



Terms of Reference

Workshop 2.6: The Aero Business Cluster

The aero business cluster has critical roles to play in the agenda for transformation. It has a facilitating role to ensure the diversification of the economy and realization of the agenda for transformation. It will not be possible to build a tourism sector that is globally competitive without a good air transport sector, with reliable and quality services. At the same time, the geo strategic location of Cape Verde makes it a natural hub for air transport both for cargo and passengers.

The need to build a strong aero business cluster drove Cape Verde's substantial investment over the last decade in building infrastructure. Cape Verde now has four international airports (Sal, Praia, Boa Vista and São Vicente) and three national airports (Fogo, São Nicolau and Maio). Cape Verde has few advantages like the US FAA ranking as a Category 1, the rising number of tourists, a national airline, routes to four continents, a civil aviation agency with regulatory capacity, and an airports authority which is responsible for managing all the airports. Cape Verde also has a sizeable airspace and which it exploits by providing navigation services to airlines.

However, there are significant challenges that remain to be addressed. These include the issue of privatization of the national carrier (TACV), reforms in the sector, and building the necessary skilled labor force. Additionally, there is a need for substantial investments to truly make the international airports in Cape Verde an attractive option as a hub.

The workshop session will examine the aero business cluster with a focus on the prospects for the future. Crucially, the workshop will take stock and also propose ideas for the way forward. Specifically, the workshop will focus on the following questions:

- Where are we, what are the challenges and opportunities?
- What are the cluster development priorities?
- What is the best way to organize the cluster in order to create a competitive intercontinental aero-hub, to strengthen the competitiveness of Cabo Verde and to attract investment?
- What roles for TACV, AAC, and ASA?
- How to coordinate the development of the aero cluster with the tourism cluster?