

Cape Verde: Business Lifecycle Services Project

The challenge:

Cape Verde comprises of nine inhabited islands. Licensing a business in Cape Verde used to be an onerous task which could only be done in two of the nine islands and involved several trips to various government agencies.

There was an electronic business registration system that allowed businesses to register online, but businesses could only access this service at a public library or through private internet access. Three one-stop-shop centres in Praia, Sal and Fogo offered walk-in services for business registration, but these were not enough for the whole country. There was also no formal way to close a business.



The solution:

ICF worked with the Government of Cape Verde to improve business registration, licensing and closure services. The project expanded the existing e-business registration system to include licensing and business closure services, making it a full business lifecycle service. It also enhanced the legal framework, administrative procedures and processes to incorporate the new changes in licensing and closure. One-stop-shops were extended to the remaining seven islands in order to provide countrywide access to the new business lifecycle services

The project cost a total of US\$ 2m. Of this, ICF contributed US\$ 1.27m and the Government of Cape Verde contributed US\$ 730,000.

Impact:

Business registration services are now available country wide and registering a business now takes less than a third of the original time in the sectors of retail, wholesale, tourism, travel agency, civil construction, and industry. Costs for licensing wholesale and retail activities have gone down by 50% (from US\$ 770 to US\$ 380). Companies are now able to close in 2-10 days whereas before there was no formal way to perform company closure. The one-stop-shops are also providing other benefits to citizens, including enabling them to access government services like birth and marriage certificates, tax information, and much more.

In 2011 Cape Verde was described as a Top Reformer by the World Bank's *Doing Business* report.

Project duration: July 2009 – March 2011