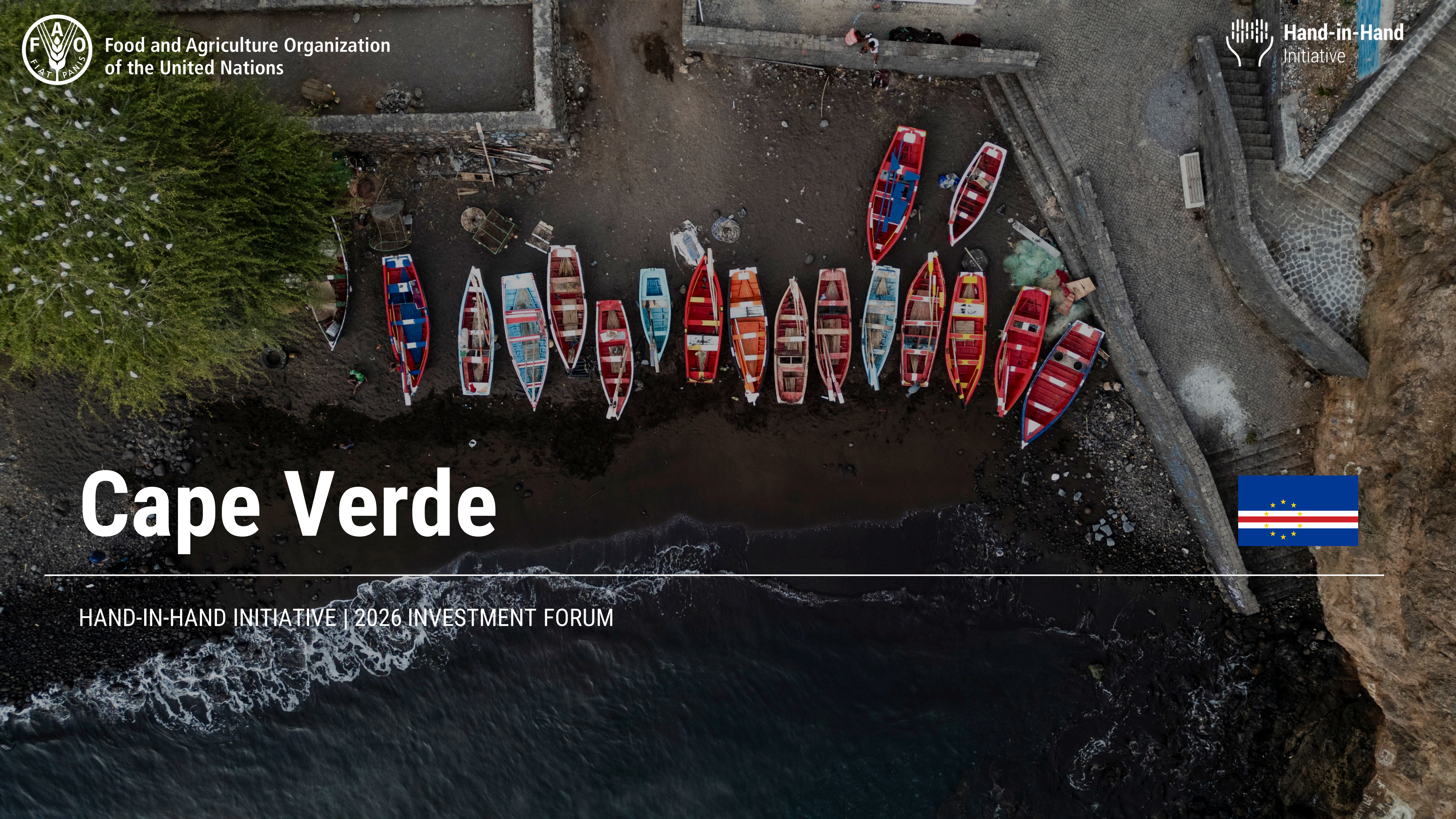

Food and Agriculture Organization of the United Nations

Hand-in-Hand Initiative

Cape Verde

HAND-IN-HAND INITIATIVE | 2026 INVESTMENT FORUM

IMPORTANT NOTES

FAO'S HAND-IN-HAND INITIATIVE

The investment opportunities presented in this document derive from government-led investment plans developed under FAO's Hand-in-Hand (HIH) Initiative. The Initiative supports countries in identifying high-impact agrifood system investments through a combination of data-driven territorial analysis, value chain assessments, and close collaboration with national counterparts. Using the Hand-in-Hand Geospatial Platform, the Initiative integrates geospatial, biophysical, and socio-economic data to identify priority "green zones" where agricultural potential and poverty incidence overlap, creating strong opportunities for transformative investment. Based on these analyses, national governments lead the development of investment plans that identify priority value chains, key bottlenecks, and potential investments required to accelerate agrifood system transformation. These investment opportunities aim to raise incomes, improve nutrition, and empower poor and vulnerable populations, while strengthening resilience to climate change and supporting the sustainable management of natural resources. The Initiative focuses on territories where targeted investments can generate the greatest impact in reducing poverty and hunger, contributing to progress towards Sustainable Development Goals SDG1 (No Poverty), SDG2 (Zero Hunger), and SDG10 (Reduced Inequalities), while balancing economic growth, social inclusion, and environmental sustainability.

IMPORTANT CLARIFICATIONS

The opportunities presented in this document are derived from government investment plans and reflect national development priorities identified through the Hand-in-Hand Initiative. FAO provides analytical and technical support in the identification and assessment of these opportunities and facilitates engagement with potential partners. The concepts presented are indicative and require further structuring and discussion with the relevant governments and potential investors. This document therefore presents a pipeline of government-prioritized agrifood investment opportunities that have been pre-screened using FAO's Hand-in-Hand analytical tools. FAO can support interested partners by facilitating technical exchanges and follow-up discussions with relevant government counterparts.

IMPACT TAGS

Investment cases are classified across four impact areas to highlight their primary development contributions and ensure comparability across countries and value chains.

Livelihoods	Income, productivity, jobs, and market access
Gender & Youth	Inclusion and opportunities for women and young people
Planet & Environment	Climate resilience and sustainable resource management
Digital	Use of technology to improve efficiency and access

CAPE VERDE

An island nation with an outsized ocean economy and untapped high-value fisheries potential

KEY INVESTMENT SIGNALS

POPULATION

524.9K

(THOUSAND)

GDP

USD 2.7B

(BILLION)

EXCLUSIVE ECONOMIC ZONE (EEZ)

73.4M ha

(MILLION HECTARES)

INVESTMENT CASE

LARGE BLUE ECONOMY MARKET

- Fish and canned fish make up 80%+ of all exports (USD 61M in 2023)
- Only 37% of the EEZ's 40,000 ton/year fishing potential is harvested
- 80% of processed fish relies on imported raw materials

STRONG GOVERNMENT COMMITMENT

- Dedicated Ministry of the Sea
- Blue economy is a national priority under PEDS II
- GDP grew 7.1% in 2024, driven by tourism and blue economy diversification

ENABLING BUSINESS ENVIRONMENT

- 30–50% Corporate Income Tax credit for fisheries and aquaculture investments
- Full customs duty exemptions on fish processing inputs
- World Bank and IMF programs actively fund climate-resilient fisheries investments

CAPE VERDE: INVESTMENT PORTFOLIO

Modernizing fleets, upgrading value chains, and building sustainable fisheries to unlock the ocean economy

INVESTMENT PLAN **CAPE VERDE**	INVESTMENT CASE **1. SEMI/INDUSTRIAL FLEET MODERNIZATION**	INVESTMENT CASE **2. ARTISANAL FLEET RECONVERSION TO SEMI-INDUSTRIAL**	INVESTMENT CASE **3. SUSTAINABLE VALUE CHAIN INTEGRATED PROJECT**
IMPACT TAGS	IMPACT TAGS	IMPACT TAGS	IMPACT TAGS
INVESTMENT **USD 20.2 million**	INVESTMENT **USD 5.8 million**	INVESTMENT **USD 12.3 million**	INVESTMENT **USD 2.2 million**
NPV **USD 5.9 million**	NPV **USD 0.7 million**	NPV **USD 1.6 million**	NPV **USD 3.7 million**
AVG IRR **17.5%**	IRR **14.0%**	IRR **18.0%**	IRR **24.0%**
DIRECT BENEFICIARIES **2.7 thousand**	DIRECT BENEFICIARIES **0.3 thousand**	DIRECT BENEFICIARIES **0.9 thousand**	DIRECT BENEFICIARIES **1.5 thousand**
INDIRECT BENEFICIARIES **6.5 thousand**	INDIRECT BENEFICIARIES **0.5 thousand**	INDIRECT BENEFICIARIES **1.5 thousand**	INDIRECT BENEFICIARIES **4.5 thousand**
AVG PER CAPITA INCOME INCREASE **+USD 858**	PER CAPITA INCOME INCREASE **+USD 1,127**	PER CAPITA INCOME INCREASE **+USD 833**	PER CAPITA INCOME INCREASE **+USD 615**
GHG IMPACT **TBD**	GHG IMPACT **TBD**	GHG IMPACT **TBD**	GHG IMPACT **TBD**

1. SEMI/INDUSTRIAL FLEET MODERNIZATION

Hand-in-Hand Initiative

Upgrading semi-industrial vessels with freezing systems, hybrid engines and monitoring to boost local catch supply

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 5.8M

(MILLION)

NPV

USD 0.7M

(MILLION)

IRR

14.0%

(%)

RATIONALE

- Only 37% of the EEZ's 40,000 ton/year potential is currently harvested
- Most vessels lack refrigeration, causing ~30% post-harvest spoilage
- 80% of processed fish relies on imported raw materials
- Foreign fleets dominate the EEZ, limiting local competitiveness

KEY BOTTLENECKS	PROPOSED INVESTMENTS(*)
1. High spoilage from lack of cold chain	Blast freezers & insulated storage: each upgraded vessel targets 190,000 kg/year catch across 38 trips
2. Fuel inefficiency & high emissions	Hybrid diesel-electric propulsion systems: 6-day trips, 7-person crew per vessel
3. No traceability for export markets	GPS & digital catch monitoring: 70% of catch directed to canneries, 30% to national market
4. Low skills & unsafe practices	Training & sustainability certification programs

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES

0.3K

(THOUSAND)

INDIRECT BENEFICIARIES

0.5K

(THOUSAND)

PER CAPITA INCOME INCREASE

+1,127

(USD/PERSON)

GHG IMPACT

FAO EXACT CARBON TOOL

+TBD

(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

Hand-in-Hand Initiative

2. ARTISANAL FLEET RECONVERSION TO SEMI-INDUSTRIAL

Reconverting Cabo Verde's excess artisanal fleet into modernized semi-industrial vessels

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT
USD 12.3M
(MILLION)

NPV
USD 1.6M
(MILLION)

IRR
18.0%
(%)

RATIONALE

- ~1,500 artisanal boats operational; only 20% carry basic safety gear
- Old engines consume 40% more fuel than modern equivalents
- Excess coastal capacity driving overfishing of key species
- ~30% spoilage per trip due to absence of on-board refrigeration

KEY BOTTLENECKS	PROPOSED INVESTMENTS(*)
1. Unsafe & structurally weak vessels	Hull reinforcement to fiberglass/steel
2. Fuel inefficiency	Hybrid diesel-electric engines, 30% fuel savings
3. No safety equipment	GPS, life rafts, EPIRB, AIS
4. No cold chain on board	On-board refrigeration units
5. Low skills & market access	IMO safety & FAO sustainability training

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES
0.9K
(THOUSAND)

INDIRECT BENEFICIARIES
1.5K
(THOUSAND)

PER CAPITA INCOME INCREASE
+833
(USD/PERSON)

GHG IMPACT
FAO EXACT CARBON TOOL
+TBD
(THOUSAND tCO_2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

3. SUSTAINABLE VALUE CHAIN INTEGRATED PROJECT

Hand-in-Hand Initiative

An integrated fisheries ecosystem combining digital markets, cold chain, processing, eco-tourism and waste upcycling

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT
USD 2.2M
(MILLION)

NPV
USD 3.7M
(MILLION)

IRR
24.0%
(%)

RATIONALE

- Small-scale fishers sell into fragmented markets with no price transparency
- Processing plants rely on 80% imported raw materials despite local potential
- Post-harvest losses persist due to absence of cold chain infrastructure
- Tourism and export markets offer untapped demand for value-added products

KEY BOTTLENECKS	PROPOSED INVESTMENTS(*)
1. Fragmented market & no price transparency	Digital marketplace & mobile app: revenue via transaction commissions & subscriptions
2. Post-harvest losses from lack of cold chain	Solar-powered cold storage & refrigerated transport: rental & subscription revenue model
3. Low value addition	Eco-friendly processing plant: fillets, frozen fish, smoked seafood & ready-to-eat meals
4. Fish waste & resource inefficiency	Fish waste & seaweed upcycling into organic fishmeal & fertilizers

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES
1.5K
(THOUSAND)

INDIRECT BENEFICIARIES
4.5K
(THOUSAND)

PER CAPITA INCOME INCREASE
+615
(USD/PERSON)

GHG IMPACT
FAO EXACT CARBON TOOL
+TBD
(THOUSAND tCO2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

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Click here to see full Investment Note:

Click here to request a bilateral meeting: