-1.2	0.3	1.0	33.3	15.7	36.9	20.3	5.2	-0.7	-6.6
Claims on the govt.	9.8	0.5	0.2	-7.5	3.5	-13.2	-5.0	-10.1	-2.8	-7.8	-1.9
Credit to the economy	-10.1	0.0	0.4	0.3	0.2	0.3	-0.3	-0.3	0.0	0.2	0.2
Credit to banks	-1.1	-1.6	-0.3	8.1	13.7	14.4	6.6	-3.1	-11.7	-12.6	-4.9
Other items (net)	4.7	18.2	-20.8	-1.3	-7.1	-4.0	-0.4	-2.7	-1.1	1.0	0.2

Sources: Bank of Cape Verde; and staff estimates.

^{1/} Títulos Consolidados de Mobilização Financeira.

Table 19. Cape Verde: Summary Accounts of the Commercial Banks, 1997–2001
(In millions of Cape Verde escudos, unless otherwise specified)

	1997	1998	1999	2000				2001			
				Mar.	Jun.	Sept.	Dec.	Mar.	Jun.	Sept.	Dec.
Net foreign assets	1,342	2,098	1,634	1,635	1,912	2,316	3,086	2,884	3,311	3,085	3,612
Foreign assets	2,299	3,149	3,304	3,337	3,677	4,004	5,031	5,153	5,192	5,116	5,374
Foreign liabilities	-957	-1,052	-1,670	-1,702	-1,765	-1,687	-1,945	-2,268	-1,882	-2,031	-1,762
Net domestic assets	25,034	24,842	29,190	30,450	30,718	30,936	32,155	33,923	34,258	34,775	35,481
Net domestic credit	26,540	28,944	31,919	32,828	33,461	35,674	37,410	39,069	39,936	40,247	41,993
Net claims on general government	8,313	8,064	8,951	8,803	9,602	12,845	13,091	13,039	12,675	12,504	13,316
TCMFs 1/	0	0	6,803	7,697	7,697	7,697	6,433	6,433	6,433	6,433	6,433
Other government deposits: INPS 2/	-380	-935	-422	-549	-344	-560	-466	-424	-604	-556	-614
Net claims on central government	8,700	9,182	2,489	1,605	2,246	5,698	7,180	7,062	6,875	6,607	7,493
Loans and overdrafts	8,017	7,986	1,085	215	180	3,926	5,056	5,096	5,121	5,156	5,483
Holding of government securities	2,341	2,361	2,148	2,305	3,029	2,970	2,983	2,910	2,810	2,455	3,015
Deposits of central government	-1,658	-1,166	-744	-915	-963	-1,198	-859	-944	-1,056	-1,004	-1,005
Net claims on local government	-6	-183	81	50	3	10	-57	-32	-29	20	3
Claims on local government	0	11	238	226	265	265	289	273	278	275	261
Deposits of local government	-6	-194	-158	-176	-262	-256	-347	-305	-307	-254	-258
Credit to the economy	13,565	15,330	17,715	18,176	18,597	17,514	18,326	19,055	19,683	20,298	21,239
Credit to public enterprises	24	21	425	358	338	332	73	78	35	71	133
Credit to private sector	13,541	15,309	17,289	17,818	18,259	17,182	18,252	18,969	19,640	20,220	21,099
Claims on nonbank financial institutions	0	0	0	0	0	0	8	8	8	7	7
Net claims on the Bank of Cape Verde	4,862	5,220	5,224	5,849	5,263	5,312	5,994	6,976	7,278	7,442	7,438
Total reserves	5,182	5,912	5,585	7,085	7,057	7,353	7,093	7,828	7,893	7,883	7,877
Vault Cash	789	775	630	797	443	588	597	614	567	713	650
Deposits with central bank	4,392	5,137	4,955	6,289	6,613	6,765	6,496	7,215	7,326	7,171	7,227
Required reserves	4,380	4,436	5,310	5,480	5,591	5,623	6,043	6,324	6,408	6,488	6,699
Excess reserves	13	701	-355	809	1,022	1,142	454	891	917	682	528
Credit from the Bank of Cape Verde	-520	-362	-331	-1,236	-1,794	-2,038	-1,099	-853	-315	-438	-438
Other items (net)	-1,506	-4,102	-2,729	-2,377	-2,744	-4,738	-5,256	-5,145	-5,678	-5,472	-6,513
Deposit liabilities to nonbank residents	26,376	26,939	30,823	32,085	32,629	33,252	35,241	36,808	37,569	37,860	39,092
Local currency deposits	26,211	25,296	28,713	30,025	30,369	31,169	33,043	34,289	35,176	35,470	36,987
Demand deposits	11,179	10,380	12,281	12,578	12,542	12,341	13,672	14,260	14,313	13,315	14,056
Of which: emigrant deposits	723	747	1,055	1,078	1,181	1,196	1,387	1,404	1,550	1,556	1,765
Quasi-money	15,031	14,916	16,432	17,446	17,828	18,828	19,371	20,029	20,863	22,154	22,931
Time deposits	13,962	13,733	15,343	16,314	16,598	17,571	18,081	18,896	19,595	20,772	21,802
Of which: emigrant deposits	6,609	6,354	8,002	8,597	8,982	9,689	10,015	10,525	10,972	11,955	12,672
Other quasi-monetary deposits	1,070	1,183	1,090	1,132	1,230	1,258	1,290	1,132	1,268	1,382	1,130
Foreign currency deposits	166	1,644	2,110	2,061	2,260	2,083	2,198	2,519	2,393	2,391	2,106
Of which: emigrant deposits	0	914	1,002	995	1,108	1,079	1,075	1,108	1,126	1,089	1,148
Memorandum item:											
Emigrant deposits (as share of total deposits)	0.23	0.25	0.27	0.29	0.30	0.31	0.30	0.31	0.32	0.34	0.34

Sources: Bank of Cape Verde; and staff estimates.

1/ Títulos Consolidados de Mobilização Financeira.

2/ INPS=Instituto Nacional de Previdência Social.

Table 20. Cape Verde: Net Claims on Government, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000				2001			
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Central bank											
Claims on general government	6,002	5,615	5,865	6,996	6,257	6,517	5,043	5,931	5,935	5,405	4,857
TCMFs 1/	0	0	0	0	1,680	1,680	4,167	4,167	4,167	4,167	4,167
Claims on central government	5,907	5,524	5,865	6,996	6,257	6,517	5,043	5,931	5,935	5,405	4,857
Advances to the treasury	0	0	0	1,130	2,072	2,331	0	1,643	1,648	1,118	0
Public enterprise debt	5,758	5,524	341	341	341	341	443	443	443	443	443
Obligations of treasury	0	0	5,524	5,524	3,844	3,844	3,844	3,844	3,844	3,844	3,844
Other claims	149	0	0	0	0	0	755	0	0	0	570
Claims on the Trust Fund	0	2,755	1,608	2	6	3	10	1	1	1	1
Claims on other government agencies	95	91	0	0	0	0	0	0	0	0	0
General government deposits	-945	-517	-838	-665	-558	-667	-598	-845	-585	-555	-675
Central government deposits	-751	-331	-709	-544	-437	-555	-483	-730	-482	-451	-587
Deposits in local currency	-702	-64	-418	-248	-201	-238	-211	-481	-118	-152	-331
Deposits in foreign currency	-49	-267	-291	-296	-236	-317	-272	-249	-364	-299	-256
Other central government liabilities	-194	-186	-130	-121	-121	-113	-115	-115	-104	-104	-88
Commercial banks											
Claims on general government	10,358	10,358	3,471	2,746	3,473	7,161	8,329	8,279	8,209	7,885	8,759
TCMFs 1/	0	0	6,803	7,697	7,697	7,697	6,433	6,433	6,433	6,433	6,433
Claims on central government (treasury)	10,358	10,347	3,233	2,520	3,209	6,896	8,039	8,006	7,931	7,611	8,498
Claims on local government	0	11	238	226	265	265	289	273	278	275	261
General government deposits	-2,045	-2,294	-1,323	-1,640	-1,569	-2,014	-1,671	-1,674	-1,967	-1,815	-1,877
Central government deposits (treasury)	-1,658	-1,166	-744	-915	-963	-1,198	-859	-944	-1,056	-1,004	-1,005
Deposits of the treasury (national currency)	-1,439	-369	-201	-372	-365	-744	-451	-420	-428	-507	-600
Project deposits	0	-87	-140	-142	-180	-131	-130	-152	-185	-155	-132
Other central government liabilities	-34	-432	-210	-225	-210	-151	-113	-208	-195	-149	-108
Autonomous services	0	-56	-141	-116	-123	-115	-108	-123	-149	-110	-96
Autonomous funds	-135	-192	-15	-23	-17	-47	-53	-36	-65	-66	-62
Autonomous institutes	-51	-30	-36	-38	-69	-11	-4	-5	-34	-18	-8
Local government deposits	-6	-194	-158	-176	-262	-256	-347	-305	-307	-254	-258
Other government deposits: INPS 2/	-380	-935	-422	-549	-344	-560	-466	-424	-604	-556	-614
Total banking system											
Net claims on general government	13,370	13,163	7,174	7,437	9,284	12,677	15,268	15,858	15,759	15,088	15,232
Central bank	5,057	5,099	5,027	6,331	7,379	7,529	8,611	9,252	9,517	9,017	8,349
Commercial banks	8,313	8,064	2,147	1,106	1,905	5,148	6,657	6,605	6,242	6,071	6,883
Net claims on central government	13,662	14,190	7,516	7,936	7,944	11,547	11,625	12,147	12,225	11,457	11,676
Central bank	4,962	5,008	5,027	6,331	5,699	5,849	4,444	5,086	5,350	4,850	4,183
Commercial banks	8,700	9,182	2,489	1,605	2,246	5,698	7,180	7,062	6,875	6,607	7,493

Source: Bank of Cape Verde.

1/ Títulos Consolidados de Mobilização Financeira.

2/ INPS=Instituto Nacional de Previdência Social.

Table 21. Cape Verde: Interest Rates, 1997–2001
(Annual and quarterly averages, in percent)

	1997	1998	1999				2000				2001			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Refinance rate	10.5	10.5	10.5	9.2	8.5	8.5	8.5	8.5	8.5	8.5	9.5	11.5	11.5	11.5
Average treasury bill rates		7.9	6.9	7.1	7.2	6.7	7.4	8.4	8.7	8.6	8.8	9.5	10.3	10.9
91 days	...	7.3	6.8	6.2	5.9	5.9	7.4	8.1	8.4	8.0	8.3	8.9	10.1	10.6
182 days	...	7.8	7.1	7.2	7.4	7.0	7.4	8.5	9.0	9.2	9.3	10.1	10.9	11.0
364 days	...	8.7	...	8.3	8.2	7.6	...	9.2	8.7	9.3	...	10.7	8.4	11.4
Lending rates (average)	13.0	13.1	13.0	13.0	13.0	13.0	12.8	12.8	12.8	12.8	12.8	13.4	14.5	14.5
Up to 90 days	12.1	12.5	12.2	12.0	12.0	12.0	11.9	11.9	11.9	11.9	11.9	12.5	13.5	13.5
From 91 to 180 days	12.5	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.9	13.9	13.9
From 181 days to one year	13.0	12.7	12.8	12.8	12.8	12.7	12.7	12.7	12.7	12.7	12.7	13.2	14.3	14.3
From one to two years	13.6	13.7	13.7	13.7	13.7	13.7	13.5	13.5	13.5	13.5	13.5	14.0	15.1	15.1
From two to five years	13.5	13.5	13.6	13.6	13.6	13.4	13.1	13.1	13.1	13.1	13.1	13.7	15.0	15.0
More than five years	13.5	13.6	13.6	13.6	13.6	13.6	13.2	13.2	13.2	13.2	13.2	13.8	15.1	15.1
Time deposit rates														
Up to 60 days	4.0	4.1	4.1	4.1	4.0	4.1	4.2	4.2	4.2	4.2	4.2	4.2	4.4	4.4
From 61 to 90 days	5.0	5.3	5.1	4.9	4.5	4.5	4.4	4.3	4.3	4.3	4.3	4.5	4.9	4.9
From 91 to 180 days	6.8	6.5	6.3	6.3	6.3	6.1	5.6	5.6	5.6	5.6	5.6	5.9	6.5	6.5
From 181 days to one year	7.9	7.7	7.8	7.8	7.8	7.5	7.1	6.8	6.8	6.8	6.8	7.2	8.0	8.0
More than one year	7.6	7.8	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.9	7.9	8.0	8.3	8.3
Emigrants' time deposit rates														
From 30 to 180 days	8.9	7.9	7.9	7.9	8.1	8.1	6.5	6.5	6.5	5.0	5.0	6.1	8.2	8.2
From 181 days to one year	9.5	9.2	9.1	9.2	9.3	8.9	8.3	8.3	8.3	8.3	8.3	8.7	9.5	9.5
More than one year	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.4	9.4	9.6	9.6	9.7	10.0	10.0

Source: Bank of Cape Verde.

Table 22. Cape Verde: Balance of Payments, 1997-2001
(In millions of Cape Verde escudos, unless otherwise indicated)

	1997	1998	1999	2000	2001
Current account	-3,921	-6,220	-7,692	-7,144	-7,157
Excluding official current transfers	-8,503	-11,052	-12,756	-9,758	-9,758
Trade balance	-16,160	-18,191	-22,109	-22,438	-23,958
Exports, f.o.b.	3,513	3,210	2,697	4,598	4,577
Imports, f.o.b.	-19,673	-21,401	-24,806	-27,036	-28,535
Services (net)	1,808	-402	-1,082	563	928
Credit	8,508	8,467	10,898	12,561	15,981
<i>Of which: tourism</i>	1,399	1,988	2,961	4,686	6,539
Debit	-6,700	-8,869	-11,980	-11,998	-15,053
Factor income (net)	-755	-543	-867	-1,437	-509
<i>Of which: scheduled interest payments</i>	-565	-350	-393	-917	-476
Current transfers (net)	11,185	12,915	16,366	16,167	16,381
Official	4,581	4,832	2,633	2,614	2,601
Private	6,604	8,084	13,733	13,554	13,781
Capital and financial account (net)	4,757	5,455	13,392	3,984	8,534
Direct investment (net)	1,074	551	5,432	2,437	81
Capital transfers	393	4,013	3,608	3,629	1,556
Official capital flow	2,134	4,214	7,825	3,882	7,117
Amortization due	-882	-965	-3,716	-3,920	-3,465
Trust fund investments	0	-3,042	-3,991	-3,708	0
Private capital flows	2,037	683	4,233	1,664	3,245
Portfolio flows	0	0	293	0	0
Banking system	924	-756	464	-1,452	-525
Emigrants' deposits	740	684	2,044	2,417	3,108
Commercial credits	0	41	1,433	-773	663
Other	373	714	0	1,472	0
Net errors and omissions	-674	-213	1,509	2,259	-135
Overall balance	1,509	-552	4,190	-5,419	1,512
Financing	-1,509	552	-4,190	5,419	-1,512
Change in net foreign assets of the central bank	268	776	-2,980	2,423	-1,892
Arrears (+=increase)	-1,777	-224	-1,210	2,996	-1,394
Rescheduling/cancellation of arrears	...	0	0	0	1,774
Memorandum items:					
Current account, incl. official transfers 1/	-8.5	-12.1	-12.9	-11.2	-10.7
Current account, excl. official transfers 1/	-18.5	-21.5	-21.3	-15.3	-14.6
Overall balance 1/	3.3	-1.1	7.0	-8.5	2.3
Gross international reserves	-924	756	4,678	3,349	5,238
In months of imports of goods and services	-0.4	0.3	1.5	1.0	1.4
Scheduled debt service 2/	12.0	11.3	30.2	28.2	19.2
External debt (excluding arrears) 1/	43.7	45.3	50.7	54.9	61.2
Exchange rate per U.S. dollar	93.2	98.2	102.7	115.9	123.2

Sources: Bank of Cape Verde; and staff estimates.

1/ In percent of GDP.

2/ In percent of exports of goods and nonfactor services.

Table 23. Cape Verde: Balance of Payments, 1997–2001
(In millions of U.S. dollars, unless otherwise indicated)

	1997	1998	1999	2000	2001
Current account	-42.1	-63.4	-74.9	-61.7	-58.1
Excluding official current transfers	-91.3	-112.6	-124.2	-84.2	-79.2
Trade balance	-173.4	-185.3	-215.3	-193.6	-194.4
Exports, f.o.b.	37.7	32.7	26.3	39.7	37.1
Imports, f.o.b.	-211.1	-218.0	-241.5	-233.3	-231.6
Services (net)	19.4	-4.1	-10.5	4.9	7.5
Credit	91.3	86.3	106.1	108.4	129.7
<i>Of which:</i> tourism	15.0	20.3	28.8	40.4	53.1
Debit	-71.9	-90.4	-116.6	-103.5	-122.2
Factor income (net)	-8.1	-5.5	-8.4	-12.4	-4.1
<i>Of which:</i> scheduled interest payments	-6.1	-3.6	-3.8	-7.9	-3.9
Current transfers (net)	120.0	131.6	159.4	139.5	133.0
Official	49.2	49.2	25.6	22.6	21.1
Private	70.9	82.4	133.7	117.0	111.8
Capital and financial account	51.1	55.6	130.4	34.4	69.3
Direct investment	11.5	5.6	52.9	21.0	0.7
Capital transfers	4.2	40.9	35.1	31.3	12.6
Official capital flows	22.9	42.9	76.2	33.5	57.8
Amortizations due	-9.5	-9.8	-36.2	-33.8	-28.1
Trust fund investments	0.0	-31.0	-38.9	-32.0	0.0
Private capital flows	21.9	7.0	41.2	14.4	26.3
Portfolio flows	0.0	0.0	2.9	0.0	0.0
Banking system	9.9	-7.7	4.5	-12.5	-4.3
Emigrants' deposits	7.9	7.0	19.9	20.9	25.2
Commercial credits	0.0	0.4	14.0	-6.7	5.4
Other	4.0	7.3	0.0	12.7	0.0
Net errors and omissions	-7.2	-2.2	14.7	19.5	-1.1
Overall balance	16.2	-5.6	40.8	-46.8	12.3
Financing	-16.2	5.6	-40.8	46.8	-12.3
Change in net foreign assets of the central bank	2.9	7.9	-29.0	20.9	-15.4
Arrears (+=increase)	-19.1	-2.3	-11.8	25.9	-11.3
Rescheduling/cancellation of arrears	...	0.0	0.0	0.0	14.4
Memorandum items					
Current account, incl. official transfers 1/	-8.5	-12.1	-12.9	-11.2	-10.7
Current account, excl. official transfers 1/	-18.5	-21.5	-21.3	-15.3	-14.6
Overall balance 1/	3.3	-1.1	7.0	-8.5	2.3
Gross international reserves	-9.9	7.7	45.5	28.9	42.5
In months of imports of goods and services	-0.4	0.3	1.5	1.0	1.4
Scheduled debt service 2/	12.0	11.3	30.2	28.2	19.2
External debt (excluding arrears) 1/	43.7	45.3	50.7	54.9	61.2
Exchange rate per U.S. dollar	93.2	98.2	102.7	115.9	123.2

Sources: Bank of Cape Verde; and staff estimates.

1/ In percent of GDP.

2/ In percent of exports of goods and nonfactor services.

Table 24. Cape Verde: Merchandise Exports, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001
Agricultural products	0.0	1.3	3.7	0.0	10.9
Bananas	0.0	1.3	3.7	0.0	0.0
Other	0.0	0.0	0.0	0.0	10.9
Fish and crustaceans	262.0	180.8	184.6	90.1	37.7
Fish (incl. tuna)	228.0	104.8	135.9	61.2	27.0
Canned	77.5	0.3	0.1	4.0	9.2
Frozen	78.7	99.4	120.4	42.8	17.3
Fresh	71.8	5.1	15.4	14.4	0.5
Shellfish and lobster	34.0	76.0	48.7	28.9	10.7
Hides and skin	4.8	6.0	4.3	1.2	3.0
Shoes and shoe parts	812.8	609.5	670.8	658.7	511.2
Miscellaneous	214.3	843.6	1,496.5	1,348.4	1,456.8
Clothing	154.8	192.6	236.4	447.0	606.5
Electronic components	0.0	0.0	43.7	29.9	26.4
Other	59.5	651.0	1,216.4	871.5	823.9
Total exports (except fuel)	1,293.9	1,641.1	2,359.9	2,098.4	2,019.6
Goods procured in ports by carriers (fuel)	2,219.0	1,568.9	607.2	2,499.6	2,557.4
Total exports	3,512.9	3,210.0	2,967.1	4,598.0	4,577.0

Sources: Bank of Cape Verde; Directorate of Customs; National Statistics Institute; and staff estimates.

Table 25. Cape Verde: Merchandise Imports, c.i.f., 1997-2001
(In millions of Cape Verde escudos, unless otherwise indicated)

	1997	1998	1999	2000	2001
Consumer goods	8,815	9,971	10,600	11,148	12,571
Primary food products	1,823	1,559	1,734	1,344	1,356
<i>Of which:</i> maize	1,027	599	672	367	394
beans	209	350	328	222	151
potatoes	124	152	225	154	141
Intermediate food products	4,502	5,209	5,443	6,079	7,132
<i>Of which:</i> rice	835	625	846	685	864
powdered milk	495	616	722	552	1,066
edible oils	805	1,079	872	1,154	789
butter	17	17	19	27	29
Transport materials	555	653	1,094	1,160	1,418
Other durable goods	651	671	672	771	753
Other semidurable goods	504	771	741	668	775
Other nondurable goods	780	1,108	916	1,127	1,137
Intermediary goods	4,605	5,380	5,799	6,509	6,027
Primary food products	320	222	180	204	195
<i>Of which:</i> wheat grain	256	220	179	203	101
Intermediate food products	100	78	106	156	89
Other primary products	66	79	105	110	111
Agricultural products	16	16	9	5	16
Finished food products	124	166	159	158	124
Shoe products	116	101	99	154	103
Other industrial products	197	245	233	250	235
Construction materials	1,664	2,369	2,349	2,739	2,326
<i>Of which:</i> cement	923	815	919	992	976
metal	741	1,554	1,430	920	714
Wood products	546	588	766	705	783
Electrical materials	561	561	743	680	659
Other intermediate products	799	839	943	1,196	1,205
Parts and accessories for transport materials	97	116	105	151	181
Capital goods	5,648	3,526	4,319	4,537	4,560
Machines	2,027	2,446	2,364	2,681	2,589
Transportation	2,057	794	1,468	1,394	1,349
Engines	564	286	487	462	623
Petroleum imports	1,131	973	1,328	1,533	1,520
<i>Of which:</i> fuel oil	116	58	90	367	274
diesel oil	555	483	565	613	882
gasoline	115	101	108	173	154
kerosene	24	35	64	11	0
Other imports	2,737	2,745	3,036	5,832	5,297
Total merchandise imports, c.i.f.	22,937	22,594	25,082	29,559	29,974
Total merchandise imports, f.o.b.	19,673	21,401	24,806	28,139	28,535
Ratio of imports c.i.f. to imports f.o.b. (in percent)	117	106	101	105	105

Source: Cape Verde authorities.

Table 26. Cape Verde: International Trade in Services, 1997-2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001
Total services (net)	1,808.1	-401.7	-1,081.9	562.7	928.2
Credit	8,508.0	8,467.1	10,898.0	12,561.0	15,980.8
Transport	4,983.3	4,410.8	4,488.3	5,254.3	6,162.5
Sea	1,653.3	372.4	385.0	351.6	391.2
Air	3,330.0	4,038.4	4,103.3	4,902.7	5,771.3
Travel	1,398.9	1,987.8	3,020.5	4,726.9	6,621.4
Business	...	...	59.8	40.5	82.3
Personal (tourism)	1,398.9	1,987.8	2,960.7	4,686.4	6,539.1
Embassies and other official	1,188.0	1,172.8	993.5	838.9	1,148.3
Construction	243.1	202.5	758.9	113.2	20.0
Communications	316.9	464.6	567.4	1,072.2	1,334.3
Information services	39.6	19.9	334.5	113.5	320.0
Other	338.2	208.7	734.9	442.0	374.2
Debit	-6,699.9	-8,868.8	-11,979.9	-11,998.3	-15,052.6
Transport	-1,445.9	-2,217.7	-2,940.8	-2,902.4	-6,106.2
Sea	-1,445.9	-1,782.5	-2,377.0	-2,642.7	-3,090.7
Air	0.0	-435.2	-563.8	-259.7	-3,015.5
Travel	-999.9	-2,328.2	-4,755.9	-4,877.9	-5,051.8
Business	...	...	-553.7	-532.4	-527.7
Personal (tourism)	-999.9	-2,328.2	-4,202.2	-4,345.5	-4,524.1
Embassies and other official	-592.6	-507.8	-444.2	-406.9	-688.5
Construction	-65.0	-147.3	-52.8	-1.7	0.0
Communications	-37.1	-64.1	-269.3	-367.1	-523.4
Information services	...	-757.4	-1,137.4	-684.0	-1,024.8
Other	-3,559.5	-2,846.3	-2,379.0	-2,758.2	-1,657.9

Source: Cape Verde authorities.

Table 27. Cape Verde: Direction of Trade, 1997-2001
(In percent of total)

	1997	1998	1999	2000	2001
Exports	100.0	100.0	100.0	100.0	100.0
Angola	0.0	0.0	0.0	0.3	0.1
France	1.6	0.7	0.4	0.1	0.2
Germany	0.0	0.0	0.0	2.3	0.7
Guinea-Bissau	0.2	0.0	2.1	0.4	0.0
Netherlands	1.0	0.2	0.8	0.3	0.2
Portugal	74.1	88.9	89.7	80.1	90.7
Spain	8.7	7.3	2.9	3.5	0.2
United States	0.0	0.0	0.0	11.4	6.3
Others	14.4	3.0	4.1	1.7	1.6
Imports	100.0	100.0	100.0	100.0	100.0
Brazil	0.0	0.0	0.0	0.0	2.3
Belgium	0.0	0.0	0.0	0.0	7.0
Côte d'Ivoire	0.0	0.0	0.0	0.0	0.8
France	9.2	5.0	2.4	4.4	3.2
Germany	2.1	4.6	2.0	1.5	0.6
Italy	0.0	0.0	0.0	0.0	3.2
Netherlands	11.0	6.8	17.8	13.0	14.9
Portugal	42.8	46.9	52.7	52.4	52.1
Senegal	0.0	0.0	0.0	0.0	0.5
Spain	2.4	2.4	2.4	2.5	3.6
Sweden	1.1	0.7	0.1	0.0	0.6
United Kingdom	2.0	2.7	2.9	1.8	1.6
United States	9.4	5.6	3.4	3.6	2.3
Others	20.0	25.3	16.3	20.8	7.3

Source: National Institute of Statistics, *Boletim Trimestral de Comercio Externo*.

Table 28. Cape Verde: Factor Income, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001
Total factor income (net)	-754.5	-542.9	-867.7	-1,436.6	-508.8
Credit	704.4	245.7	194.8	439.3	911.5
Investment income	251.4	68.4	74.6	291.2	765.3
<i>Of which:</i> Trust Fund	0.0	...	...	99.6	402.5
Compensation of employees	202.8	177.3	120.2	148.1	146.2
Other	250.2	0.0	0.0	0.0	0.0
Debit	-1,458.9	-788.6	-1,062.5	-1,875.9	-1,420.3
Investment income	-740.6	-748.1	-1,013.6	-1,833.8	-1,385.7
Scheduled interest	-565.4	-350.0	-393.0	-917.3	-475.5
Government	-430.0	-350.0	-393.0	-917.3	-475.5
Public enterprises	-135.4	0.0	0.0	0.0	0.0
Other investment income	-175.2	-398.1	-620.6	-916.5	-944.8
Compensation of employees	-154.0	-40.5	-48.9	-42.1	-34.6
Other	-564.2	0.0	0.0	0.0	0.0

Source: Bank of Cape Verde.

Table 29. Cape Verde: Private and Public Transfers, 1997–2001
(In millions of Cape Verde escudos)

	1997	1998	1999	2000	2001
Current transfers (net)	11,184.7	12,915.2	16,366.0	16,167.4	16,381.2
Private (net)	6,603.5	8,083.6	13,733.0	13,553.9	13,780.5
Credit	6,917.5	8,405.3	14,501.4	14,473.7	16,477.9
Remittances	6,538.9	7,049.9	8,071.0	9,610.5	10,701.9
Foreign exchange	5,620.3	6,592.3	7,595.1	7,733.5	8,851.3
Goods	918.6	457.6	475.9	1,877.1	1,850.6
Other	378.6	1,355.4	6,430.5	4,863.2	5,776.0
Debit	-314.0	-321.7	-768.4	-919.8	-2,697.4
Remittances	-39.1	0.0	0.0	-17.0	0.0
Other	-274.9	-321.7	-768.4	-902.8	-2,697.4
Official (net)	4,581.2	4,831.6	2,633.0	2,613.6	2,600.7
Credit	5,188.6	5,015.4	4,520.5	3,105.6	2,684.0
Foreign exchange	4,006.1	4,006.1	3,055.3	1,830.1	1,947.1
Food	1,079.7	1,009.3	874.6	709.5	391.9
Other 1/	102.9	0.0	590.6	566.0	345.0
Debit	-607.5	-183.8	-1,887.5	-492.0	-83.3
Capital transfers (net)	393.4	4,013.0	3,608.4	3,629.0	1,555.6

Source: Bank of Cape Verde.

1/ Includes unclassified food and equipment aid.

Table 30. Cape Verde: External Public Debt by Creditors, 1997-2001
(In millions of U.S. dollars; end of period)

	1997			1998			1999			2000			2001		
	Contracted	Disbursed	Outstanding	Contracted	Disbursed	Outstanding	Contracted	Disbursed	Outstanding	Contracted	Disbursed	Outstanding	Contracted	Disbursed	Outstanding
Multilateral	323.1	208.8	169.2	367.2	238.1	185.3	427.9	265.4	210.8	422.1	291.3	226.9	446.2	348.7	252.2
AfDF 1/	115.6	68.5	67.1	115.6	70.0	67.4	115.6	74.4	71.6	125.8	81.6	77.9	124.9	96.6	86.2
IDA 1/	73.0	50.0	49.5	110.2	73.2	67.7	152.8	88.2	86.8	144.6	103.7	101.9	157.6	111.9	110.1
IMF 1/	0.0	0.0	0.0	0.0	0.0	0.0	2.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BADEA 1/	48.0	24.4	15.3	48.0	26.8	16.6	48.0	30.4	14.9	48.0	32.5	12.5	61.3	49.3	20.6
AfDB 1/	17.1	17.1	4.9	17.1	17.1	3.4	21.1	21.1	6.8	17.1	17.1	1.3	16.5	16.5	1.3
EIB 1/	16.9	14.3	11.1	16.9	14.3	11.7	16.9	14.3	10.4	16.9	14.3	9.0	15.6	12.0	8.1
OPEC 1/	20.1	17.1	7.2	24.1	18.0	7.4	27.1	16.1	4.7	29.6	19.3	7.3	28.1	25.1	7.7
IFAD 1/	16.4	10.4	10.0	16.4	10.9	6.5	25.4	10.9	10.1	24.1	11.1	10.2	25.0	21.7	8.9
Saudi Fund	2.3	2.3	1.4	2.3	2.3	1.1	2.3	2.8	0.7	2.3	2.3	0.0	4.0	4.0	0.3
NDF 1/	2.9	0.7	0.7	2.9	1.3	1.2	2.9	2.3	2.3	2.9	2.3	2.3	2.9	2.9	2.9
NSF 1/	10.8	3.9	2.1	10.8	4.2	2.3	13.0	4.8	2.7	10.8	7.1	4.5	10.4	8.7	6.2
Bilateral	91.5	64.6	46.7	105.7	81.0	51.6	119.1	100.0	84.6	126.0	100.0	74.4	139.7	111.8	70.7
Government	57.2	31.2	20.5	71.4	47.6	28.2	84.8	66.6	61.6	91.7	66.6	55.5	88.0	75.9	56.0
China	21.3	13.4	13.4	21.3	13.4	5.1	21.3	13.4	13.4	21.3	13.4	13.4	9.6	9.6	0.0
Kuwait	20.1	8.1	5.2	20.1	8.6	4.9	20.1	13.3	9.1	20.1	8.6	2.5	19.6	9.0	4.4
Portugal	7.5	1.7	1.7	21.6	17.5	18.0	21.6	18.4	18.4	29.2	24.2	24.2	44.9	43.2	41.3
South Africa	6.9	7.9	0.0	6.9	7.9	0.0	6.9	7.9	7.2	6.9	7.9	3.8	1.6	1.8	0.0
Abu Dhabi	1.5	0.2	0.2	1.5	0.2	0.2	1.5	0.2	0.2	1.5	0.2	0.2	0.2	0.2	0.2
Germany	0.0	0.0	0.0	12.7	0.0	0.0	13.4	13.4	13.4	12.7	12.3	11.4	12.1	12.1	10.1
Export credit agencies	34.3	33.4	26.2	34.3	33.4	23.4	34.3	33.4	23.0	34.3	33.4	18.9	51.6	35.9	14.7
Caisse Général des Dépôt	12.0	11.6	6.3	12.0	11.6	5.5	12.0	11.6	4.7	12.0	11.6	3.9	26.4	14.3	4.7
ICO (Spain)	7.3	6.8	6.8	7.3	6.8	6.9	7.3	6.8	6.8	7.3	6.8	6.7	7.3	6.8	1.3
CACEX (Brazil)	3.0	3.0	2.2	3.0	3.0	2.2	3.0	3.0	2.7	3.0	3.0	2.2	5.9	3.7	2.4
SOMEC (Portugal)	12.0	12.0	10.8	12.0	12.0	8.8	12.0	12.0	8.7	12.0	12.0	6.2	12.0	11.1	6.3
Private companies	...	...	...	...	...	...	...	...	...	...	...	...	16.8	8.5	8.2
Banco Esp. Santo	...	...	...	...	...	...	...	...	...	...	...	...	15.8	7.5	7.5
MSF	...	...	...	...	...	...	...	...	...	...	...	...	1.0	1.0	0.7
Total 2/	414.6	273.3	215.8	472.9	319.1	236.9	547.0	365.3	295.4	548.1	391.3	301.3	602.7	469.0	331.1

Source: Cape Verdean authorities.

1/AfDF=African Development Fund; IDA=International Development Association; BADEA=Arab Development Bank for Africa; AfDB=African Development Bank; EIB=European Investment Bank; OPEC=Organization of Petroleum Exporting Countries; IFAD=International Fund for Agricultural Development; NDF=Nordic Development Fund; and NSF=Nigeria Special Fund.

2/ Excluding external arrears.

Table 31. Cape Verde: External Debt Arrears by Creditors, 1997–2001
(In thousands of U.S. dollars)

	12/31/97			12/31/98			12/31/99			12/31/00			12/31/01		
	On principal	On interest	Total	On principal	On interest	Total	On principal	On interest	Total	On principal	On interest	Total	On principal	On interest	Total
Multilateral	0	0	0	0	0	0	1,505	205	1,710	2,403	686	3,089	2,903	804	3,706
AFDF 1/	0	0	0	0	0	0	0	20	20	0	17	17	0	0	0
BADEA 1/	0	0	0	0	0	0	0	0	0	813	0	813	406	413	819
EIB 1/	0	0	0	0	0	0	1,050	0	1,050	734	225	959	893	129	1,022
IFAD 1/	0	0	0	0	0	0	0	128	128	91	44	135	0	0	0
OPEC 1/	0	0	0	0	0	0	0	57	57	388	291	679	1,166	262	1,428
NDF 1/	0	0	0	0	0	0	0	0	0	0	9	9	0	0	0
NTF 1/	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Saudi Fund	0	0	0	0	0	0	455	0	455	377	100	477	438	0	438
Bilateral	6,711	3,207	9,918	7,328	1,743	9,071	1,627	439	2,066	22,768	1,947	24,715	8,829	2,733	11,562
Government	120	0	120	0	0	0	25	439	464	14,741	308	15,049	1,148	792	1,940
Abu Dhabi	120	0	120	0	0	0	25	0	25	14	7	21	86	0	86
Kuwait	0	0	0	0	0	0	0	407	407	803	175	978	1,021	248	1,269
Portugal	0	0	0	0	0	0	0	32	32	13,924	126	14,050	40	544	584
Agencies	6,591	3,207	9,798	7,328	1,743	9,071	1,602	0	1,602	8,027	1,639	9,666	7,681	1,941	9,622
CACEX (Brazil)	2,160	549	2,709	2,160	551	2,711	0	0	0	757	167	924	1,006	185	1,191
ICO (Spain)	4,431	2,658	7,089	5,168	1,192	6,360	0	0	0	6,070	1,277	7,347	6,075	1,293	7,368
SOMAGUE (Portugal)	0	0	0	0	0	0	1,602	0	1,602	1,200	195	1,395	600	457	1,057
CGD (Portugal)	...	...	...	...	...	...	...	...	...	...	...	...	0	7	7
Private	...	...	...	...	...	...	...	...	...	...	...	...	0	2	2
MSF (Portugal)	...	...	...	...	...	...	...	...	...	...	...	...	0	2	2
Total	6,711	3,207	9,918	7,328	1,743	9,071	3,132	644	3,776	25,171	2,633	27,804	11,732	3,539	15,270

Source: Cape Verde authorities.

1/ AfDF=African Development Fund; BADEA=Arab Bank for Economic Development in Africa; EIB=European Investment Bank; IFAD=International Fund for Agricultural Development; OPEC=Organization of Petroleum Exporting Countries; NDF=Nordic Development Fund; and NTF=Nigeria Trust Fund.

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>1. Single income tax (Imposto Único sobre Rendimentos or, IUR; Decree-Law 1/96 of 1/15/96; Law 1/V/96 of 6/20/96; Law 16/V/96 of 12/30/96; and, Law 1116/V/99 of 12/20/99).</p>	<p>Taxpayers</p> <p>The IUR applies to the following:</p> <ul style="list-style-type: none"> • all national or foreign companies, whether commercial or civil in commercial form, partnerships, joint-stock companies, cooperatives, public enterprises, and corporate persons under public or private law, with headquarters or actual management on Cape Verdean territory; • individuals engaged in import or export activities with turnover exceeding CVEsc 5 million a year; • unincorporated entities resident in Cape Verde (e.g., unsettled estates, legal entities declared invalid, unincorporated civil companies, commercial companies, or civil companies in commercial form); and • individuals or corporations not resident in Cape Verde, as long as they produce or earn any income in Cape Verde. 	<p>Exemptions</p> <p>The following exemptions apply:</p> <ul style="list-style-type: none"> • The state, municipalities, and any of their services or establishments are exempt, even if identified as individual taxpayers, provided that they do not engage in commercial, industrial, agricultural, fishing, or service-providing activities. • Social welfare institutions and labor unions or associations are exempt regarding the activities for which they were legally established, and provided that they do not engage in commercial, industrial, agricultural, service-providing, or capital investment activities. • The Bank of Cape Verde is exempt from payment on the income earned from operations that it carries out as General Cashier of the Treasury and related activities. • Also exempt are associations legally established to perform cultural, recreational, or sporting activities and which meet all the following conditions: there are no distributed profits; and no member of their corporate bodies has a direct or indirect interest in their operating profit. 	<p>The following rates apply:</p> <ul style="list-style-type: none"> • 20 percent for enterprises subject to preassessment; • 35 percent for enterprises subject to direct assessment (except for financial institutions, for which a rate of 20 percent applies); • 20 percent on interest from term deposits; • 15 percent on other capital income (dividends, profit sharing, advances on profits, and gambling profits); and • 20 percent on profits earned by nonresidents (on billing volume). <p>Note: The rates will be published in the State Budget Law.</p>

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates														
		Interest from emigrants' term deposits and TCMFs are exempt.															
		<ul style="list-style-type: none"> • The income of (a legally established) agricultural, fishing, housing, education, or handicraft production cooperative is exempt, provided that at least three-fourths of its workers are members and none owns more than 10 percent of the cooperative's equity capital, and that turnover does not exceed CVEsc 10 million. • Fishing, artisanal, or industrial activities are exempt, provided that annual turnover does not exceed CVEsc 3 million. • Income from treasury securities is exempt. 															
	Personal tax base																
	Insofar as it applies to individual income, the IUR is chargeable on overall annual income in the following categories:	The following are also exempt	IUR Withholding Schedule (Individuals)														
	<ul style="list-style-type: none"> • Category A comprises income from property; • Category B covers commercial and industrial income, including capital gains, provision of services, and agricultural and fishing income; • Category C constitutes capital income and other income such as 	<ul style="list-style-type: none"> • annual income of CVEsc 150,000 or less; • staff of diplomatic or consular missions; • foreign staff of foreign organizations; • clerics, when exercising their spiritual mission; • salaries or other income paid to 	<table border="1"> <thead> <tr> <th data-bbox="1440 1040 1686 1089">Annual income brackets (In Cape Verde escudos)</th> <th data-bbox="1707 1040 1822 1089">Rates (In percent)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1440 1122 1598 1143">Up to 150,000</td> <td data-bbox="1728 1122 1780 1143">0.0</td> </tr> <tr> <td data-bbox="1440 1151 1598 1172">Up to 300,000</td> <td data-bbox="1728 1151 1780 1172">3.5</td> </tr> <tr> <td data-bbox="1440 1180 1598 1201">Up to 630,000</td> <td data-bbox="1728 1180 1780 1201">9.5</td> </tr> <tr> <td data-bbox="1440 1209 1598 1230">Up to 1,260,000</td> <td data-bbox="1728 1209 1780 1230">15.0</td> </tr> <tr> <td data-bbox="1440 1239 1598 1260">Up to 1,890,000</td> <td data-bbox="1728 1239 1780 1260">21.0</td> </tr> <tr> <td data-bbox="1440 1268 1598 1289">Over 1,890,000</td> <td data-bbox="1728 1268 1780 1289">24.0</td> </tr> </tbody> </table>	Annual income brackets (In Cape Verde escudos)	Rates (In percent)	Up to 150,000	0.0	Up to 300,000	3.5	Up to 630,000	9.5	Up to 1,260,000	15.0	Up to 1,890,000	21.0	Over 1,890,000	24.0
Annual income brackets (In Cape Verde escudos)	Rates (In percent)																
Up to 150,000	0.0																
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Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates																				
	that from gaming, lotteries, and mutual betting; and	<p>employees and workers on leave for treatment abroad;</p> <ul style="list-style-type: none"> family allowances granted under law; cost allowances up to the limits set by law; 	<p style="text-align: center;">IUR Annual Calculation Schedule (Individuals)</p> <table border="1"> <thead> <tr> <th>Overall annual income (In Cape Verde escudos)</th> <th>Marginal Rate (In percent)</th> <th>Average Rate</th> </tr> </thead> <tbody> <tr> <td>Less than 300,000</td> <td>15.0</td> <td>15.0</td> </tr> <tr> <td>300,001 – 630,000</td> <td>20.0</td> <td>17.9</td> </tr> <tr> <td>630,001 – 1,260,000</td> <td>27.5</td> <td>21.0</td> </tr> <tr> <td>1,260,001 – 1,890,000</td> <td>35.0</td> <td>29.2</td> </tr> <tr> <td>More than 1,890,000</td> <td>45.0</td> <td>...</td> </tr> </tbody> </table>			Overall annual income (In Cape Verde escudos)	Marginal Rate (In percent)	Average Rate	Less than 300,000	15.0	15.0	300,001 – 630,000	20.0	17.9	630,001 – 1,260,000	27.5	21.0	1,260,001 – 1,890,000	35.0	29.2	More than 1,890,000	45.0	...
Overall annual income (In Cape Verde escudos)	Marginal Rate (In percent)	Average Rate																					
Less than 300,000	15.0	15.0																					
300,001 – 630,000	20.0	17.9																					
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1,260,001 – 1,890,000	35.0	29.2																					
More than 1,890,000	45.0	...																					
	<ul style="list-style-type: none"> Category D comprises wage and salary income, including reserve and retirement pensions, alimony, and fixed-term, life, or other kinds of annuities. <p>Assessment methods</p> <p>Three assessment methods are used:</p> <ul style="list-style-type: none"> Under self-assessment (<i>método declarativo</i>), a return is submitted by the taxpayer or, in cases of tax substitution, by the entity legally required to do so. Preassessment (<i>método de estimativa</i>) is applied to all individuals not considered to be companies for tax purposes as envisioned in the industry schedule (<i>Tabela Geral das Indústrias</i>). The taxable base is determined on a presumptive basis, taking into account the turnover and kind of business, or normal production and market conditions if returns are not filed. 	<ul style="list-style-type: none"> cash shortage allowances up to 10 percent of monthly salary; occasional medical or hospital allowances, and retirement pensions up to CVEsc 960,000 a year; and severance payments arising from contract rescission or extinction of public employment, if agreed between the employer and the worker. <p>Deductions</p> <p>The following deductions apply: up to CVEsc 132,000 for single, widowed, or divorced individuals; CVEsc 180,000 for single-income married couples; CVEsc 300,000 for married couples with two or more incomes; CVEsc 80,000 for individuals resident abroad; CVEsc 25,000 for each child, up to a maximum of CVEsc 100,000; and 80 percent of receipts from housing rental, up to a maximum of CVEsc 144,000.</p>																					

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates
	<ul style="list-style-type: none"> Under direct assessment (<i>método de verificação</i>), the taxable base is based on the taxpayer's filed return, which derives from the accounting data. <p>The tax due in accordance with these methods is paid in two installments.</p>	<p>Also deductible are interest and charges on home purchase or improvement loans, up to a maximum of CVEsc 144,000; pension allowances that the taxpayer is required to pay, up to a maximum of CVEsc 240,000; 40 percent of income from liberal professions, up to a maximum of CVEsc 80,000; mandatory social security or union contributions paid by industrial or commercial workers; life, health, or accident insurance premiums, up to a maximum of CVEsc 30,000; and grants to schools, homes for the aged and childcare centers, up to a maximum of CVEsc 240,000.</p> <p>50 percent of health expenses, CVEsc 50,000 every two years for purchase of computer equipment, and interest on loans for payment of health expenditures are deductible.</p> <p>Wages and salaries subject to IUR; rents subject to real estate tax; fees paid to perform any activity; contributions to unions and union funds; and insurance premiums and trade association fees are deductible.</p> <p>There is a 10 percent abatement of tax payable by eligible companies that used Cape Verdean merchant ships to carry at least 50 percent of their imports during the base year; and an amount equal to the discount rate plus 2 percent is applied to tax obligations settled in advance.</p>	

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>2. Tax on petroleum products (Imposto sobre Produtos Petrolíferos; Law 61/IV/92 of 12/30/92; and Law 95/IV/93 of 12/31/93).</p>	<p>Taxpayers</p> <p>Individuals or corporations legally authorized to import fuel.</p> <p>Tax base</p> <p>Levied on gasoline and diesel fuel consumption in land transport within the country.</p> <p>This tax is not taken into account in the calculation of the profit margin, but it is included in the retail price.</p>		<p>A rate of CVEsc 10 per liter is applied to gasoline; a rate of CVEsc 5 per liter is applied to diesel fuel.</p>
<p>3. Real estate tax (Law 1543/63, amended by Law 61/IV/92 of 12/30/92; and Law 94/IV/93 of 12/31/93).</p>	<p>Charged on rural and urban property, whether rented or owner occupied. It is based on the rent charged or on the annual rental value established by the permanent valuation committee. The tax due is paid in one or two equal installments.</p>	<p>Exemptions</p> <p>The following are exempt: government buildings, including those occupied by economic coordination agencies; buildings belonging to local and administrative institutions that do not produce rent or ground rent; buildings occupied by hospitals, shelters, or other social welfare institutions; buildings used for religious services; public interest institutions; rent-exempt schools; facilities of sports associations; diplomatic or consular buildings; private secondary school buildings worth more than CVEsc 1 million if situated in Praia or Mindelo or those worth more than CVEsc 500,000 elsewhere in the</p>	<p>A rate of 10 percent is applied to rural buildings and one of 15 percent to urban buildings.</p>

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates
		<p>country, for 15 years; finished buildings, for 6 years (rental) or 10 years (owner occupied), from the completion of construction; nonproductive rural properties; rural properties used for certain crops, for 10-20 years from the start of cultivation; and rural buildings with yearly rent below CVEsc 5,000 and urban buildings with yearly rent below CVEsc 100,000.</p>	
		<p>Deductions</p>	
		<p>For urban properties, 15 percent of rental value is deductible as maintenance expense.</p>	
		<p>For rural properties, normal expenses with cultivation, maintenance, and sale of products. Also deductible are improvements to rural buildings, construction of and improvements to rural buildings, and administration, fertilizer, seeds, wages, and some inputs. Taxable income shall be no less than 40 percent of the gross income obtained from agricultural activity.</p>	

Table 32. Cape Verde: Summary of the Tax System
(As of end-2001)

Tax	Nature of Tax	Exemptions and Deductions	Rates				
4. Municipal vehicle tax (Law 61/IV/92 of 12/30/92; and Ministerial Order 1/93 of 1/20/93).	Levied yearly on motor vehicles.	All exemptions have been abolished.	Displacement (Cubic centimeters)	Up to 5 yrs 5-10 yrs >10 yrs (Cape Verde escudos)			
				Automobiles			
				Up to 1,000	900	500	300
				1,001 - 1,300	1,200	800	400
				1,301 - 1,750	1,600	1,100	500
				1,751 - 2,600	3,800	1,800	900
				2,601 - 3,500	5,400	2,700	1,400
				Over 3,500	8,400	4,200	2,100
				Motorcycles			
				51 - 180	400	300	200
181 - 350	600	400	200				
351 - 750	900	600	300				
Over 750	1,600	900	500				