



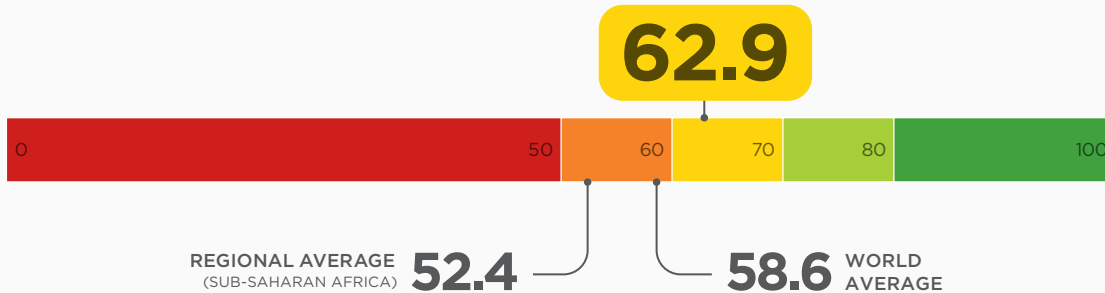
WORLD RANK:	REGIONAL RANK:
<b>57</b>	<b>3</b>
ECONOMIC FREEDOM STATUS: <b>MODERATELY FREE</b>	

# CABO VERDE

Cabo Verde's economic freedom score is 62.9, making its economy the 57th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 2.9 points from last year, and Cabo Verde is ranked 3rd out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is higher than the world and regional averages. Cabo Verde's economy is considered "moderately free" according to the 2024 *Index*.

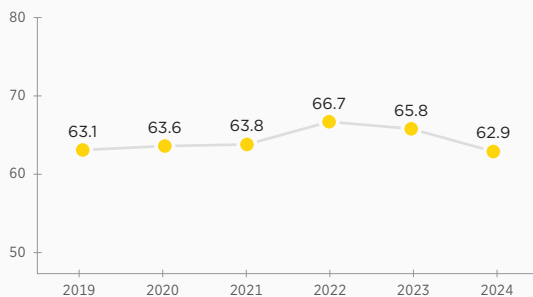
The small island economy has performed relatively well in many of the four pillars of economic freedom, the foundations of which are solid. Property rights are strongly protected in comparison to other economies in the region. However, expansionary public spending has led to widening deficits. Services account for more than 70 percent of GDP. Foreign aid finances the high trade deficit. The business environment has become more efficient, and licensing requirements are less burdensome. Inflation is above 7 percent.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +13.2

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
0.6 million

**GDP (PPP):**  
\$5.3 billion  
17.0% growth in 2022  
5-year average growth rate: 2.9%  
\$9,263 per capita

**UNEMPLOYMENT:**  
15.4%

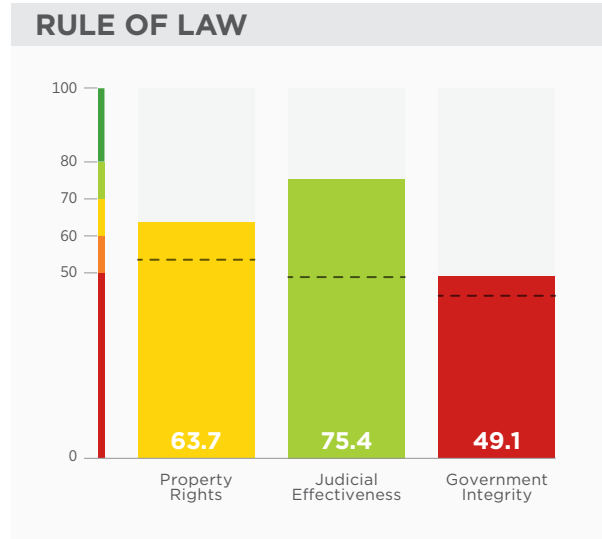
**INFLATION (CPI):**  
7.9%

**FDI INFLOW:**  
\$136.0 million

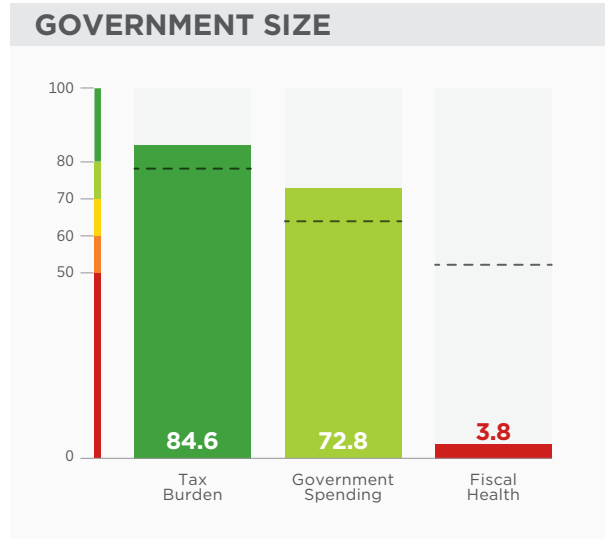
**PUBLIC DEBT:**  
127.3% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

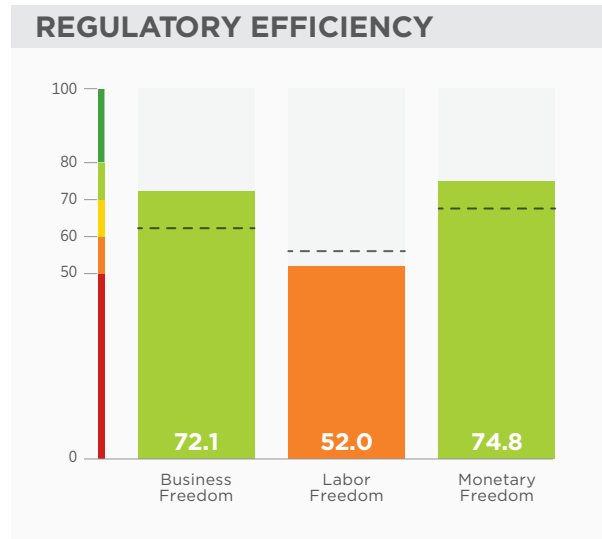
# 12 ECONOMIC FREEDOMS | CABO VERDE



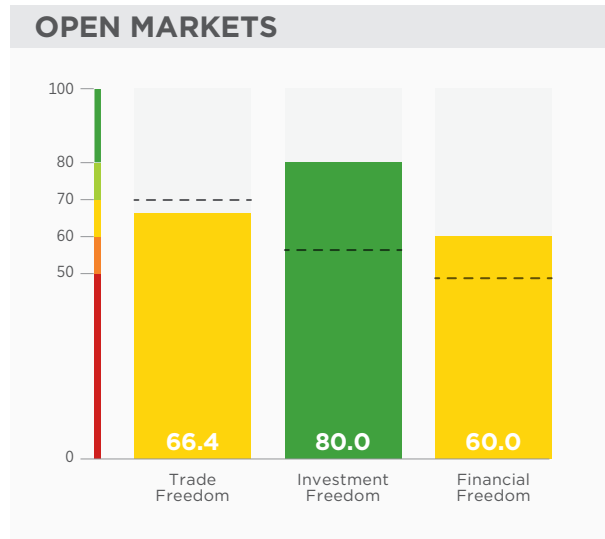
The overall rule of law is relatively well respected in Cabo Verde. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 27.5 percent, and the top corporate tax rate is 22.44 percent. The tax burden equals 16.8 percent of GDP. Three-year government spending and budget balance averages are, respectively, 30.1 percent and -6.9 percent of GDP. Public debt amounts to 127.3 percent of GDP.



Cabo Verde's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is below the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 11.8 percent, and nontariff measures are in effect. Foreign and domestic investors are generally treated equally under the law. The number of nonperforming loans in the banking system has decreased. Credit is generally allocated on market terms.