

Cape Verde

# Doing Business in Paradise



The Cape Verde Islands, off the coast of West Africa, are rapidly becoming established as one of the most exciting new markets for tourism development. Located at the same latitude as the Caribbean, but mercifully free from hurricanes, the islands have an ideal climate for the holidaymaker. The economy of Cape Verde is set to benefit enormously from new investment. This will need to be accompanied by a rapid growth in infrastructure and services, which will offer great opportunities to providers of construction, transport, maintenance and training services, as well as retailers and providers of a wide range of goods. The Government of Cape Verde provides a warm welcome for new investments, including tax incentives for qualifying projects and a relaxed regulatory environment.

## Investments in Tourism in Cape Verde

Cape Verde offers many opportunities for investment in tourism and infrastructure projects. These include setting up or managing hotels, developing and selling real estate tourism projects, providing construction services to Cape Verde tourism projects, and supplying goods or services to tourism undertakings.

### How we can help you

PricewaterhouseCoopers (PwC) is globally renowned as a provider of tax services and is the established market leader in Cape Verde. We assist businesses, individuals and organisations with tax strategy, planning, compliance, as well as a wide range of business advisory services. We can support you in Cape Verde and throughout the world, wherever you require tax and business advice.

## Tax consultancy Services

Tax planning at an early stage can add significant value to every transaction. Such planning is essential to reduce both the actual transaction tax costs and the long term sustainable tax rate following the transaction. The network of PwC international tax professionals is able to help you structure your business in a tax-efficient manner, both in Cape Verde and globally.

### We can assist you with:

- Obtaining direct and indirect tax benefits and exemptions in Cape Verde;
- Structuring a deal efficiently;
- Profit repatriation;
- Cross-border financing and treasury solutions ;
- VAT planning and VAT refunds/ recovery;



- Excise planning / exemptions from custom duties;
- Property Transfer Tax planning;
- Managing intellectual property and intangible assets;
- Tax Due Diligence;
- Tax litigation (together with local legal counsel, where appropriate).

## Tax compliance Services

With the increasing focus on governance and regulation, tax compliance has never been so important. Compliance failure represents not only a financial risk - penalties and a possible increase in the tax charge - but also a serious business risk, as it can damage a Group's reputation with the authorities and the public.

The Cape Verde authorities maintain a vigilant audit and inspection programme over businesses and individuals. Correct record-keeping and tax compliance are essential for business security.

### How we can help you

PwC can help you manage your tax compliance matters, risks and opportunities, allowing you to have firm control. Our tax compliance services cover direct (income) taxes and indirect taxes.

PwC can help you in Cape Verde with:

- Preparation/review of tax returns and computations;
- Indirect tax (VAT) compliance;
- Stamp tax compliance;
- Compliance with withholding tax obligations on payments to non-resident entities;
- "Health Checks" on your compliance procedures.

## Accounting services

Those organisations entering new markets or territories may consider outsourcing their accounting to a specialised service provider. This means that they can be assured of local compliance with the full range of statutory and commercial regulations and are kept abreast of international and local accounting standards. This frees up the organisations' resources to focus on its primary business.

### How we can help you

We provide accounting compliance, including statutory year-end accounts, consolidation of (sub) group accounts and bookkeeping, all based on the applicable accounting standards, such as local rules and standards, US GAAP and IFRS.

Our approach is flexible, which means that we can process transactions at the client-site, or else at our own premises.

PwC can help you in Cape Verde with:

- Bookkeeping;
- Statutory year-end accounts;
- Consolidation of (sub) group accounts;
- Interim financial reporting's;
- Interim staffing of financial professionals;
- International financial reporting and reconciliation work.

## Payroll services

Business organisations need to ensure that they are complying with local employment legislation, social security regulations and income tax withholding obligations.

### How we can help you

We offer a fully managed payroll service, covering payroll processing, payroll administration, HR administration and compliance services.

PwC can help you in Cape Verde with:

- Local payroll;
- Expatriate payroll;
- Wage tax returns;
- Social security declarations;
- Other payroll formalities concerning local fiscal authorities and state employment agencies;
- Payment instructions;
- Payroll reviews.

## The PricewaterhouseCoopers advantage

PricewaterhouseCoopers has been providing professional services in Cape Verde for over 20 years. We are auditors to many well known Cape Verde companies and we provide services to the top 5 foreign and local investors. PwC opened its first office in Praia in 1996 and we anticipate establishing in Sal during 2007. Cape Verde has important historic, legal and cultural connections with Portugal and our personnel in Cape Verde work closely with the colleagues in Portugal. We use our in-depth knowledge of local conditions, together with the international capabilities of our offices in Lisbon and Oporto, to provide a world-class professional service to our clients.

With PricewaterhouseCoopers, your business is in safe hands.

## Contacts

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