

 Early Warning System

WB-P501992

Cabo Verde Third Fiscal Space and Sustainable Growth Development
Policy Financing



Quick Facts

Countries	Cape Verde
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-12-11
Borrower	Republic of Cabo Verde
Sectors	Communications, Energy, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 15.00 million
Loan Amount (USD)	\$ 15.00 million



Project Description

According to bank's website, the approved project aims to (i) strengthen fiscal resilience; (ii) enable the uptake of digital services and renewable energy; and (iii) enhance economic opportunity. Cabo Verde has made remarkable economic and social progress in its 50 years since independence, but recent global shocks, including the pandemic, have accentuated vulnerabilities. The archipelago faces structural challenges in terms of connectivity and infrastructure development, translating into high costs of services, including electricity and water. Economic growth, driven by tourism, remittances, and foreign direct investment (FDI), has been robust but increasingly volatile over the last decade. Further challenges include a heavy reliance on the all-inclusive tourism model, strong state presence in the economy, and limited linkages between FDI-benefiting sectors and the broader economy. The vulnerabilities to external shocks are evidenced by the significant growth contraction in 2020 (negative 20.4 percent) due to the impact of the pandemic on tourism and elevated inflation in 2022 (nearly 8 percent), given heavy reliance on imports for basic consumption goods. The Development Policy Financing (DPF) operation supports Cabo Verde's overarching goal to achieve sustainable and climate-resilient development.



Investment Description

- World Bank (WB)

Total Project Cost: US\$ 0.00 million

Commitment Amount: US\$ 15.00 million



Contact Information

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



Bank Documents

- [Appraisal Program Information Document - PID \(English\)](#)
- [Climate Finance Assessment \(English\)](#)
- [Concept Program Information Document - PID \(English\)](#)