

Hotspot Guide

Cape Verde

A Sample of what's on Offer

Hot Spot

Introduction



Fast Facts:

- **Location:** Western Africa, group of islands in the North Atlantic Ocean, west of Senegal
- **Capital City:** Praia
- **Climate:** Mostly temperate, the Cape Verde Islands receive erratic rainfall. The islands can be susceptible to strong winds, but most resorts are sheltered from their effects.
- **Average Temperature:** The **average temperature** throughout the year lies at about 77F or 25°C
- **Total Land Area:** 4033 km
- **Official Language:** Portuguese and Creole
- **Total Population:** 500,000
- **Population Density:** 126/km²
- **Major Religion:** Freedom of religions. There is no specific one.
- **Currency:** Verdean escudo (CVE), pegged to the euro. CVE164 = £1
- **GDP:** 5.08%
- **GNI per capita:** 3499. 126PPP\$
- **Inflation:** 6.5%
- **Annual Growth:** 3.50%
- **Main Exports:** : Fuel, Shoes, Garments, Fish, Hides
- **Main Sources of Income:** Taxes and Tourism
- **Unemployment:** 21%
- **Population Below Poverty Line:** 30%
- **Literacy:** 76.6%
- **Life Expectancy:** Men: 68 years and Women:74 years
- **Time Zone:** GMT -2
- **Internet Domain:** .CV
- **International Dialling Code:**+238



Geography

- The Cape Verde Islands are located in the mid-Atlantic Ocean some 570 km (354 mi) off the west coast of Africa.
- The archipelago consists of 10 islands and 5 islets.
- Sand carried by high winds has caused erosion on all islands, especially the windward ones. Sheer, jagged cliffs rise from the sea on several of the mountainous islands.
- The lack of natural vegetation in the uplands and coast also contributes to soil erosion. Only the interior valleys support natural vegetation.
- Rainfall is irregular, historically causing periodic droughts and famines.



Economy

- **Cape Verde** is a small archipelagic nation that lacks resources and has experienced severe droughts.
- Agriculture is made difficult by lack of rain and is restricted to only four islands for most of the year.
- Most of the nation's GDP comes from the service industry. Cape Verde's economy has been steadily growing since the late 1990s, and it is now officially considered a country of average development.
- Cape Verde has significant cooperation with Portugal at every level of the economy, which has led it to link its currency (the Cape Verdean escudo) first to the Portuguese escudo and, in 1999, to the euro.

Politics

- **Politics of Cape Verde** takes place in a framework of a parliamentary representative democratic republic, whereby the Prime Minister of Cape Verde is the head of government, and of a multi-party system.
- Executive power is exercised by the government.
- Legislative power is vested in both the government and the National Assembly.
- The Judiciary is independent of the executive and the legislature. The constitution first approved in 1980 and substantially revised in 1992 forms the basis of government organization.
- It declares that the government is the "organ that defines, leads, and executes the general internal and external policy of the country" and is responsible to the National Assembly



Why Invest in Cape Verde ?

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- Cape Verde presents an exciting new market for real estate investments.
- The incredible rental potential of the location has driven increasing numbers of buyers into the market.
- Speculators are keeping a close eye on the location with a desire to find out more.

A Brief Guide to Purchasing Property in Cape Verde

- The various ties that Cape Verde holds with Portugal has assisted the country in having very similar purchasing processes as other European destinations.
- This ease of processes has further assisted in making the destination popular amongst European investors.
- Financing options are steadily growing, with possibilities for mortgages and loans to be obtained from both within the country and outside.



Property Market

- The Cape Verde property market for overseas investors is still in its infancy, so the mortgages obtainable within the country are continuously being modified.
- The newness of the market can present some limitation with obtaining financing from the UK, yet various banks and specialised mortgage providers do offer a variety of services.
- Structures may vary between the providers used, so it may be ideal for buyers to research their options to source what is most suitable for each individual.



Fees and taxes:

- Notary fees – 3%
- Sales tax – 3%
- Conveyance tax – 3%
- Title deeds – 2%
- Registration fee – 2%
- Rental income tax - 20%
- Property tax is levied annually at 0.075%
- Capital gains tax is a flat rate of 3% if the sale price or market value increases more than 30% of its original acquisition price.
- Inheritance and gift tax is a flat rate of 3% on the attributed value



Hot spots:

Cape Verde's biodiversity is of global importance as it includes many endemic species of plants, birds, insects, as well as marine species.

Its beaches provide important nesting sites and feeding grounds for endangered marine turtles, and breeding humpback whales that are frequently seen around Boa Vista and Sal, Boa Vista's northern neighbour.

Approximately 3,000 loggerhead turtles (*Caretta caretta*) nest in Boa Vista and Sal annually making these areas the second most important nesting site in the entire Atlantic Ocean.

Scientists have developed a list of 10 "hot spots" that they say should be protected right away because of the unique organisms they harbour. The list was based on a study of the range of endemic species (those found only in certain areas) that are at risk because of impacts from human activities.

Cape Verde figures on this top 10 list of "Hot Spots" for Coral Biodiversity. have always been good.

