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ATELIER B2:
José Brandão
Teresa Olazabal Cabral
Justine de la Cal

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STRATEGY DOCUMENT FOR PORTUGAL – ANGOLA COOPERATION 2007-2010

Executive Summary

The current cooperation programme takes into consideration the commitments assumed by Portugal in the multilateral context and is governed by the strategic guidelines of Portuguese cooperation.

1. Portuguese foreign policy is described in the Programme of the 17th Constitutional Government and in the Major Decisions of the 2005-2009 Plan, which promote relaunching the cooperation policy in close connection with the community policies that sustain coordination, complementarity and coherence in pursued policies. Portuguese cooperation policy should also reflect national foreign policy, especially the preferential relationship with Portuguese-speaking nations, in particular the five PALOP countries and East Timor and in promoting Portuguese around the world as a linguistic community with historical importance.
2. The main strategic guidelines for cooperation are proclaimed in the document titled “A Strategic Vision for Portuguese Cooperation”, approved by the Council of Ministers in November 2005. It establishes that “the fundamental mission for Portuguese cooperation consists of contributing towards a better and more stable world, especially in Portuguese-speaking countries, characterized by economic and social development and the consolidation and broadening of peace, democracy, human rights and the Rule of Law.”
3. As a member of the donor community, Portugal is tied to the guidelines and commitments assumed in international courts, elaborating its

cooperation policy in accordance with the commitments and priorities established therein, with special emphasis on those from the Millennium Summit¹, as a fundamental framework for medium and long-term cooperation. Portugal is one of the signatories to the Declaration of Paris (2005) and a member of several organizations that today advocate greater coordination of donor policies and support the principle of decentralization of cooperation systems, reinforcing structures on the ground. Within the framework of the Monterrey Agreement, Portugal also agreed to increase available financial resources for Official Development Assistance (ODA) to 0.56% of GNI in 2010 and 0.7% in 2015.

4. As a member of the European Union and along the lines of the European Consensus for Development, Portugal undersigns the core objective of the EU's development policy: the eradication of poverty in a sustainable development context. Poverty is considered in its multidimensional aspects and reducing it presupposes a balance between those activities to promote human development, protect natural resources and create economic growth and wealth to benefit the poorer populations. The strategic objectives for cooperation with Angola are also in line with the EU Strategy for Africa, approved by the European Council in December 2005, and which is founded on three pillars: (i) promoting peace, security and good governance as essential prerequisites for sustainable development, (ii) supporting regional integration and commerce to promote economic development, and (iii) improving access to basic social services (health, education) and protecting the environment to achieve the MDG as quickly as possible.

¹ The eight Millennium Development Goals (MDG), defined in 2000, are: (i) eradicate extreme poverty and hunger, (ii) achieve universal primary education, (iii) promote gender equality and empower women, (iv) reduce child mortality, (v) improve maternal health, (vi) combat HIV/AIDS, malaria and other diseases, (vii) ensure environmental sustainability, (viii) develop a global partnership for development. They were adopted at the Millennium Summit in 2000 at the United Nations, and ever since they have functioned as an aggregating and synthesizing element for a large number of goals, which are being included in international donor cooperation programmes. Of the established goals, the commitment to cut the number of people earning less than 1 dollar/day by half must be underscored.

This cooperation programme includes strategies for development and the reduction of poverty in Angola, and the following aspects can be briefly highlighted:

1. Angola is in a **post-conflict** situation: the civil war that ravaged the country for nearly 3 decades came to an end in April 2002 with the Luena Peace Agreements, which gathered the basic conditions for sustainable and long-lasting peace. In economic terms, Angola is currently one of the largest and fastest growing economies. Its recent growth is highlighted by a strong increase in GDP, an accentuated reduction in inflation and interest rates, an increase in foreign reserves and strong growth in exports. Despite the increasing investment in non-oil sectors, the relative weight of oil production on the Angolan economy results in little diversification with few connections to other areas of the economy. The restraints on economic diversification and on improving internal production are evident, especially in the agriculture sector. Although family unit agricultural production is recording some growth, as a result of demining and the settlement of displaced persons and ex-combatants in their areas of origin, a great part of agriculture is based on rudimentary methods that result in low production and contribute to soil degradation. Angola is still in the design phase of planning tools and sectoral strategies needed for its economic and human development and so there remain structural difficulties for absorption, as well as insufficient capacity to elaborate new projects and implement policies on the part of public authorities. In short, the two major challenges for country development are, on the one hand, to direct the resources to reduce poverty, and on the other, to invest in capacity building and education so that the rehabilitation of infrastructure can be accompanied by a true ability to provide basic levels of service, especially at the provincial level.
2. The **Angolan Development Strategy** is essentially based on the Strategy to Combat Poverty (ECP) – initially formulated for 2003-2007, and broadened in face of the country's development needs and on the Government Programme for 2007-2008. The **ECP** intends

to be the reference framework for defining strategies, government programmes and sectoral budgets in the post-conflict recovery phase, establishing the reduction of poverty by 50% by 2015 as an overall goal. This is in line with the Millennium Development Goals (MDG). The objectives defined in the ECP are spread across ten areas of priority intervention, shown in the table attached to the PIC.

3. The general objectives of the **General Government Programme for 2007-2008** (PGG) (which follow on from the 2005-2006 programme) are: the consolidation of peace and national reconciliation; establishing bases to build a self-sustaining economy; re-establishing the State's administration throughout the country; the development of human resources; the harmonious development of the territory; the consolidation of the democratic process. The specific objectives underscore the need for continued social and productive reintegration of the demobilized and the displaced; to improve basic social services and promote social harmony; to consolidate the macro-economic stabilization, process guaranteeing monetary and exchange stability and reducing inflation; to rehabilitate infrastructure; to diversify and increase domestic production of goods and services; to revitalize the rural economy and re-establish the economic and commercial networks throughout the country; to eradicate or significantly reduce hunger and misery; to support private sector development, increase employment and improve salaries; to broaden public administration, financial system and judicial reform; to swiftly reform the education system; to promote the equal distribution of domestic income and progressively reduce regional asymmetries; to begin social communication reform and create material and technical conditions to carry out elections.

4. The **Public Investment Plan** (PIP), attached to the PGG, clearly reflects the importance of rehabilitating infrastructure, considered a *sine qua non* for economic growth and the need to reactivate productive sectors of the economy. The creation of a Development Bank, approved in the second semester of 2006, to replace the Economic and Social Development Fund (FDES) may also have catalysing effects on development.



The cooperation programme takes into account the context of international cooperation in Angola, which has undergone considerable change after the end of the domestic conflict.

1. If in 2003 and 2004 the activities related to debt relief and post-war emergency help (demobilization, resettling and reintegration) absorbed more than 50% of total International Aid, and development aid resources after the end of the conflict have not increased as a means to compensate for the decline in humanitarian aid due to two main reasons at the donor level. First, it is expected that Angola should finance a great part of its recovery given its vast natural resources and the resulting revenues. Second, the provision of higher sums of development aid is greatly dependent on political factors at bilateral and multilateral donor headquarters, where holding elections play an integral role in these decisions.
2. Many bilateral and multilateral donors are currently reformulating their strategies. The emergence of alternative sources for financing the country's development (mainly through credit lines) has meant a change in priorities, from the paradigm of aid to the paradigm of investment. That does not mean that ODA no longer has an important role, but rather that it points to the need to emphasize institutional capacity building instead of highlighting the financial and economic dimension of aid. In this context, institutional reinforcement and several initiatives to support governance and democracy are at the centre of foreign concerns and represent new priorities for a large number of donors.
3. Preferred forms of aid remain at the cooperation programme and project level since it is not believed that conditions, especially institutional ones, exist to provide budgetary and/or sectoral support. Technical assistance is currently the most used instrument.
4. The main donors are still the multilateral agencies (EU, WB and UNDP), and the main bilateral donors are the USA, Japan, Norway

and Portugal. The most important intervention actions reported for 2005-2007 were in Health, Water and Sanitation, Rural Development and Education. In terms of beneficiary provinces, outside of Luanda, Benguela and Huambo received the most funds from donors.

5. Coordination among donors is still very incipient in Angola, especially in comparison to other African countries where there are joint programmes for budgetary and sectoral aid. This is due to diverse factors, where those that stand out are issues related to the importance of development cooperation in Angola, an area little appreciated in the context of exponential economic growth, with the competition between donors for visibility and for niches of operation, or the insufficient capacity of the Angolan state to promote and ensure this coordination in the various sectors. Within the scope of the donors, it is possible to observe a lack of some regular mechanism for cooperation that can integrate the different sectors of cooperation for Angola's development in an overall manner. The coordination meetings normally result in the informal exchange of information, without establishing a methodology for monitoring and evaluating results. The evolution to sector coordination, specifically led by donors, has yet to be implemented, although it is foreseen.
6. With regard to intra-EU coordination, a Roadmap was elaborated to implement an Action Plan to improve coordination and harmonization among EU members in Angola. It should be implemented in the next few years. It stipulates firm measures related to: sharing information (elaboration of an aid database, presentation of new projects to donors, construction of a website); sector coordination (creation of thematic work groups that meet at least once every semester, under the leadership of a State-Member); joint work to be developed by the donors (common models for reports, studies and joint evaluations, joint revisions of the roadmap); and appropriation of the process by the Angolan government (participation in sectoral working groups, participation in donor missions, etc.). These measures seek to comply with the goals established in the Declaration of Paris, approved by the donors in 2005.

The cooperation programme takes into account Portuguese cooperation with Angola both past and present, incorporating lessons learned and recommendations for external evaluation.

1. The cooperation relations between Portugal and Angola are framed in a series of agreements, memoranda and other signed instruments; the protocols at the sector level are diverse in nature, resulting mainly from phone calls and contacts between homologous institutions. Bilateral cooperation between Portugal and its main partners has been developed over recent years within the framework of the Indicative Cooperation Plans (PIC) signed for a three-year period, which unfolded into Annual Cooperation Plans (PAC). The Portugal-Angola PIC of 2004-2006 was signed on October 27, 2003, with an indicative envelope of 42 million Euros, identifying the priority areas to be Health, Education, Institutional Capacity Building, Training / / Development of Human Resources, Social Reinsertion and Employment. However, the respective PACs did not have satisfactory execution rates. The causes were not only financial (delays in making funds available or inappropriate forms of disbursement), but also organizational and institutional factors involving both parties.
2. Portuguese ODA to Angola has been characterized by an emphasis on infrastructure and social services (especially the Education sector) and on institutional capacity building actions by means of technical assistance. In 2004, Portugal was ranked at the top of the donor list after erasing Angolan debt, which totalled more than 561 million Euros. Emergency aid in 2004 totalled 826 thousand Euros and in 2005 nearly 455 thousand Euros, essentially for the outbreak of Marburg hemorrhagic fever the fight against polio and food aid.
3. The main changes over the past three years in education have included a clear reinforcement of inter-university cooperation, not only with regard to the sending of Portuguese faculty members, but also support for restructuring and course management, with the objective of creating specialized knowledge and developing and building the

capacity of university education in Angola. The granting of scholarships also represents a significant effort by Portuguese cooperation and recently includes domestic scholarships at degree level. The lessons learned lean towards granting post-graduate scholarships in Portugal, while increasing the number of degree scholarships at a local level.

4. In terms of basic education, prior Portuguese cooperation actions aimed at building or rehabilitating infrastructure have proven to be less necessary than capacity building actions for Angolan teachers in order to improve the quality of education.
5. In health, although Portugal is one of the major partners in the sector in absolute terms, the projects in this area in Angola have been characterized by some dispersion, little coordination and not taking advantage of synergies between different interventions. The evacuation of the ill to obtain medical care in Portugal, which has been a traditional area of cooperation, faces minimum execution rates, whether due to costs or to hospital management in the Portuguese national health service. The lessons learned for the sector suggest the need to rethink interventions in an integrated manner, taking into account the situation of public health and not only the merits of isolated projects.
6. In the area of institutional capacity building, in most cases, Portuguese cooperation's capacity to respond can be observed as being overwhelmed by the requests received. Beyond technical assistance provided to various Angolan ministries and public administration entities, actions carried out within the framework of the Technical Military Cooperation Programme, the Technical-Police Cooperation Programme and the Justice Support Programme have taken on special relevance. These programmes have focused on training and capacity building actions, corresponding to an increased value of Portuguese actions compared to actions by other donors (more focused on supplying equipment). The lessons learned from cooperation in these three areas are positive and it is important to continue them.

7. In the area of job creation and social insertion, Portuguese action since 2000 has focused on carrying out several integrated projects for socio-community development at the local level, with a direct impact on the living conditions of communities. These projects can be strengthened with greater integration in the municipal context and in the networks that will be created centrally in order to ensure future sustainability of the interventions.
8. Despite co-financing Portuguese NGO projects in Angola, the support for civil society is still marginal compared to overall Portuguese cooperation and is in need of greater attention.
9. Portuguese official development assistance contributions to several funds and multilateral organizations has significant and growing importance, which can be seen in cooperation with Angola: for example, contributions to United Nations agency funds – UNDP Trust Fund, UNESCO, World Fund to Combat HIV/AIDS, malaria and tuberculosis, among others – or in the development of various short-duration isolated actions within the CPLP framework that have benefited Angola. Among others, Angola benefits from the EC's Regional Indicative Programme – PIR PALOP II – with several projects co-financed by Portugal.
10. The integration of Portuguese cooperation into multilateral programmes or the development of joint projects with other donors has been very limited and insufficient. One of the areas that offer the greatest possibilities for joint action integration in the future is capacity building for public finances (where there are several programmes from various donors, without coordination between them) and every action in which Portugal can contribute with information and/or capacity building.
11. External evaluation carried out for PIC 2004-2006, as well as the regular monitoring of projects, demonstrates that Portugal has comparative advantages in its relationship with Angola: language, historical ties, broad relationship networks, continued presence in the

area, or a similar legal-administrative framework; but there are also difficulties, namely economic, business and financial shortages, or the inconsistency of its cooperation policies and lack of coordination among cooperation agents. In short, the following conclusions, which this PIC intends to incorporate, can be underscored:

In terms of principles for action and thematic area:

- The importance of building technical and institutional capacities within the framework of Angola's current development in all sectors and at every intervention level.
- The importance of appropriation, since the most successful projects are those that result from joint elaboration and are based on continuous dialogue and the solid participation of the Angolan counterpart and/or the action's beneficiaries.
- The importance of alignment with Angolan priorities by redirecting priority axes in light of Angola's ECP.
- The importance of incorporating the most relevant across-the-board issues in the planning process.
- The need for coordination and complementarity with other donors, namely by means of periodic meetings that provide opportunities for planning, coordinating and implementing strategies between donors.
- The need to promote project results and sustainability, betting on medium and long-term (multi-annual) projects based on sustainability criteria.

In terms of programming and organization:

- The adoption of a single document that waives annual political negotiations and the creation of dynamic and standardized planning instruments. The PIC, as a programming instrument by

excellence, must match all cooperation with an adjusted operational programme, stipulating mechanisms for technical evaluation during implementation. This makes it possible to instil multi-annual programming logic, to promote greater predictability of funds and to broaden project management horizons.

- The improvement of cooperation budgeting in order to facilitate financial programming to support the programmes and to adopt financing systems and quicker disbursements.
- The existence of monitoring instruments, evaluation indicators and information systems in order to correctly assess the cooperation's effectiveness and results.
- Improved articulation between Portuguese and Angolan actors by setting times for periodic evaluation of the execution of cooperation programmes and projects.
- Reinforcement of coordination mechanisms among Portuguese cooperation actors, intensifying the role of the coordinating entity (IPAD) with sectoral actors.
- The inclusion of a broader number of Portuguese cooperation actors, involving them in the implementation of the cooperation programme.
- The urgent need to cover human resource insufficiencies in Portuguese cooperation in Angola by placing experts at the Embassy who make it possible to monitor bilateral and multilateral cooperation more effectively.

PART I
STRATEGIC ANALYSIS

1. **Framework of Relations between Portugal and Angola**



1.1. *General Objectives of Portuguese Foreign Policy and Cooperation*

Portuguese foreign policy is described in the Programme of the 17th Constitutional Government and in the Major Decisions of the 2005-2009 Plan, which promote relaunching the cooperation policy in close connection with the community policies that sustain coordination, complementarity and coherence in pursued policies. In this context, the Portuguese government undertakes its policy of cooperation as “an instrument for essential strategic action”², underscoring the need to reorganize the cooperation system that is subordinate to the principles of political and institutional coordination and thus take better advantage of resources.

² Programme of the 17th Constitutional Government, p.156.

As guiding objectives, the government defines the implementation of a global and across-the-board strategy for Development Cooperation; the assumption of international commitments in terms of the quantity and quality of aid, namely within the framework of the MDG; the use of resources in a coordinated, coherent and efficient manner by means of the integrated budget for ODA; the implementation of an evaluation policy that analyses the impact and effectiveness of aid; the development of spaces for the interaction of Portuguese-speaking peoples; and the establishment of institutionalised mechanisms for dialogue and partnership between the State and civil society³.

³ In Major Decisions of the 2005-2009 Plan, Chap. I – 5th Option, p. 91.

The policy of Portuguese cooperation shall also reflect national foreign policy, especially in the preferential relationship with Portuguese-speaking countries, in particular the five PALOP countries and East Timor and in promoting Portuguese in the world as a linguistic community with historical value.

The main strategic guidelines for cooperation are proclaimed in “A Strategic Vision for Portuguese Cooperation”⁴, which states that “Portuguese Cooperation’s fundamental mission is to contribute to a better and more stable world, especially in Portuguese-speaking countries, characterized by economic and social development, and the consolidation and broadening of peace, democracy, human rights and the Rule of Law”.

⁴ Council of Ministers Resolution 423/2005, November 30, 2005.

It also defines the following **guiding principles**:

- Contribute to the realization of the Millennium Development Goals (MDG)⁵
- Contribute to the strengthening of human security, especially in fragile States or those in post-conflict situations
- Support Portuguese as an instrument of education and training
- Support economic development within a social and environmental sustainability perspective
- Participate more actively in international debates
- Increase ODA resources

⁵ See the list of MDG on page 5.

In terms of **sectoral priorities**, the document highlights 3 major areas: (i) good governance, participation and democracy; (ii) sustainable development and the fight against poverty (encompassing education; health; rural development; environmental protection and the sustainable management of natural resources; economic growth, development of the private sector, training and job creation); and (iii) education for development. Guidelines were drafted at the sectoral level for education, health and rural development, as well as for the across-the-board issues of good governance, gender

equality and the environment, identifying priority intervention areas and the most appropriate instruments for implementing the interventions and assessing them.

The strategic vision also underscores that Portuguese cooperation is poorly equipped to deal with the increasing tendency towards international coordination of aid. In comparison with the 1999 strategic document, this one includes a stronger **multilateral framework**, specifically referring to: pursuit of the MDG; the integrated approaches that connect security and development and support for fragile States; the strengthening of Portuguese-speaking spaces; the implementation of “bi-multi” approaches, complying with the commitments assumed in the Declaration of Paris; the increase in participation, influence and development of partnerships with the main international organizations (especially the United Nations, European Union, OECD and other international and regional financial institutions). With regard to support for the private sector, the strategic vision’s objectives are to encourage public-private partnerships, create a new financial institution for development (EDFI – European Development Financial Institution) and develop national strategic coordination that involves the different public and private sector institutions.

As a member of the donor community, Portugal is tied to the guidelines and commitments assumed in international courts, elaborating its cooperation policy in accordance with the commitments and priorities established therein, with special emphasis on those from the Millennium Summit, as a fundamental framework for medium and long-term cooperation. Portugal is one of the signatories to the Paris Declaration and a member of several organizations that today recognize greater coordination of donor policies and share the principle of decentralization of cooperation systems (reinforcing structures on the ground). Within the framework of the Monterrey Agreement, Portugal also agreed to increase available financial resources for Official Development Assistance (ODA) to 0.56% of GNI in 2010 and 0.7% in 2015.

1.2. *Strategic Objectives of Cooperation with Angola*

As a member of the European Union and in line with the European Consensus for Development, Portugal undersigns the core objective of the EU development policy: the eradication of poverty in a sustainable development context, in line with the international agenda and more specifically the MDG. Poverty is considered in its multidimensional aspects and reducing it presupposes a balance between those activities to promote human development, protect natural resources and create economic growth and wealth to benefit poorer communities.

The strategic objectives for cooperation with Angola are also in line with the EU Strategy for Africa, approved by the European Council in December 2005, and which is founded on three pillars: (i) promoting peace, security and good governance as essential prerequisites for sustainable development, (ii) supporting regional integration and commerce to promote economic development, and (iii) improving access to basic social services (health, education) and protecting the environment to achieve the MDG as quickly as possible.

Improvement in aid effectiveness is essential to eradicate poverty. This will be sought through coordination and complementarity with the other donors as well as greater harmonization of procedures and alignment with Angolan priorities for development, according to the principles established by the Declaration of Paris⁶.

As set forth in the Strategic Vision for Portuguese Cooperation, “the Portuguese-speaking countries, especially the PALOP countries and East Timor, are priority intervention areas for Portuguese cooperation (...) including regions around them”. Indeed, the benefits of European construction at the national level must have a differentiated contribution from Portugal, and it is urgently necessary to affirm the relations with Portuguese-speaking countries, with Angola playing a key role in this broader vision. Along these lines, Portugal has comparative advantages in its relationship with Angola: language, historical ties, broad relationship networks, continued presence in

⁶ Portuguese version available at http://www.ipad.mne.gov.pt/images/stories/APD/declaraparis_portg_1.pdf

the area, a similar legal-administrative framework; but there are also difficulties, namely economic, business and financial shortages, or the inconsistency of its cooperation policies and lack of coordination among cooperation agents.

Taking into account these considerations, the strategic objectives of cooperation with Angola are defined based on a combination of priorities established by the Angolan government for the development of the country and the objectives and financial and human capacities of Portuguese cooperation, including the existing strengths in defined sectors. The needs on the part of Angolan are those defined in the strategic documents: Strategy to Combat Poverty (ECP), General Government Programme 2007-2008 and, more long-term, the 2025 Vision. The principles of appropriation and partnership are the basis for all the programmes to be defined in this framework.

Thus, the **general objective** for cooperation with Angola is to contribute to a reduction in poverty in the current post-conflict phase by means of a medium-term approach that permits the promotion of sustainable human and economic development. The **specific objectives** are:

- Support good governance and build Angolan institutional capacities in the medium to long-term in order to improve the capacity to provide services to communities, transparency, the culture of democracy and human rights.
- Contribute to the improvement of the Angolan education system, investing in education and training as catalysers for development.
- Promote decentralization, namely through socio-community development actions and the creation of a Cooperation Cluster to more directly contribute to the improving the living conditions of communities.

There are various strategy **guidelines** for Portuguese cooperation with Angola for the next four years (2007-2010) underlying these objectives, namely:

1. Concentration on Strategic Axes and Priority Intervention Areas

Due to the limited resources of Portuguese cooperation, concentration is focused on two strategic axes and eight intervention areas in order to avoid the proliferation of small, short-duration projects and to strengthen the impact of actions. This means that a limited number of projects are selected through dialogue with the Angolan authorities, according to the country's needs and Portuguese strengths. A Complementary Intervention called a Cooperation Cluster was also defined (see Part II).

2. Incorporation of Across-the-board issues

The across-the-board themes of Portugal-Angola cooperation include gender equality, good governance and environmental sustainability and these are integrated into the various phases of the project cycle (see Part II).

3. Geographic Decentralization of Cooperation

An effort will be made to progressively encompass a larger number of actions outside the capital. Along these lines, an integrated intervention shall be defined that permits the construction of cooperation clusters of a geographic nature with complementarity and coordination between the diverse cooperation agents, including the establishment of public-private partnerships.

4. Coordination and complementarity with other donors

All cooperation actions will have an underlying analysis of what the donors present on the ground in the same areas are going to implement in order to avoid doubling-up and ensure better complementarity of the actions.



5. Greater integration of actions in multilateral projects

Greater importance will be given to the identification of "bi-multi" projects aimed at increasing the effectiveness of national resources, the impact of bilateral cooperation results and the visibility of Portuguese cooperation by means of partnerships with the multilateral agencies present in the area. Thus, whenever possible, the projects will be integrated in

broader, more comprehensive approaches in which Portugal can contribute with one or more components based on an analysis of its specific strengths. Due to strategic and organizational reasons, the EC is considered, within the scope of this strategy, a preferred multilateral actor for the creation of synergies or project integration.

6. Greater participation of civil society and the private sector

On one hand, public-private partnerships that strengthen available resources and ensure stronger links between cooperation activities and economic development will be favoured. On the other hand, Portuguese and Angolan civil society actors (NGOs, universities, foundations and institutes) will become increasingly involved in the processes of cooperation strategy design and implementation. Thus, mechanisms will be developed that permit the setting up of new partnerships that strengthen the implementation of sustainable projects according to the priorities presented in this document. In particular technical sectors, there will be an effort towards creating or reinforcing partnerships between different sectoral institutions (eg: between research institutes, professional associations, learning institutions) possessing specific information and technical knowledge that permit the implementation of more sustainable cooperation actions in terms of thematic and temporal scope. The intention is for partnerships to function as a means for long-lasting and measurable institutional capacity building.

1.3. Main Bilateral Agreements

Cooperation relations between Portugal and Angola are framed in a series of Agreements, memoranda and other signed instruments of which the **General Cooperation Agreement**, in effect since 1979, stands out in general. Its objective is to consolidate relations of friendship and solidarity between the two peoples in the cultural, scientific, technical and economic spheres.

The protocols at sectoral level are diverse in nature, mostly resulting from connections and contacts between homologous institutions. There are some

agreements that have been in effect for more than two decades, such as the Special Cooperation Agreement for Maritime Transportation (1979), which establishes the means for reciprocal cooperation in merchant shipping, namely in terms of vocational training, organization and port rigging, and business assistance and exchange; the Air Transportation Agreement (1981), with the objective of developing regular air transportation services between the two countries in a safe and orderly manner; or the Cultural Agreement (1979), with the objective of developing cooperation and exchange in science and culture.

Among the most recent protocols, some signed **in 2006** stand out:

– The Scientific and Technological Cooperation Agreement. Permits the adjustment and coordination of already existing cooperation between the two countries, but which is currently dispersed and disjointed, and develops actions whose ultimate purpose is collaboration at the CPLP level in terms of human resources, science and technology.

– The Cooperation Agreement in Tourism. Aims at establishing the legal bases for institutional and business cooperation in tourism, favouring the increase in tourism flows between the two countries and promoting an exchange of information and experience in various areas.

– The Memorandum of Understanding on the Promotion and Reciprocal Protection of Investments, which should result in an agreement with specific measures. Its purpose is to facilitate investment flows, ensuring more favourable treatment for investors and guaranteeing the protection and security of investments already made.

– The Memorandum on Public Works. Establishes diverse means of cooperation between the homologous ministries, including the exchange of information, training actions and provision of equipment.

– The Joint Declaration on Cooperation in Defence. Aimed at guiding Technical-Military Cooperation based on security and defence needs and foreseeing a

training component for Peace Operations in bilateral cooperation in line with the support programme for those missions in Africa. Technical-military cooperation with Angola has been in effect since 1996 with the Cooperation Agreement on Defence, established in three-year Framework Programmes.

– The Memorandum of Understanding on Cooperation in Public Finance. Stipulates a comprehensive and long-lasting intensification of cooperation in this sector and recognizes the need to schedule and implement technical assistance actions in the immediate future. It identifies areas of interest for the development of these interventions: customs, taxes, tax computer systems, financial auditing, budget, assets, treasury and public debt.

– The Memorandum of Understanding between the Portuguese Ministry of the Environment, Land Use Planning and Regional Development and the Angolan Ministry of Urban Planning and the Environment. Establishes cooperation programmes for (i) the environment, (ii) land use planning, (iii) housing and urban planning, and (iv) geodesics, cartography and records. The cooperation will encompass activities related to building technical and institutional capacity, the implementation of multilateral agreements, support in the drafting of legislation, staff training, the drafting of municipal and province director plans, among others.

Other highlights of 2006 include the ratification and consequent implementation of the Legal and Judicial Cooperation Agreement, which had been signed in 1995 and which contains provisions concerning judicial cooperation, cooperation in civil matters, cooperation in penal matters and misdemeanours, cooperation in terms of identification, registry and notary, training and information. In the area of justice, it is worth noting the signing of the Protocol between the Portuguese Ministry of Justice and the Angolan Ministry of Justice to implement the “QUICK COMPANY/ANGOLA” project in October 2006.

The Convention on Social Security, signed in 2003, was also ratified in 2006. This is especially important for Angolan immigrants who work in Portugal, establishing the principles for deductions and access to social pensions.

2. Analysis of Angola

2.1. *Angola's Political, Social, Economic, Organizational, Environmental and International Situation*⁷

⁷ The data presented in this chapter are taken from the following sources: Strategy to Combat Poverty, Angolan Ministry of Planning, Feb. 2004; MDG Progress Report for Angola, Government of Angola and UNDP, Sept. 2005; General State Budget 2007.

2.1.1. POLITICAL SITUATION

Angola is in a post-conflict situation: the civil war that ravaged the country for 27 years finished in April 2002 with the Luena Peace Agreements, gathering the basic conditions for sustainable and long-lasting peace. The process of disarming, demobilizing and reintegrating UNITA soldiers was carried out by the government, mainly using its own resources. The resettlement of the populations occurred almost spontaneously with half of the displaced population (2.3 million out of an estimated total of 4.1 million at the end of the conflict) returning to their original communities. However, the reintegration phase has seen delays since there are still local demining needs.

With peace, security conditions have improved significantly in rural areas and some progress has been made towards democratisation, with openings for more political dialogue, greater intervention by civil society and the flourishing of the media. With regard to elections, the National Assembly approved a new legislative electoral package in 2005, including the election law, the creation of the National Electoral Commission (CNE) and respective provincial commissions. Once the voter registration process has been concluded, the path will be cleared for holding legislative and presidential elections, which are hoped will take place in 2008 and 2009, respectively.

Together with the stabilization of the democratic process, conditions have been created with regard to the normal operation of the system, with the creation of institutions such as the Constitutional Court, the Anti-Corruption Authority, the Purveyor of Justice and the Audit Court, although the power and capacities of the latter two are very limited. The Justice Reform

Programme currently underway intends to reduce the sector's insufficiencies since the poor territorial coverage of the judicial system, the great shortage of qualified people, insufficient infrastructure and the lack of legislation still mean that access to justice for the common citizen is far from the level required, especially outside the capital.

The formal end of the State monopoly on national television and radio are positive indicators in the sense of greater media independence and the plurality of opinions. The growth of civil society movements, namely in the areas of rural development, access to credit, human rights and transparency tend to strengthen this dynamic.

With regard to combating corruption, Angola ratified the United Nations Anti-Corruption Convention in February 2006 and the operation of an Anti-Corruption Commission has been stipulated at the national level, with a commissioner elected by a majority of the National Assembly. In relation to transparency and accountability, the country is a member of the African Peer Review Mechanism (APRM) although it has yet to be subjected to any evaluation in this area.

2.1.2. ECONOMIC SITUATION

Angola is currently one of the largest and fastest growing economies and its recent growth has been highlighted by a strong increase in GDP, an accentuated reduction in inflation and interest rates, an increase in foreign reserves and strong growth in exports.

In 2002, with the end of the civil war, Gross Domestic Product growth levels jumped from 3.1% to 14.4%. Although a significant drop in this trend was recorded in 2003, the result of declining production in the older oil fields, the discovery and exploration of new fields once again increased GDP growth rates starting in 2004. In 2005, it was 20.6% and it is estimated that in 2006 it will reach 19.5%⁸. These rates place Angola far above the African average, 4.5% in 2005, and it is one of the few countries to exceed 7%, considered necessary to achieve the MDG.

⁸ General State Budget, 2007.

Per capita GDP has already recorded considerable increase, from US\$ 959 in 2003 to US\$ 2,129 in 2005 and a projected US\$ 3,614 in 2007. The weight of the State Budget on GDP is significant (55.85% in 2007), which demonstrates the State's weight in the country's economy.

This positive evolution of the Angolan economy is due to several factors. On the one hand, the end of the internal conflict permitted a redirection of important human and financial resources for the country's reconstruction and at the same time created a new environment of trust, which is beginning to translate into significant increases in investment. On the other hand, the increase in oil revenues favours export revenues and has permitted a renewed availability of resources for domestic investment. Indeed, not only the political and security deterioration in the Middle East, especially Iraq, but also strong domestic growth in countries like China or India have contributed to a continuous and sustainable increase in petroleum product prices. In conclusion, the growth of the Angolan economy has been accompanied since 2003 by a series of economic policy measures, brought together in the Economic Stabilization Plan and highlighted by the liberalization of interest and exchange rates, the harmonization of monetary and fiscal policies, exchange stabilization and greater budget control. These reforms were complemented by changes in legislation on investment and commercial legislation aimed at improving the business environment.

Despite the growing volume of investment in non-oil areas, the relative weight of oil production on the Angolan economy results in little diversification, even when compared to other African economies. Oil production is expected to reach 2 million barrels per day in 2008, compared to today's 1.4 million, which will significantly influence GDP, maintaining average growth rates above 13% between 2007 and 2010. Until 2010, Angola is projected to maintain its place as the second largest oil producer in sub-Saharan Africa, after Nigeria. In 2005, oil products represented more than 90% of exports and contributed to more than half the GDP, despite the low impact on job creation since it is a capital-intensive industry, with few connections to other areas of the economy. Indeed, whereas per capita

GDP more than doubled between 2000 and 2004, the Gini coefficient, which indicates the level of inequality in income distribution, increased from 0.52 to 0.62.

The diamond sector is the second largest source of revenue for the General State Budget. Angola is the fifth largest producer of raw diamonds. In 2005, the diamond industry generated more than one billion dollars in exports and 150 million in tax revenues for the State, corresponding to gross exploration revenues of about \$800 million, which represents considerable growth compared to previous years.

The good economic performance of the other sectors of the economy must also be underscored. They continued to record double digit growth rates in 2006, mainly driven by construction, banks, transportation and communication, despite their weak share in GDP. The domestic economy is expanding due to the efforts to rebuild infrastructure, growth in services and the civil construction boom.

The restraints on economic diversification and on improving internal production are evident, especially in agriculture, which employs more than half the working population. There is no domestic production sector for negotiable goods due to insufficient infrastructure – communications, energy, transportation, water and sanitation – to support production activity outside of the oil and diamond sectors. Family unit agricultural production has been growing as a result of demining and resettling displaced persons and ex-combatants in their areas of origin. A great part of agriculture depends on rudimentary methods that result in low production and contribute to soil degradation. Deficient distribution and product flow networks, low levels of producer capitalization and distortions caused by consecutive years of food aid are also factors restraining faster growth in the agricultural sector.

With regard to other macro-economic indicators, it must be underscored that the government has implemented a monetary stabilization policy, maintaining a favourable exchange rate for the Kwanza to the Dollar, which

led to greater control of inflation, which has been falling. After dropping from 105% in 2002 to 18.5% in 2005, the government's objective in 2007 is to reach a single digit inflation rate. Following inflation, interest rates continue to fall as well. However, it is necessary to point out that the appreciation of the Kwanza aggravates the effects of dependency on a single sector of activity. In other words, the strong currency jeopardizes activity in non-oil sectors because it makes them less competitive in relation to imports. If in the short term the situation is favourable due to the great need for imports, in the current context, in the medium-term, the competitiveness of the Angolan economy may be seriously affected, especially if there is not quick improvement in productivity.

Public debt has also been falling, especially as a result of the increase in oil revenues. According to the IMF, in 2005 the Angolan economy saw a growth in fiscal revenues of around 7% of GDP (nearly \$2.2 billion) as a result of the increase in oil revenues from \$5.6 billion in 2004 to \$10 billion in 2005. This growth in tax revenues permitted the amortization of a considerable amount of overdue foreign debt with Paris Club creditors (not including in this phase settlement of interest on arrears) and it created conditions to solve the domestic public debt issue. An increase in net international reserves is projected with the public expenditure/GDP ratio at nearly 20% in 2010⁹. In 2007, the government's external debt should increase to US\$ 17,447,400, equivalent to 33.9% of GDP¹⁰. Rescheduling of external public debt in a bilateral manner with some partner countries such as Portugal, Germany or Brazil also allowed access to new financing.

⁹ IMF, April 2006

¹⁰ General Budget of the State, 2007.

The Public Finance Modernization Programme (PMFP), initiated in 2002, aims at building the institutional capacity of the Ministry of Finance. Greater attention has also been given to the coordination between the Ministry of Finance and strategic planning activities. Along these lines, efforts are underway to harmonize the Ministry of Finance's Integrated System for State Financial Management (SIGFE) with the Ministry of Planning's Integrated System for State Financial Management (SIGIF). In 2004, the World Bank revised public expenditure management (Public Expenditure Management and Financial Accountability Review – PEMFAR),

in which it reiterated the need to do away with the dual nature of this management: on the one hand the traditional system supervised by the Ministry of Finance and on the other a parallel system dominated by oil revenues and loans contracted by Sonangol. In this context, it is worth pointing out the recent reforms in transparency, including budget unification, the establishment of a single Treasury account at the Angolan National Bank (BNA), the publication of a diagnosis of the oil sector and the disclosure of oil revenue data on-line, and external audits of the BNA and Sonangol.



Despite dependence on abroad to meet basic needs and despite the projected increase in imports as a result of reconstruction efforts, the balance of trade is positive. This trend should continue over the coming years due to the projected increase in global demand driven by rapid growth in emerging economies such as China and India.

The government intends to develop credit and support domestic business activity, namely by creating the National Development Fund (FND) and making low-interest credit available to business for financing a range of projects. The credit granted by the banking system for the economy recorded a 35.7% increase in the first semester of 2006, testament to the dynamism of the Angolan economy.

Important projects are underway or about to be implemented that play a structural role for the Angolan economy, such as: the rehabilitation of the railroads (Luanda, Benguela and Namibe), the rehabilitation of the main roads and bridges, the rehabilitation of the port of Luanda and several airports (Cabinda, Huambo and Bié, as well as a new airport north of the capital), dams for energy production (such as Capanda), non-diamond mining projects, and industrial projects (liquefied natural gas, iron alloys,

aluminium, construction materials). Despite efforts to increase domestic savings and broaden financing sources (eg: by selling State Treasury Bills), external financing is still essential for the country's development. The government continues to rely on bilateral financing, mainly credit lines, with China, Brazil, Portugal and Spain the most prominent partners. The Chinese credit line is the largest financing instrument for rebuilding roads, railroads and other transportation infrastructure, as well as some social facilities (schools and health centres). Since rehabilitation needs are great, most projects implemented using that credit line are granted to Chinese companies since only 30% of the works are reserved for companies with Angolan capital.

Despite the existence of financial resources, the structural difficulty of absorption is revealed by several bottlenecks, such as the congestion at the port of Luanda or the lack of sufficient supply in terms of lodging or travel. Only 59% of the capital expenses projected for 2005 were actually used, which points to the difficulty in fulfilling the State Budget's projection to increase public investment fivefold in just one year. The Programme to Improve and Increase the Supply of Basic Social Services for the Population (PMAOSSBP) in each province has a centrally allocated sum and it also has very low execution rates although in 2007-2008 it will benefit from a 12.49% increase compared to 2005-2006¹¹.

¹¹ General Government Programme 2007-2008 (pág. 2516).

The current economic growth model, excessive dependence on oil and diamond production and the debt levels are some of the complex challenges facing the Angolan government in macro-economic management.

2.1.3. SOCIAL SITUATION

Contrary to the Economic Situation, where there is a growing availability of statistical data, an analysis of the social situation is limited by the lack of up-to-date and comprehensive data, demonstrating the urgent need to strengthen the National Statistics System as projected in the ECP and successive PGGs. The latest population census dates back to the 1970s and the lack of knowledge regarding the geographic distribution of the

population is a significant restraint for assessing needs and determining social indicators. It is estimated that Angola has between 15.5 and 17.5 million inhabitants, almost half of whom are less than 15 years of age, which exerts strong pressure on basic social services such as education and health in the short and medium term.

Despite the macroeconomic improvements described above and high levels of economic growth, there has yet to be any real improvement in the living conditions of the population, where significant disparities in wealth distribution remain. Nearly half the population lives in urban zones and more than 50% are without access to basic sanitation. It is estimated that approximately 38% of the population suffers from malnutrition or food shortages.

Important positive steps have been taken with regard to access to education. The 2001-2015 Education for All Action Plan is about to be implemented by the Ministry of Education. Despite the efforts and the progress in the restoration of school infrastructure, the teacher/student ratio has worsened due to the accelerated return of children to school after the end of the armed conflict. On the other hand, the increase in the number of teachers does not necessarily correspond to any improvement in teaching quality given the low qualification of many teachers, irregular distribution and the lack of school and teaching materials at the schools. This leads to considerable failure and dropout rates: only one-third of all children finish primary instruction according to 2003 data. Net attendance rates in primary education for boys and girls were 56.8% and 41.3%, respectively, in 2002, which shows the gender inequality that prevails in this area. The disparities are even greater if we analyse secondary or university education, or the participation of women in middle and senior management at companies or in political positions.

With regard to health, after encouraging results in 2004 in the control of endemic disease, the situation took a step backwards again in 2005, including in the number of malaria cases, which is the main cause of death in Angola. Polio re-emerged and a vast vaccination campaign was initiated. The infant

mortality rate is one of the highest in the world due to malnutrition and poor sanitation conditions: 154 deaths in every 1000 births within the first year of life, and 260 in every 1000 children by the age of 5 (the SADC average is 137). The percentage of births assisted by qualified health personnel is less than one-third, which results in maternal mortality rates that are much higher than the regional and continental average. The Strategic Plan for the Accelerated Reduction of Maternal-Infant Mortality in Angola (2004-2008) projects a substantial reduction in these rates and it intends to strengthen campaigns for prenatal and neonatal tetanus immunization and control or eradicate diseases such as measles, polio and yellow fever.

The epidemiological context is very fragile, making the population vulnerable to various outbreaks, as was demonstrated with the Marburg fever and cholera epidemics. The incidence of trypanosomiasis (African sleeping sickness), acute diarrheic diseases and respiratory diseases, especially pulmonary tuberculosis, is still high.

Likewise, HIV-AIDS is still an open question, since the real dimension of the problem is unknown. In a region that records the highest rates in the world, Angola has all of the social factors to perhaps suffer strong growth in the epidemic due to the post-conflict situation and the increased mobility of its population. In this respect, a National Commission and a National Institute were created in 2004. However, these institutions have institutional weaknesses, especially with regard to the effective implementation of activities in the provinces and coordination mechanisms.

This slow progress, despite a significant increase in per capita resource allocation for health (US\$ 71 dollars per capita compared to US\$ 42 in sub-Saharan Africa), is partly due to the lack of priority given to primary health care, the lack of sufficiently qualified personnel, inefficient coordination mechanisms between the different levels of government and other sectors (as well as the donors) and the inefficiency of administrative structures. The funds allocated to health are fragmented in several budgetary units and scattered over a large number of policies and sub-sector programmes without a comprehensive plan.

2.1.4. ORGANIZATION OF THE STATE

In the plan for the Organization of the State, the Angolan government began a decentralization process, which has recently received greater impetus through the implementation of the Strategic Plan for Administrative Decentralization. It is currently recognized that decentralization in planning, management and monitoring, as well as the existence of good local governance in public administration, are fundamental factors for implementing a sustainable development strategy. To this end, pilot municipalities were defined. Municipal development plans will be developed and organizational and management models will be implemented with the support of the donor community. The 18 provinces are considered the basic cells for planning and budgetary function; however, the decentralization currently underway is still limited to administrative tasks, without any delegation of power regarding expenditure and taxation.

At the central level, several public administration reforms are underway that include the restructuring of the career salary table, definition of civil servant roles and functions and the elaboration of guidelines for restructuring public functions. Progress has been positive, but slow. Structural problems are evident, such as heavily bureaucratic processes, lack of human resources to draft and implement new policies and nuclei of technical expertise limited to the ministries.

2.1.5. POSITION OF THE COUNTRY IN THE INTERNATIONAL CONTEXT

Angola's position in the international context was reinforced over recent years, especially at the economic level, due to the substantial increase in oil production and demand, not only from emerging economies (such as China), but also traditional partners working to diversify their sources of energy supply (such as the United States). On the political level, Angola's presence as a non-permanent member in the 2003-2004 Security Council and its election in June 2006 to preside over the Peace Consolidation Commission (an entity under the General Assembly and the UN Security Council dedicated to post-conflict issues) are facts that must be underscored in terms of international positioning.

With regard to relations with EU countries, Portugal has been an interlocutor and preferential partner. In fact, besides cooperation actions, an increase in the importation of Portuguese products and the growth in activity and investment in various sectors, especially banking and construction, can be observed. Within the context of the Community of the Portuguese-speaking Countries (CPLP), political relations with Portugal and Brazil have taken on significant importance.

The United States is still a partner with great internal influence and a priority for Angolan foreign policy. North American companies occupy the top positions in terms of oil company concessions, which makes the country the largest investor.

Stronger relations with China and Brazil have made resources rapidly available to finance the country's reconstruction efforts. China is expected to maintain its preferential position over the short and medium term, with the prospect of the approval of new credits supported by oil. The initial credit line, worth two billion dollars (and recent negotiations to increase it by two more), has made it the main foreign actor in Angolan reconstruction, with a strong presence in civil construction, infrastructure rehabilitation and communications. With regard to Brazil, the concession of credit lines, the penetration of Brazilian products and investments by Brazilian companies in the mining, real estate and energy sectors accompany the increase in technical assistance actions for public administration and training activities.

On the African continent, Angola's foreign policy has attributed importance in recent years to Central Africa for geopolitical reasons. The fact that it has been a member of CEEAC since 1999 and the military support granted by Angola to the DRC and Congo-Brazzaville illustrate its action and capacity to exert influence in the region.

One of the country's major priorities is still the broadening of Southern African integration, especially in order to gain access to a larger market and benefit from economies of scale. SADC is still viewed as a point of entry to diversify the economy with oil as the starting point, since demand in the

region for certain products, such as petrochemicals, is strong. Angola accepted the SADC Commercial protocol in 2003. It stipulates the creation of a Free Trade Zone by 2008 and a Customs Union by 2010. This implies several reforms, some of which are being implemented at the national level (such as customs, with the introduction of a revised tariff in February 2005), although progress has yet to be observed in the dismantling of other trade barriers. Despite this progress, and due to economic and institutional restraints, Angola affirmed it did not have the conditions to comply with the projected schedule in November 2006.

Nevertheless, relations with South Africa are expanding on both an economic and a commercial level (with the increasing supply of goods and services to Angola).

The fact that it belongs to several regional integration organizations (CEEAC and SADC) and that there are other organizations in the region of which it is not part (SACU), represents a complex element in trade negotiations, especially with the EU¹².

2.1.6. ENVIRONMENTAL SITUATION

Angola has great potential in terms of natural resources. With regard to mineral resources, about 35 of the 45 most sold minerals in the world are found in the country, and oil and diamonds are the main sources of revenue. In relation to water resources, Angola is one of the major contributors to the basins of



various international rivers, such as the Congo, Zambezi, Okavango and Cunene, with underexplored potential. Due to soil and climate diversity, great biodiversity can be observed, with more than 5 thousand species of plants and a forest area that covers nearly 35% of the territory, although some areas of the country are undergoing accentuated desertification.

¹² The EU will have to negotiate Economic Partnership Agreements (EPA) with the ACP regions by the end of 2007 in order to meet the goals established in the Cotonou Agreement.

However, the war and the lack of priority attributed to environmental issues in the government's agenda have had an impact on these resources. On the one hand, offshore oil exploration exerts pressure on marine resources, damaging the coastal habitat. Mining activities have polluted water and soil. Marine resources are also affected by increased fishing by third countries, non-compliance with prohibition periods and controlled fishing areas and insufficient surveillance and control. On the other hand, natural habitats and biodiversity are threatened by illegal deforestation, agricultural pressure and poaching.



In the urban context, sanitation conditions and the services provided to communities are still very deficient. Degradation of environmental conditions and public health can be observed. Indeed, the strong migratory movement of rural populations to urban centres

(especially Luanda) has increased pressure on the capital's structures, which have been unable to accompany this growth with any integrated development of sewage networks, water treatment and distribution or rubbish collection. Furthermore, urban population growth has contributed towards degraded and precarious housing and resulted in unsustainable urban situations with increased poverty as a consequence.

The legal framework in this area was recently reformulated in order to include principles of sustainable environmental management and the country's Environmental Profile, updated in 2006 with EU financing, to be a part of the next CSP 2008-2013, which suggests a series of measures for improving the situation in this area. The trend towards mandatory environmental impact studies in infrastructure projects must be highlighted. The Basic Agricultural Development Law consolidates the approach in the Land Law and the Land Use Planning Law, explicitly integrating environmental concerns to guarantee sustainable agricultural development. However, institutional capacities are still

insufficient and integration of these concerns into sectoral policies is still incipient.

At the international level, Angola has signed the Conventions that resulted from the Rio Summit in 1992: the Convention on Biodiversity, the United Nations Framework Convention on Climate Change, the International Convention to Combat Desertification, Principles on Forests and Agenda 21. More recently, it signed the Law for Using International Water Resources for Purposes Other than Navigation, in 1997. On the regional level, the most prominent are the SADC Strategy and Policy for Environment and Sustainable Development (signed in 1996) and the SADC Protocol on Shared Water Courses (signed in 1995).

2.2. *Poverty Reduction Analysis*

Despite economic growth, poverty levels are still very high in the country. The Strategy to Combat Poverty (ECP of 2004-2007) still does not translate the recent increases in State Budget revenues and does not include up-to-date data due to the shortage of available information, namely social and human development data.

In economic and social contexts are quickly changing, making it difficult to have in-depth knowledge of the dimension and characteristics of poverty in general and its provincial profile in particular.

According to the 2006 Human Development Report, published by UNDP, Angola is ranked 161st out of 177 countries in the Human Development Index. This is mainly due to GDP values, since the other indicators that comprise the Index, life expectancy and adult literacy rates, are very low, at 41 years of age and 67.4%, respectively. Indeed, in most of the social indicators, the country's performance is poor, as described in point 2.1.3. It is estimated that if current trends continue, only MDG 2 (Achieve Universal Primary Education) stands a high chance of being achieved.

Table: Angola: MDG situation in 2005

Goals	Current Level of Goal Achievement			Probability of Goal Achievement			Fitness of Policies		
	High	Moderate	Weak	High	Moderate	Weak	High	Moderate	Weak
Goal 1 Eradicate extreme poverty and hunger			U			U			U
Goal 2 Achieve universal primary education	U			U			U		
Goal 3 Promote gender equality and empower women			U			U			U
Goal 4 Reduce child mortality			U			U			U
Goal 5 Improve maternal health			U			U			U
Goal 6 Combat HIV / AIDS, malaria and other diseases			U			U			U
Goal 7 Ensure environmental sustainability			U			U			U
Goal 8 Develop a global partnership for development			U			U			U

Source:
Relatório de Progresso dos ODM em Angola, Governo de Angola e PNUD, September, 2005.

A Household Expenditure and Income Survey (HEIS), carried out in 2001, revealed that nearly 68% of the population lived below the poverty line (US\$ 1.7 /day), with poverty affecting 94% of families in rural areas and 57% of family units in urban areas. Extreme poverty, which corresponds to consumption of less than US\$ 0.75 /day, afflicts 26% of the population.

This data also incorporates significant regional data since poverty levels are higher in the eastern and central areas (especially the provinces of Namibe, Cunene and Huila), with better rates along the coast – Luanda and Cabinda – as well as Lunda Norte.

Urban poverty is significant even in urban coastal areas. It is related to job access difficulties since most investment is focused on capital-intensive sectors (such as oil), which do not generate broad employment opportunities. Vast sectors of the population living in cities are linked to informal jobs, mainly small commerce. This activity is particularly important in the case of households where women are the heads of the household, where there tend to be lower rates of poverty despite the level of education also being lower. In this regard, it is worth noting that several micro-credit initiatives have permitted many families to build their own small businesses and thus earn incomes.

At the provincial level, the war caused accentuated degradation of public social facilities and other services (water, energy), deindustrialisation due to destruction and massive damage to physical infrastructure and loss of skilled labour. The rehabilitation process will thus be long and will require heavy investment. In rural areas, desertification caused by population migration (people are only now returning to their lands to begin planting), the long period needed for returns on agricultural investments, the difficulty in accessing markets and generating product flows result in structural poverty phenomena associated with the lack of access to basic social services, health and education. However, since 2003, the re-emergence of traditional agriculture is gradually reducing the need to resort to imported food and the total planted area increased 15% during the 2004-05 planting season.

The ECP intends to be the reference framework for defining strategies, government programmes and sectoral budgets in the post-conflict recovery phase. Its core objective is to “consolidate peace and national unity through the sustained improvement of living conditions for the neediest and most vulnerable Angolan citizens”. Its overall goal is to reduce poverty in half by

2015, in line with the MGD. Combating poverty also emerges within the scope of the New Partnership for African Development (NEPAD) and the integration agenda of the Southern African Development Community in its Regional Indicative Strategy for Development Plan, drafted in 2003, which identifies intervention strategies aimed at achieving the objective of eradicating poverty.

2.3. *Angola's Development Strategy*

The ECP establishes that, "besides consolidation of the peace process, the government is obliged to ensure the functioning of State administration throughout the national territory, extend basic health services and education to the entire population, especially the neediest, rehabilitate basic economic infrastructures and promote a stable economic and social environment that constitutes the basis for revitalizing the domestic economy and for promoting a comprehensive and sustainable development process". The objectives defined in the ECP are implemented across ten priority intervention areas, as per the table in the Appendix.

By establishing the starting conditions and emphasizing solution of the most urgent problems, the ECP launches the foundations for elaborating the Medium-Term Development Plan and for a long-term structural development strategy with a time horizon that extends to 2025.

Indeed, by virtue of the nature of proclaimed objectives and the internal effort this demands in terms of resources and implementation capacity, it is probable that the ECP will be extended to the medium-term, at least until 2010. The fact that the strategies and action plans at the sectoral level are still in an embryonic stage makes it difficult to have a well-directed and focused implementation of those objectives announced by the ECP. The carrying out of updated surveys and the collection of data after the election process will certainly permit a redirection of the strategy in order to provide a more direct and focused answer to the country's real causes of poverty

With ECP objectives 1 and 2 well underway, the two main **challenges** for country development are, on the one hand, to direct the resources to reduce poverty and ensure that economic growth has a clear impact on improving the population's living conditions, and on the other hand, to invest in capacity building and training so the rehabilitation of infrastructure can be accompanied by a true capacity to respond at the level of basic services, especially in the provinces.

In this context, the Angolan government established its General Programme (PGG) for 2007-2008 with the following general objectives:

- Consolidate peace and national reconciliation;
- Build foundations for a self-sustaining economy;
- Re-establish the State administration throughout the country;
- Develop human resources;
- Harmonious development of the territory;
- Consolidate the democratic process.

The most prominent specific objectives are:

- Continue the social and productive reintegration of the demobilized and displaced;
- Improve basic social services and promote social harmony;
- Consolidate the macro-economic stabilization process thus guaranteeing monetary stability, exchange stability and reduction in inflation;
- Rehabilitate infrastructure;
- Diversify and increase domestic production of goods and services;
- Revitalize the rural economy and re-establish economic and commercial networks throughout the country;

- Eradicate or significantly reduce hunger and misery;
- Support private sector development;
- Increase employment and improve salaries;
- Broaden reform of public administration, the financial system and justice;
- Swiftly carry out reform of the education and teaching system;
- Distribute national revenue equally and progressively reduce regional asymmetries;
- Begin reform of the media; Reinforce the institutional and technical-material capacity of the media;
- Create the material and technical conditions to hold elections.

The Public Investment Plan (PIP), attached to the Government's General Programme, clearly reflects the importance in rehabilitating infrastructure, considered *sine qua non* for economic development, and the need to reactivate the economy's productive sectors. This is especially relevant in the agricultural sector, where minimal transportation infrastructure is an indispensable condition for moving from subsistence agriculture to market agriculture.

The creation of a Development Bank, approved during the second semester of 2006, to replace the Social and Economic Development Fund (FDES), could also have catalysing effects on development. This Bank will be financed with 5% of oil revenues and it will be used to support development of non-oil production sectors by financing programmes, projects, works and services that compete for the country's social and economic development.

These issues are recognisably important for reducing poverty. They presuppose other elements that have not received sufficient prominence in government planning instruments, such as improvement in implementation capacity at

the institutional level and the training of qualified human resources to permit the efficient use of these infrastructures and their maintenance. Likewise, decentralization of the territory's administration, which is just getting underway, implies the appropriate capacity building of municipalities and their employees.

In the functional distribution of total expenditure in the State's Budget for 2007, the social sector continues to benefit with the largest share, at 28.1%, but the allocation of resources to health and education over recent years has been very low, with less than 6% for each¹³. This is compounded by the low levels of budget execution and an infrastructure distribution that tends to neglect primary health care and basic education in favour of other sub-sectors. Public expenditure with a direct impact on poverty are still very small, although important initiatives exist for reducing poverty.

¹³ In 2005, education represented 7.14% of the State Budget, and in 2007, this share was 5.61%. In 2005, health represented 4.97% of the State Budget, and 3.68% in 2007.

3. **Overview of Cooperation and Political Dialogue – Coordination**

3.1. *Portuguese Cooperation past and present*

Bilateral cooperation between Portugal and its main partners has been carried out over recent years within the framework of the Indicative Cooperation Programmes (PIC) signed for a period of three years, and which were broken down into Annual Cooperation Plans (PAC). The PICs describe the cooperation to be developed between Portugal and each country and establish the lines that will govern Portuguese contribution to the partner country's social and economic development. The Portugal-Angola 2004-2006 PIC was signed on October 27, 2003, with an indicative envelope of 42 million Euros and identifying the priority areas to be Health, Education, Institutional Capacity Building, Training/Development of Human Resources, Social Reinsertion and Job Generation. However, the respective PACs – PAC 2004 of €16 million, PAC 2005 of €22.3 million and PAC 2006 of €21.4

million, did not have satisfactory execution rates. Financial factors (delays in making funds available or inappropriate means of disbursement) were not the only reasons, since both parties' organizational and institutional factors also played a role.

Portuguese ODA to Angola has been characterized by a clear emphasis on infrastructure and social services (especially education) and on institutional capacity building actions by means of technical aid. In 2004, Portugal was ranked first among donors due to its erasing of Angolan debt, which totalled 561 million Euros.

In 2004, emergency aid totalled more than 826 thousand Euros and in 2005 nearly 455 thousand Euros. In 2005, following the outbreak of Marburg hemorrhagic fever, nearly 7.5 tons of medical-sanitation supplies worth nearly 270 thousand Euros were sent. Portugal contributed 100 thousand Euros to the UNICEF polio vaccination programme and it provided 100 thousand Euros to the PAM School Lunch project, encompassing 170 thousand children, in order to overcome problems involving the breakdown of the country's food reserves.

The main changes in the education sector in recent years dealt with the clear strengthening of inter-university cooperation aimed at creating specialized knowledge, building capacity and developing university education in Angola. This cooperation includes sending Portuguese faculty members to teach on several courses as well as provide support for course restructuring and management. At present, the main areas encompassed are Law, Medicine, Engineering, Economics and Agronomy. The granting of scholarships also represents a significant effort in Portuguese cooperation and recently includes internal scholarships at degree level. At the level of basic education, experience shows that Portugal's greatest strength is in education/training.

In Health, although Portugal is one of the sector's main partners in absolute terms, the projects in this area in Angola have been somewhat dispersed, little coordinated and have not made use of synergies between the different interventions¹⁴. A large number of health professionals have received

¹⁴ Considerations made by the Cooperation Programme Monitoring Mission in the area of Health, IPAD, May 2006.

undergraduate and post-graduate degrees in various medical specialties with the support of Portuguese cooperation. In Angola, this training has been mainly to support laboratory diagnosis, control tuberculosis and meningitis, support burn victims, maintain equipment and provide medical specialization in public health and general practice. The sending of short, technical missions, organized by the DGS and comprised of professionals from several Ministry of Health institutions has resulted in support for training actions and to specialty institutions (ex.: paediatrics and tropical diseases). The evacuation of the ill and the provision of medical care in Portugal, which has been a traditional part of the cooperation, is facing minimal execution rates whether due to cost problems or due to hospital management problems in the Portuguese national health service. The lessons learned for the sector suggest the need to rethink interventions in an integrated manner, taking into account the overall situation of public health and not only the merits of isolated projects.

In terms of institutional capacity building, in most cases it is possible to observe that the capacity of Portuguese cooperation to respond does not meet the requests received. Besides technical assistance for various Angolan ministries and public administration entities, actions developed within the framework of the Technical-Military Cooperation Programme, the Technical-Police Cooperation Programme and the Support for Justice Programme, which is focussed on the modernization of the legal and judicial system, have taken on special relevance. These programmes have focused on training and capacity building activities, which are Portuguese strengths compared to actions by other donors (which are more focused on supplying equipment).

The technical-military cooperation programme was developed by means of actions to: (i) build institutional capacity in Security and Defence (restructure the top ranks of National Defence and the Armed Forces); (ii) training of military personnel (military training and instruction; support for the creation of an instruction centre; military health and medicine); and (iii) and the organization of some "Special Forces Units" in order to improve capacity. The technical-police cooperation programme has focused on training and

capacity building in the middle and higher echelons of the Security Forces. Capacity building in the area of Justice has been marked by support for legislative reform, the training of magistrates and the development of legal and judicial services. The lessons learned from cooperation in these three areas are positive and their continuation is important.

Since 2000, Portuguese action in terms of social reinsertion and job generation has focused on carrying out several integrated socio-community development projects at the local level with a direct impact on the population's living conditions. These projects, with high execution rates and very positive results, need to be strengthened through greater integration in the municipal context and in the networks that will be created at the central level in order to ensure intervention sustainability should external support cease.

Although support for civil society is still limited when considering overall Portuguese cooperation, the IPAD has co-financed Portuguese NGO projects with the European Commission. In 2005, 8 projects were financed, exceeding €852 thousand and representing 28% of the support attributed to NGO development projects during that year, as per the Rules and Criteria in effect.

Mostly bilateral Portuguese Official Development Assistance contributions to diverse funds and multilateral organizations has significant and growing importance that can be seen in cooperation with Angola. Among those that stand out are: the Trust Fund created by the Partnership Agreement between Portugal and the UNDP (which finances projects in democratic governance, namely in capacity building, decentralization and local governance); the UNDP Junior Professional Officers programme (which finances the participation of Portuguese youths to work in local UNDP offices); the Trust Fund with UNESCO, where Angola is one of the beneficiaries of the "Preparation of the National 'Education for All' Plans in the Palop"¹⁵ project; or the World Fund to combat AIDS, malaria and tuberculosis, supported by Portugal. With regard to the latter, Angola is one of the main beneficiaries, with subsidies of nearly 63.5 million dollars to finance UNDP projects to combat the three diseases (\$28.5 million for malaria, \$27.7 million for AIDS and \$7.3 million for tuberculosis). Portuguese contributions reached \$1.5 million in 2005 and \$2 million in 2006.

¹⁵ The project's core objectives are to strengthen cooperation among the PALOP countries, strengthen the capacities of national teams involved in formulating National Education Plans and the elaboration of 'Education for All' Plans.

Within the framework of the CPLP, various short, isolated actions – underway or concluded – that Angola has benefited from include: Course on the Elaboration and Conception of Cooperation Projects for Development (CEPRODE); Electronic Government; Portuguese Studies at the National Library of Lisbon; School Management and Administration Course – Training for CPLP Technical Staff; Training in the analysis and adjustment of international technical cooperation projects (ProCTI-MAE); Management Course in International Trade Negotiations (ProCTI-MGC); Technical Cooperation in Telecommunications; Support for human resource capacity building in health in the PALOP; IT Platform to Share Information from Hygiene and Tropical Medicine Files; CPLP's International Youth Centre; creation of the Regional Centre for Excellence in Public Administration (Maputo), creation of the Regional Centre for Excellence in Business Development (Luanda). The holding of CPLP Business Forums has contributed to the identification of mechanisms to take advantage of synergies between the public and private sectors and to analyse competitive instruments for economic and financial cooperation. Several seminars on specific issues, namely those promoted by civil society, and sectoral ministry meetings (in Education, Culture, Justice, Tourism, among others) have permitted the exchange of experiences and the identification of joint actions. The CPLP General Cooperation Strategy, approved in July 2006, establishes the coordination and systematisation of cooperation policies with a view to improving the effectiveness of actions developed in this area.

Angola also benefits from the European Commission's Regional Indicative Programme – PIR PALOP II. Within this framework, a commitment was established on the part of the Portuguese to co-finance projects in Justice and Administration, and in order to complement the PIR, a project in the area of Statistics.

The integration of Portuguese cooperation into multilateral programmes or the development of joint projects with other donors has been very limited and insufficient. Thus far, the joint programmes have been limited to a three-part Portugal-USA-Angola project in the area of justice in 2005-2006; the Youth Expert in Delegation programme (which promotes the professional training of young Portuguese technicians at the EC Delegation in Luanda); the EC Primary

Education Support Project (PAEP) – where Portuguese cooperation will provide provincial technical assistance to support the GEPE; and the World Bank's Global Development Learning Network (GDLN), to support distance learning (both beginning in 2006). The areas that offer the greatest possibilities for joint action integration in the future include capacity building to strengthen the National Statistics System, public finances and the planning of all actions in which Portugal can contribute to training and/or capacity building.

Some lessons learned need to be highlighted after the recent external evaluation of the PIC 2004-2006 and the regular monitoring of the projects executed in order to incorporate better practices. In short, they are:

In terms of principles for action and thematic area:

- The importance of building technical and institutional capacities within the framework of Angola's current development in all sectors and at every intervention level.
- The importance of appropriation, since the most successful projects are those that result from joint elaboration and are based on continuous dialogue and the solid participation of the Angolan counterpart and/or the action's beneficiaries.
- The importance of alignment with Angolan priorities by redirecting priority axes in light of Angola's ECP.
- The importance of incorporating the most relevant cross-the-board issues in the planning process.
- The need for coordination and complementarity with other donors, namely by means of periodic meetings that provide opportunities for planning, coordinating and implementing strategies between donors.
- The need to promote project results and sustainability, investing in medium and long-term (multi-annual) projects based on sustainability criteria.

In terms of programming and organization:

- The adoption of a single document that waives annual political negotiations and the creation of dynamic and standardized planning instruments. The PIC, as a programming instrument by excellence, must match all cooperation with an adjusted operational programme, stipulating mechanisms for technical evaluation during implementation. This makes it possible to instil multi-annual programming logic, to promote greater predictability of funds and to broaden project management horizons.
- The improvement of cooperation budgeting in order to facilitate financial programming to support the programmes and to adopt financing systems and quicker disbursements.
- The existence of monitoring instruments, evaluation indicators and information systems in order to correctly assess the effectiveness and results of cooperation.
- Improved articulation between Portuguese and Angolan actors by setting times for periodic evaluation of the execution of cooperation programmes and projects.
- Reinforcement of coordination mechanisms among Portuguese cooperation actors, intensifying the role of the coordinating entity (IPAD) with sectoral actors.
- The inclusion of a broader number of Portuguese cooperation actors, involving them in the implementation of the cooperation programme.
- The urgent need to cover human resource insufficiencies in Portuguese cooperation in Angola by placing experts at the Embassy who make it possible to monitor bilateral and multilateral cooperation more effectively.



3.2. *Programmes of other donors*

The context of international aid in Angola has undergone considerable change after the end of the internal conflict. High levels of emergency aid and food aid could be observed until 2002, mainly driven by United Nations agencies. In 2003 and 2004, the activities related to debt relief and post-war emergency aid (demobilization, resettling and reintegration) absorbed more than 50% of total International Aid.

Many bilateral and multilateral donors are currently reformulating their strategies. The emergence of alternative sources for financing the country's development (mainly through credit lines) has meant a change in priorities, from the paradigm of help to the paradigm of investment. That does not mean that ODA no longer has an important role, but rather that it points to the need to emphasize the reinforcement of institutional capacity building instead of highlighting the financial and economic dimension of aid. In this context, institutional reinforcement and several initiatives to support governance and democracy are at the centre of foreign concerns and represent new priorities for a large number of donors.

First, it is expected that Angola should finance a great part of its recovery given its vast natural resources and the resulting revenues. Second, the provision of higher sums of development aid is greatly dependent on political factors at bilateral and multilateral donor headquarters, where holding elections play an integral role in these decisions.

Preferred forms of aid remain at the cooperation programme and project level since it is not believed that conditions, especially institutional ones, exist to provide budgetary and/or sectoral support. Technical assistance is currently the most used instrument.

The main donors are still the multilateral agencies (EU, WB and UNDP), and the main bilateral donors are the USA, Japan, Norway and Portugal. The most important intervention actions reported for 2005-2007 were in Health, Water and Sanitation, Rural Development and Education. In terms of

beneficiary provinces, outside of Luanda, Benguela and Huambo received the most funds from donors. In contrast, in provinces such as Lunda Sul and Norte, Cuando Cubango, Cabinda, Cunene, Namibe and Zaire, aid does not reach 1% of total foreign aid granted by donors to Angola.

The **European Commission** (EC) is the main multilateral entity through which most OECD country members channel their multilateral aid, with Angola among the 10 biggest recipients of aid from the group of DAC/OECD countries. With regard to the EC Strategy Document for Angola, aid sums have fallen from 210 million Euros scheduled for 2002-2007 to an indicative sum of 173 million over the following strategy period (CSP 2008-2013), with the possibility of receiving a supplementary tranche for "Good Governance". The Strategy is divided into three focus sectors:

1. A total of €42 million for Government, Democracy, Human Rights and Support for Economic and Institutional Reforms. This involves support for institutional capacity building (including Angola's INE), support for the decentralization process and local government, support for the justice sector, strengthening of public finance management and of transparency and accountability.
2. A total of €55 million for Human and Social Development. This encompasses the integrated support programme for municipal health systems and core structures (which absorbs the largest share of the financing, €20 million to €25 million), actions related to water quality, hygiene and sanitation, actions in the education sector and a support programme for vulnerable groups.
3. A total of €50 million for Rural Development, Agriculture and Food Security. This includes support for the adaptation and diversification of rural family companies, the social integration of vulnerable groups and support for infrastructure in these areas.

As non-focal sectors, the EC has defined specific lines for Water and Sanitation (€8 million); Regional Integration (€11 million); support for Non State-Owned

Actors (€3 million); to facilitate Technical Cooperation (€2 million); and Biodiversity Management (€2 million), totalling €26 million. All EC cooperation programmes in Angola give preference to training and capacity building actions, nearly 2/3, with only a minority used for infrastructure and equipment.

Besides the interventions scheduled within the framework of the EC cooperation strategy, Angola can count on support within the scope of intra-ACP cooperation (ex.: the Water Initiative, or the horizontal support programmes for the private sector), as well as having access to Investment Ease, run by the EIB, and the PALOP and SADC Regional Indicative Programmes. Outside the Cotonou Agreement framework, Angola also benefits from community support through the diverse budgetary lines to support development (ex.: food aid, NGOs, Human Rights, Environment, etc).

In February 2005, the **World Bank** (WB) approved an Interim Strategy Note with five investment structuring projects: (i) the social action fund, (ii) the emergency project for infrastructure rehabilitation, (iii) the re-integration project for ex-combatants, (iv) actions to combat malaria and HIV/AIDS, (v) institutional capacity building in macroeconomic management through technical assistance provided by the Ministry of Finance, Central Bank, INE and other area entities. The WB strategy until the end of 2008 is focused on institutional capacity building and improving the country's management capacity. It encompasses the 2nd phase of the infrastructure programme as a capacity building component at the organization and planning levels, as well as a support programme for the private sector with a view to improving the investment climate and reinforcing good governance.

The **United Nations** Development Assistance Framework for Angola in 2005-2008 (UNDAF), which encompasses agencies within the UN system (UNFPA, UNHCR, WHO, WFP, UNHCHR, FAO, UNICEF, WIO, UNESCO, UNAIDS and UNDP) and also World Bank representation in Luanda, defines agency intervention areas in terms of mandates and comparative advantages. It thus establishes 3 priorities for action: (i) Economic Development, Democratic Government and Decentralization; (ii) "Means for Sustainable

Subsistence”; and (iii) Reconstruction of Social Sectors. The sum of resources requested totals US\$ 289.20 million for the this period.

Specifically, the **UNDP** programme gives preference to institutional capacity building actions in order to promote equitable economic growth and improve basic services for the population by means of two great channels:

- The Government, which also involves some actions to improve human security, such as demining, but is centred on capacity building programmes at the central level.
- The Fight against Poverty, which encompasses the promotion of equality through job creation and diversification of the economy, namely by supporting small Angolan businesses.

One of the programmes with the most visibility focuses on support to local government within the framework of the decentralization process underway. In this first phase, pilot experiments are in operation in four municipalities: Camacupa (Bié), Calandula (Malanje), Sanzapombo (Uíge) and Kilamba-Kiayi (Luanda). The objective is to prepare the municipalities to sketch their own development plans and manage a local development fund.

The UNDP programme for Angola is financed by several bilateral cooperations – Canada, France, Italy, Japan, Norway, Sweden, the United Kingdom and the USA. The memorandum of understanding signed with the World Bank and the African Development Bank complementarity and coordination with these institutions to be strengthened. For example, in August 2005 the ADB signed an assistance framework with the Angolan government worth US\$47 million for 2005-2008, even though project execution rates in Angola are very low.

Although Angola is not among the main receivers of aid from the **USA**, since it is not considered eligible for the Millennium Challenge Account, nor one of the priority countries for the Global Initiative against HIV/AIDS by the American government, it has gained strategic importance within the framework of support to sub-Saharan Africa. The USAID strategy for 2006-

-2009 establishes three strategic objectives: government reform, restoration of economic activities, and the improvement in basic services by local and national institutions. In order to carry out these objectives, the big areas of operation are Health (with an emphasis on HIV/AIDS), the Financial Sector (capacity building at the State Budget management level, technical support for the BNA, banking credit), Energy (electricity) and Land Reform (property rights, municipal development). The programmes can be reformulated in content and redimensioned in terms of financial resources, in accordance with needs evaluation.



Also at the **bilateral level**, there are bilateral cooperations that develop important actions in specific sectors, in accordance with what they value most. For example, Dutch cooperation has mainly been dedicated to disarmament and demining, the United Kingdom to the promotion of human rights and democracy¹⁶, Germany to transportation and infrastructure and rural development, Japan to health and education. Brazil, as an emerging actor in cooperation with Angola, mainly develops human resource training activities and technical assistance for central administration, taking advantage of the comparative advantage in language. Spanish cooperation with Angola is governed by the Strategy Document of 2005-2008, which includes a total of nearly €40 million for this period, €30 million of which is managed by the AEI and approximately €10 million from the decentralized cooperation of its autonomous regions. With regard to Sweden and Norway, cooperation with Angola is about to be reformulated, implying a reduction in funds and concentration on actions in areas where human and financial resources can have increased value and on technical cooperation actions.

¹⁶ The DFID's cooperation programme with Angola, totaling nearly 3 million pounds for 2007-8, is managed by the office for Southern Africa, located in South Africa. The reference document is the Regional Plan for Southern Africa, of February 2006.

3.3. *Political dialogue between Portugal and Angola*

Taking into account the historical relationship between the two countries and the fact that Angola is among the main priorities of Portuguese foreign policy, it is clearly a priority nation for political dialogue.

From the outset, cooperation in good governance and institutional capacity building has been based on political and diplomatic dialogue, since institutional reforms are not neutral and the partner country's true desire to broach and pursue these reforms is an essential prerequisite for any cooperation action in this area. Improving government in fragile States begins by prioritising actions that include a continuous and effective political dialogue with Angolan government institutions, strengthening democratic government, citizen participation and access to justice, promoting human rights, including women's rights, strengthening transparency, accountability and the effectiveness of entities that intervene in the formulation and implementation of policies deemed fundamental to improve the population's quality of life.

This dialogue currently involves all sectors involved in relationships at the bilateral level and is not confined merely to development cooperation issues. However, some compartmentalization of the dialogue into sectors can be observed, sometimes resulting in a lack of action coordination or not taking advantage of potential synergies. Thus, contacts have been made in an attempt to restore a comprehensive and regular dialogue mechanism through which the various sectoral issues (including reimbursable aid) can be debated with representatives from both parties.

On the multilateral level, Portugal will give preference to the adoption of homogenous positions within the scope of the EU.

3.4. *Progress in terms of Harmonization and Alignment*

Indeed, coordination/harmonization between donors is still incipient in Angola, especially in comparison to other African countries where there are joint programmes for budgetary and sectoral support.

At the central administration level, the MIREX Directorate for Bilateral Cooperation is the counterpart for some bilateral cooperation, whereas the Ministry of Planning manages multilateral cooperation from international

organizations and from other bilateral donors (such as the USA), which also does not facilitate greater programme integration.

With regard to donors, the lack of a regular coordination mechanism that can fully integrate the different sectors of cooperation for Angola's development is evident. The coordination meetings that are held normally result in an exchange of informal information without establishing any methodology to monitor and evaluate results. Evolution to forms of sectoral coordination, specifically led by donors, has yet to be implemented.

However, the European Commission has developed coordination mechanisms between member states and between these and the Angolan government, in close collaboration with the Ministry of Planning. The EC formulated a roadmap to implement an Action Plan to improve coordination and harmonization between EU members in Angola, which shall be implemented in next few years. This measure projects relatively firm measures regarding:

- information sharing (creation of an aid database, presentation of new projects to donors, construction of a website);
- sectoral coordination (creation of thematic work groups to meet at least every semester, under the leadership of a Member State, covering three main areas: "Education, Health and Vulnerability Issues"; "Government and Human Rights"; and "Growth and Investment");
- joint work developed by the donors (common models for reports, studies and joint evaluations, joint revisions of the roadmap);
- appropriation of the process by the Angolan government (participation in sectoral working groups, participation in donor field missions, etc).

The performance of Portuguese cooperation is adjusted, whether in terms of priorities or programming cycle, to remain **aligned with the Angolan programme**.

The areas of intervention and cooperation actions to be developed are defined in the most part based on requests from the beneficiary country and through political and technical dialogue with Angolan institutions. An effort was made, especially in this strategy document, to evaluate sectoral needs that correspond to priorities defined in the ECP and in the Angolan government programme. With regard to the programme timeline, the current programme encompasses a four-year period (2007-2010), coinciding with the implementation of two government programmes. These are biannual and the programme for 2007-2008 has been approved. The PIC will be the object of a mid-programme revision in order to redirect actions as a result of the next government's programme and the planned holding of elections.

3.5. *Coherence between the Development Aid Policy and other Portuguese Policies*

International success with regard to the MDG does not only depend on Official Development Assistance. The impact of globalisation can be felt in several areas, resulting in the need for coherence in the different spheres of economic policy, including those that namely concern trade and agriculture. Portuguese participation in the multilateral debates takes this need for coherence between the various sectoral policies into account. At the bilateral level, Portugal assumes the commitment to implement mutually converging policies in this area, including with regard to trade and the environment.

In the Angolan case, there are no visible incoherencies between aid policy and other Portuguese policies that concern this country. The same cannot be said about the coordination between diverse ministries and State institutions, especially in the relationship between the economic domain and aid. The situation is similar at another level, the action of agents on the ground, where partnerships or public-private collaboration has not been felt and are an aspect that needs to be explored.

PART II
PORTUGUESE COOPERATION
STRATEGY



1. **Strategic Choices**

This programme aims to diversify cooperation action financing sources, including the possibility of private financing, and whenever possible, Angolan co-financing. There are various preferred **instruments of aid** which involve a broad range of actors in implementing cooperation projects:

- *Technical cooperation.* This is fundamental to support institutional capacity building through training activities and local capacity building, advisory services and technical assistance for public administration reorganization, strengthening of development policy formulation and implementation capacities and strengthening of democratic institutions.
- *Partnerships between homologous institutions.* The creation or strengthening of partnerships will be favoured between homologous institutions in specific technical sectors (eg: between research institutes, professional associations, learning institutions, technical bodies and associations), possessing specific information and technical knowledge that permit the implementation of more sustainable cooperation actions, especially at the training level, in terms of thematic and temporal scope.
- *Support for civil society.* Projects to be developed will be co-financed in Angola by Non-Governmental Development Organizations(NGDO). These projects will contribute to social, economic and cultural

development and the Portuguese party shall present the list of these NGDO to the Angolan party and it shall also identify the projects to be carried out and the co-financing amounts provided by IPAD. Besides that, whenever so justified, Portuguese civil society shall carry out the cooperation projects for this programme.

- *Public-Private Partnerships*. The programme aims to diversify cooperation action financing sources, promoting the involvement of companies, especially Portuguese and Angolan, for implementing development and capacity building/training projects.
- *Decentralized cooperation*. This will be done through local government and cooperation or twinning agreements established with similar Angolan entities.
- *Line of credit for aid*. On the political level, a credit line for aid of up to 100 million Euros was provided to Angola. After domestic approval by the Portuguese government, it can be used on infrastructure projects in the form of subsidized interest and government guarantees for the banks involved. This line makes room for more encompassing interventions in various sectors since training and capacity building actions can be complemented with rehabilitation interventions or the creation of corresponding physical spaces.
- *Humanitarian aid*. In response to eventual crisis situations that result from natural disasters or epidemics, bilateral aid can be provided through direct interventions, namely by sending medications, vaccines or providing medical care. However, this type of aid shall preferably be channelled through non-governmental organizations and/or multilateral organizations, strengthening the advantages, capacities and skills of these organizations in the field.
- *Financing through multilateral organizations*. This is also a means of support within the framework of projects developed by specialist agencies at the European Union or United Nations or within the framework of broader initiatives seeking to comply with international commitments, namely the MDG.

This strategy will also have gender equality, good governance and environmental sustainability as **across-the-board themes**. Whenever possible and appropriate, these issues will be incorporated into the design, implementation, monitoring and evaluation phases of the cooperation projects. It is important to refer to each of them explicitly:

Gender Equality

The word “gender” refers to the rights and duties, policies, cultures and opportunities associated to the fact of being a man or woman. The growing prevalence and incidence of poverty among women, compared to men, especially in developing countries, has drawn special attention to how development cooperation contributes, or not, to improving the situation of women, and to the fundamental role played by women in development. In order to measure the fulfilment of MDG 3, “to promote gender equality and empower women”, progress indicators for 2015 were agreed upon by Member States, which include: the reduction of gender disparities in primary and secondary education, the degree of literacy among women in the 15-24 age group, women’s growing participation in salaried employment in non-agricultural sectors and their participation in national parliaments. In Angola, gender disparity is still considerable in all these areas.

Thus, in the present cooperation strategy, gender equality is founded on two pillars: (i) the pursuit of a mainstream strategy where the dimension of gender equality is an integral part of policy, programme and project formulation (including this dimension in every phase of the project cycle); (ii) the assumption that the empowerment of women and the enhancement of their role in society is fundamental for sustainable development.

Good Governance

The recognition that good governance is a condition for development has significantly affected thought on these subjects over recent years. It is increasingly evident that there is a vital relationship between open and responsible democratic government systems, respect for human rights and

the capacity to achieve economic and socially sustainable development (from an economic, social and environmental perspective). This is especially important in countries recently coming out of conflict situations, such as Angola.

Good governance, although an across-the-board issue, contributes to every dimension and objective of Portuguese cooperation. Thus, although good governance, especially through institutional capacity building, is one of the PIC's strategic aims, this theme will be considered in a comprehensive manner as an integral part of every cooperation project, becoming a horizontal criterion in its interventions and a condition for aid effectiveness. This is not merely about supporting specific reforms of State institutions, but about taking into account the institutional dimension in every cooperation project in order to strengthen local problem solving capacity and the participation of various sectors of society in political, economic and civic life.

Environment



The threats that hover over sustainable development at the global level indicate that water and land pollution, climate change, loss of biodiversity and the destruction of forests are factors that contribute to the perpetuation and

worsening of the vicious cycle of poverty. Protection of the environment and land use planning are essential to ensure minimal quality of life for the populations, given the direct impact on human health. The poorest populations are, by norm, the most dependent on natural resources for survival, and the most affected by environmental degradation. This is why compliance with the MDG as a whole is greatly dependent on compliance with objective 7, "to ensure environmental sustainability".

In the case of Angola, there are several environmental threats, and as in most developing countries, the government structures in this area are very weak and thus have insufficient capacity to promote environmental concerns in other sectoral policies. Inclusion of the environmental dimension as an across-the-board concern for cooperation interventions is thus one of the guiding principles in the cooperation strategy with Angola.

In accordance with the priorities established in the Portuguese Cooperation strategic guidelines¹⁷, the **strategic axes and intervention areas** are shown below for Portuguese cooperation with Angola for 2007-2010, and they can be summarized as follows:

¹⁷ "A Strategic Vision for Portuguese Cooperation", pags.26-28.

Summary Framework for Priority Axes and Intervention Areas

Strategic Axis I	Boa Governação, Participação e Democracia
Intervention Area 1.A.	Capacity Building in Public Administration
Intervention Area 1.B.	Cooperation in the Justice Area
Intervention Area 1.C.	Technical-Military Cooperation
Intervention Area 1.D.	Cooperation in the Police and Safety Area
Strategic Axis II	Sustainable Development and the Fight Against Poverty
Intervention Area 2.A.	Education
Intervention Area 2.AA.	Basic and Secondary Education
Intervention Area 2.AB.	Higher Education
Intervention Area 2.AC.	Technical-Vocational Learning
Intervention Area 2.B.	Socio-community Development
Intervention Area 2.C.	Capacity Building and Research in Health
Intervention Area 2.D.	Capacity Building and Research in Agriculture and Food Security
Complementary Intervention:	Cooperation Cluster

These axes are presented and broken down into their respective areas of intervention below, including the reasons for their choice, the objectives and the main actions to be developed in each area.

Strategic Axis 1: Good Governance, Participation and Democracy

Translate the chart in the text (MDG/ Partners/ Indicators)

¹⁸ Agreement signed in 2000 for a period of 20 years, between the EU and the ACP States, of which Angola is a member.

Weaknesses in terms of governance have been pointed out in several international reports as one of the main barriers to achieving the MDG. The Cotonou¹⁸ Partnership Agreement concept is adopted here. It defines good governance as “the transparent and responsible management of economic, financial, natural and human resources aimed at equal and sustainable development within the context of a political and institutional environment that defends human rights, democratic principles and the rule of law”.

Good governance is considered to involve three main dimensions: (i) the technical dimension – economic aspects of governance, namely transparency and accountability, the effective management of public resources and a favourable institutional environment for private sector activities –; (ii) the social dimension – creation and strengthening of democratic institutions, as well as the administration of the public sector in order to ensure essential services for the population; and (iii) the political dimension – government legitimacy, respect for human rights and the rule of law. Good governance is fundamentally an internal process; however, cooperation for its development can contribute to facilitate or promote reforms led or conducted by beneficiary countries.

As an across-the-board issue, good governance contributes to every dimension and objective of Portuguese cooperation. However, in many cooperation actions in this area, the poorest and most disadvantaged communities are not the direct beneficiary of the projects, the social implications are not immediately visible and the impacts are rarely quantifiable. The choice of firm actions must be subordinate to criteria for capacity, added value and coherence (both internal and with other donors) in order to avoid actions in areas that do not have clear value for Angola or where there are other donors with more effective institutional models.

Angola's ECP identifies the weakness of the Angolan institutional framework as one of the main causes of poverty in the country, explained by the low average qualification of its staff and technicians and its reduced productivity. This is especially important in a post-conflict situation, where the strengthening of State capacities and democratic structures are essential for the consolidation of peace and the pursuit of the development process. Specific ECP objectives thus include the strengthening of legal and judicial system capacity and efficiency; reform of public institutions to better respond to the citizens' needs; deconcentration and decentralization; modernization of the public finance management systems and the restructuring of the planning system and human resource management. Government becomes a priority Intervention Area, especially in Angolan government biannual programmes as well as in sectoral reforms currently in progress.

The general **objectives** of Portugal-Angola cooperation in this are:

- support the public administration reform process and capacity building of public bodies;
- support the development of legal systems to strengthen the rule of law and the proper administration of justice;
- contribute towards the strengthening of democratic institutions;
- support the training of technical personnel in diverse key areas for good governance (including the armed forces and police).

In this context, the preferred **instrument** of cooperation is technical cooperation by means of training and capacity building activities, advisory services and technical assistance. Support for the process of good governance and capacity building is seen as a continuous, long-term process, where structural interventions are preferred, including medium and long-term partnerships that involve an important training component in order to result in the effective transfer of expertise.

In this framework, cooperation actions are distributed over various **intervention areas**: (1.A) public administration capacity building, involving

training and capacity building programmes for diverse Angolan ministries and also including a programme in the public finance area; (1.B) cooperation in the justice area; (1.C) technical-military cooperation; and (1.D.) cooperation in the police and security area. The justification, objectives and main actions in each of these areas are presented below.

1.A. *Capacity Building for Public Administration*

Justification:

The ECP recognizes that Angolan public administration, on one hand, is strongly influenced by a centralizing and bureaucratic culture, and on the other hand, by the erosion of technical and administrative personnel, with insufficient training – less than 5% have higher education qualifications. Improvement of the State's functional capacity, capacity building and promotion of human rights and the establishment of an effective organizational framework for the State's central and local administration are the main Angolan objectives in this area¹⁹.

¹⁹ ECP, pp. 83-85.

There are evident needs within the scope of public finances. The Modernization Programme for Public Finance Management, in place since 2002, intends to improve the accountability process and introduce more efficient mechanisms for controlling public resources through the consolidation of the Integrated System for State Financial Management (SIGFE) and the strengthening of MINFIN's capacity in budget and financial management, namely by reinforcing coordination with MINPLAN. The programme's three components – management adequacy, computerization and staff training – foresee a series of measures that the Angolan state cannot carry out without the appropriate technical and financial support from donors.

Insufficiencies at the management level, in the capacity to formulate policies and to implement programmes are equally evident in several areas of public administration, in the final analysis affecting the possibility of ensuring a sustainable development process. The decentralization process underway

cannot have positive effects if it is not complemented with reforms at the central level that ensure necessary institutional changes and policy adequacy.

Objectives:

In this area, the intention is to build the administration's capacity and competence, focusing on improvement in the quality of services provided and on strengthening implementing institutions with a focus on the ministries that play a central role in economic and human development.

Instruments / Actions:

The activities in this area will be implemented by means of technical cooperation instruments within the area of institutional capacity building, staff training and technical advisory services. The actions to be preferred are those of a structural nature and a long-term perspective and/or real impact on policy formulation and implementation capacity.

An integrated programme will be implemented within the specific scope of public finances, with a strong emphasis on training, which encompasses actions in State asset areas (asset inventory and evaluation, domestic purchases), taxes (international double taxation, fiscal justice), customs (custom duties, anti-fraud, customs regulations and other issues) and public accounting.

The integration of Portuguese technical assistance into the multilateral programmes underway will be favoured, especially within the scope of the EC²⁰. Participation in projects through the ADB Trust Fund is another example of the bi-multi approach that will be implemented.

²⁰ Project for Strengthening the Budget and Planning Process at the MINFIN and MINPLAN (CE). The EC also finances Technical Assistance for the MINPLAN on the level of Macroeconomic Management.

1.B. *Cooperation in the Justice Area*

Justification:

Justice is an area of particular importance in order to strengthen the Rule of Law. The existence of an efficient legal system and administrative practice that ensures justice and equality in the treatment of citizens contributes towards transparency, the reinforcement of trust in democratic institutions and the protection of human and social rights.

In the Justice area, the ECP identifies a series of restraints regarding Angolan judicial system operations, including limited access for citizens and the inherent slowness of proceedings, the non-existence of fundamental legal institutions and deficient coordination between existing ones, outdated and insufficient legislation, insufficient technical qualification of human resources and the lack of physical conditions for work²¹. Thus, the main objectives referred to in the ECP for the sector are: (a) the extension of the judicial system, especially to the municipal level; (b) strengthening of equal access; (c) revision of structural legislation, especially Criminal and Civil Legislation; (d) strengthening of the institutions and the respective mechanisms for coordination; and (e) sector capacity building, especially in the training of justice personnel²². In general, these objectives correspond to those defined in the current justice reform programme entrusted to the Justice and Law Reform Commission.

²¹ ECP, pp. 79-80.

²² ECP, p. 81.

With regard to the legislative framework, the system is outdated due to legislation still in effect, which is largely unfit for new political and social realities. The identity and autonomy of the system have shown some progress, with the institutional dependence of certain judicial bodies and operators fading, an evolution that owes much to the influence exerted by the Order of Attorneys. With regard to judicial network coverage, provincial courts are functioning, but only a very small number of municipalities have municipal courts. The Communes are not encompassed by the official network of justice entities, generally applying the mechanisms of traditional and community justice. Important progress is being recorded at the level judicial infrastructure with the most important being the creation of the National Judicial Studies

Institute (INEJ) and the rehabilitation of some Palaces of Justice that bring together Courts, Attorney General Offices and Public Notary Offices.

Objectives:

Legislative reform underway and the building of judicial system capacities counted on Portuguese collaboration and will continue being the object of the current cooperation programme. Thus, the justice area cooperation objectives are:



- Promote institutional capacity building and train the different legal and judicial operators;
- Support reform of the judicial system and legislative production;
- Make the judicial system more just, equitable and accessible to the Angolan population and contribute towards a permanent structural change in the justice sector and society in general, supporting and strengthening Angola's social and economic development.

Instruments / Actions:

Portuguese cooperation will develop the activities in this area by means of technical cooperation instruments in the area of institutional capacity building, staff training, technical and judicial advisory services and the drafting of legislation, giving continuity to work at the base that contributes to strengthen the foundations for the Rule of Law. At the same time, it will work on strengthening synergies between the many actors involved, establishing a bridge between the institutions and justice entities and civil society, where one of its essential components, among others, is the Order of Attorneys and the

Colleges of Law. The bi-multi approach is privileged by means of its articulation with the PIR PALOP II project for the sector, which pursues the objective of the harmonization of law in Portuguese-speaking countries.

1.C. *Technical-Military Cooperation*

Justification:

According to the “Strategic Vision for Portuguese Cooperation”, Technical-Military cooperation has the following objectives: (i) to guarantee increased effectiveness in the internal stabilization, construction and consolidation of Rule of Law processes and (ii) participate in the State’s capacity to guarantee security levels compatible with the principles of democracy, good governance, transparency and the Rule of Law, involving issues related to the structuring, regulation, management, financing and control of the defence system, thus facilitating development²³. Portuguese cooperation has broad experience in this area and participates in the reorganization and capacity building of Angolan armed forces.

²³ Ibidem, p. 20.

In Angola, the development of institutional structures that meet the needs of the armed forces, guarantee the superiority of legitimate and democratic political control and are able to carry out the operational tasks attributed by Civil Authorities, assumes special relevance in the current post-conflict phase.

Objectives:

The programme to be developed has the following objectives:

- Contribute towards Angola’s internal security and stability through the formation of non-party Armed Forces, subordinate to the political power and fully inserted within the framework of democratic regimes.
- Support the organization, formation and operation of Angolan Armed Forces, constantly paying attention to the country’s socio-economic and political-military specificity;

- Confer high priority to Technical-Military Cooperation Projects related to training in the areas of organization, logistics, administration and technical issues;
- Consolidate the training of military units and support services developed within the scope of Technical-Military Cooperation and that can be employed by the sovereign entities of Angola in Peacekeeping and Humanitarian Operations under the auspices of the UN or of Regional Security and Defence Organizations that are set up for such.

Instruments / Actions:

The above objectives will be achieved by encompassing the following areas:

- i. Conceptual, at the institutional capacity building level – within the realm of the legal-administrative organization of the higher echelons of Defence and the Armed Forces.
- ii. Military Training – within the realm of the military acquiring specific skills through doctrine, organization, equipment and operation of Institutes, Schools and Military Instruction Centres.
- iii. Capacity building of military staff – through training actions held in Portugal: Courses and Internships, made available through the Personnel Training Programme in Portugal within the scope of Technical-Military Cooperation with the PALOP and East Timor.
- iv. Services –within the realm of logistics support (uniforms and equipment) as well as Medical-Hospital Assistance in Portugal and the supply of medications.

Within the framework of the CPLP, “Centres of Excellence” will be developed to train trainers. Those related to Command, Pilots and the Support for Peace Instruction Centre should be located in Angola. The Support for Peace Missions in Africa course, delivered in Portugal, is another training component in this area and is included in the Programme to Support Peace Missions in Africa (PAMPA)

1.D. *Cooperation in the Police and Security area*

Justification:

According to the “Strategic Vision for Portuguese Cooperation”, Technical-Police cooperation aims at contributing towards the development of methods of organizing the domestic security system, controlling borders, managing information, maintaining public order and combating criminality, aiming to build relations between security forces and services at the organizational level, as well as develop methods, preparation and training. This permits participation in strengthening conditions for domestic stability, autonomy of political institutions, security of the population and consolidation of the primacy of the essential values of democracy, the State and the Rule of

²⁴ P. 21. Law.²⁴

Besides being an area where Portuguese cooperation has important strengths compared to other donors, it corresponds to an important priority in the current post-conflict phase in Angola, where it is fundamental to reinforce internal security and police force capacity. Although it is not a direct element for reducing poverty, it has indirect impacts on several social areas and on the quality of life of its citizens.

Objectives:

The core objective for Portuguese cooperation in this area is to support Angola in the sense of guaranteeing conditions for public security in every corner of the country, supporting the reform and development of the internal security sector. The specific objectives of Technical-Police Cooperation are:

- Strengthen citizen security by means of policies to reorganize the institutions responsible for internal security in Angola and the training of personnel;
- Support the electoral process by means of policies to implement necessary structures and for the training of personnel;

- Contribute towards the creation / building of capacities in the Security Forces for an eventual participation in humanitarian or peace support operations within the framework of the UN or Regional Organizations;
- Implementation of a support Framework Programme.

Instruments / Actions:

The programme is based on the strategies, priorities and programmes defined in the sector's strategic reference documentation. It is a bilateral programme, but it will be implemented together with programmes and projects with multilateral financing, namely the UNDP and the EC, in order to maximize resources and favour integrated interventions with greater impact.

In terms of content, the programme focuses on the provision of training actions, especially for the training of personnel in the Middle Institute of Police Sciences.

Strategic Axis 2.: Sustainable Development and Fight Against Poverty

With the situation of poverty in Angola, the promotion of sustainable development is seen as an unquestionable priority in cooperation between the two countries. This is set down in the "Strategic Vision for Portuguese Cooperation" as well as in the objectives established by the European Union relative to cooperation with third countries. In the case of Angola, the reduction of poverty is an ECP central priority, in line with the first MDG. Combating poverty also appears within the scope of the New Partnership for African Development (NEPAD), as a vital strategy for affirming the African continent in the international context and reducing existing disparities between Africa and the developed world. The NEPAD programmes also establishes the need to ensure compliance with the goals defined at the Millennium Summit aimed at the reduction of poverty and inequality and the promotion of economic growth



and development in Africa. At the regional level, the eradication of poverty emerges as a top objective on the South African Development Community (SADC) integration agenda. Its Regional Indicative Strategic Development Plan (RISDP) identifies intervention strategies aimed

at achieving the objective to eradicate poverty. These strategies namely include: the redistribution of natural assets, construction and maintenance of infrastructure, promotion of health care and knowledge, expansion of regional markets, promotion of investments in order to stimulate economic growth and the creation of job opportunities for the poor.

In this Strategic Axis, and according to Portuguese strengths in the areas of training and research, the **objective** of Portuguese cooperation will be to support Angolan efforts to combat poverty, promoting sustainable development through a focus on areas considered essential for the promotion of human and social development, such as education, health and rural development.

The most varied **instruments** of aid will be used by virtue of the involvement of a broad range of actors in the implementation of cooperation projects in this axis. However, the most prominent will be technical cooperation, through capacity building and training, and the formation/strengthening of partnerships between homologous institutions.

The interventions of Portuguese cooperation in this axis are thus distributed over four **intervention areas** – (2.A) Education, with three sub-areas related to basic and secondary education, university education and technical-vocational training; (2.B) Socio-community Development; (2.C) Capacity Building and Research in Health; and (2.D) Capacity Building and Research in Agriculture and Food Security, and the justification, objectives and main activities are presented below.

2.A. *Education*

Justification:

Education occupies a central place among human rights and is a key element in exercising other rights inherent to humans and development. As mentioned in the Portuguese Cooperation “Sectoral Strategy Document for Education”, education allows human beings to acquire knowledge, values and skills that permit him to make the most of himself and to adapt to social and cultural evolution, better discuss and understand the needs of others, actively participate in development strategies and strengthen citizenship. This contributes to the construction of more open, more democratic and more just and equal societies and is one of the most powerful instruments in reducing poverty and inequality. The recent strategic guidelines defined in the “Strategic Vision for Portuguese Cooperation” reaffirm education’s pivotal role as a key sector to support sustainable development in partner countries. Two of the MDG are dedicated to education: to achieve universal primary education (MDG 2) and to eliminate gender disparity at all levels of education (MDG 3) by 2015.

Education is also a sector for priority intervention in the ECP, with the core objectives being universality and elimination of gender and geographical disparity in accessing Basic Education (1st to 6th grades), the improvement of teaching quality and the eradication of illiteracy²⁵. It is a particularly relevant sector to combat extreme hunger and provide equal distribution of income, taking into account the strong demographic pressures that result from a very young age profile. An active policy to develop future skills is thus imperative, ensuring access to education and indispensable training in order to build a qualified and appropriate labour offer.

²⁵ ECP, pp. 60-66.

The Angolan government programme strongly emphasizes an extension of the general education infrastructure system, the training of teachers, the strengthening of school management and inspection, the reformation of university education and the expansion of Technical-Vocational Training. 2001 saw the approval of the Law for the Foundation of the Education

System, which defines the general lines of education policy and State intervention – and the Integrated Strategy for Improving the Education System, which is the strategic guideline document for the sector in order to develop an integrated and inclusive education system. It defines three phases: emergency (2003-2005), stabilization (2006-2010) and development (2010-2015). In the current state of education reform, emphasis is placed on building management, planning and supervision capacities; on the training and recruiting of education agents and on focusing curricula towards basic apprenticeships.

Objectives:

Portuguese cooperation with Angola has the following objectives in this sector:

- Improve the quality of education at all levels, namely through teacher training;
- Contribute towards institutional capacity building by means of actions to support school management and inspection and assistance in reformulating curricula;
- Support the formation of Angolan students in diverse areas, mainly through the granting of educational scholarships, research grants and professional insertion;
- Promote the Portuguese language as a preferred vehicle for education and training (teaching in Portuguese);
- Strengthen the role of specialized education levels, such as higher education and technical-vocational education, as a support for sustained economic and social development.

Instruments / Actions:

- At the level of **basic and secondary education** (*Intervention Area 2.AA.*), due to the insufficient academic and pedagogical training of

teachers, the sending of 164 Portuguese faculty members, in phases, is hereby approved, to train future Angolan teachers who are being prepared in middle and higher education institutions, and to support school year activities in the final cycle of secondary education. This action will be jointly financed by the Portuguese and Angolan governments.

This intervention will mainly be based on the IMN and the ISCED, institutions responsible for preparing teachers for the 1st and 2nd cycles of secondary education in Angola. During the initial phase, the geographic focus will be on the provinces of Kuanza Sul, Benguela, Moxico and Cunene, and mainly in Portuguese, Physics, Chemistry and Biology, according to the needs identified by both parties. This support will initially be geared towards general education, although it may be extended later to technical-vocational education, based on the Middle Technical Institutes currently under construction.

A General Coordination Unit and Coordination Centres will be created in each of the provinces covered in order to implement the programme. Their attributions are jointly defined by both parties. In Portugal, a university will be responsible for project management, namely to select, recruit and hire the teachers.

Besides initial teacher training, the Portuguese teachers shall carry out on-the-job training for their Angolan colleagues. This shall be carried out in collaboration with Portuguese higher education institutions by means of a long-distance teaching methodology over the Internet or in-person sessions led by specialists from the institutions. At the teacher training institutions, Pedagogical Resource and Support Centres (CRAP) will be created. These shall have computers and audiovisual equipment, pedagogical and didactic material, as well as specialized bibliographies. The CRAP will be multidisciplinary spaces, serving as centres to invigorate education in schools.

Management of learning establishments is another weak point in basic and secondary education, revealing a lack of skills and material

conditions to ensure quality in this area. Strengthening of school management will be achieved through technical assistance for primary school planning and management at the provincial level within the framework of a European Commission programme²⁶, in accordance with the priority provinces where Portuguese teachers will be sent.

- At the **university education level** (*Intervention Area 2.AB.*), the strengthening of Angolan universities is considered fundamental to the development and consolidation of critical thinking nuclei and democratic values. The universities are also centres for preparing skilled labour and for promoting research at a national level, taking on the role of local centres of excellence that avoid the so-called “brain drain”. Considering the current state of affairs in university education and scientific research in Angola, the programmes focus on modernizing education and creating a faculty and specialized staff in fundamental areas for socio-economic development. The inter-university partnerships that result from the institutional relationship governed by existing agreements between Portuguese universities and their Angolan counterparts, involving institutional capacity building and active formation, are the privileged model since they permit the dissemination of scientific culture and the exchange of experience and expertise. Thus, within the scope of university education reform, continuity will be given to several inter-university cooperation projects with UAN as well as a reinforcement programme for Portuguese language skills that will encompass UAN faculty and students.

In university education, the granting of scholarships in Portugal also assumes an important role. These scholarships are for intensive courses in diplomatic education, for courses and internships at military education establishments, and for several Portuguese universities. The objective of the current programme is to strengthen the share of domestic scholarships in Angola, especially at degree level, leaving the scholarships in Portugal for more advanced post-graduate studies (Masters, PhDs and post-doctorates) and including short-duration

scholarships for research in Portugal within the framework of Angolan Masters and PhD programmes.

- With regard to **technical-vocational education** (*Intervention Area 2.AC.*), the 2005 Report on the MDG situation in Angola states that the core role employment and vocational training must play to reduce poverty should be given special attention. The ECP recognizes that labour skills are generally very low and the level of technical knowledge has been falling due to the deficient operation of the country's productive activities and limited access to additional training. The ECP thus establishes the following priorities in this area: (i) expansion and improvement of access to employment and vocational training services, and (ii) improved quality, efficiency and effectiveness of the national employment and vocational training system. Expansion of the Vocational Training Centres, or the creation of Science and Technology Schools within the scope of higher education, are Angolan initiatives that aim to provide new opportunities to youths for structuring their future. New actions are expected to be defined during the current cooperation programme, with Portuguese cooperation activities in this field being initially focused on projects managed by the MTSS, which ensure professional capacity building and monitor the effects of this action on the working lives of thousands of youths.

More specifically, an attempt will be made to build up and strengthen the weaknesses found in technical-vocational education, promoting measures that provide access to qualifications through the acquisition of skills and aptitudes that enable the qualified performance of diverse professions, access to employment and active participation in the economic development of partner countries, privileging the integration of youths into the labour market. Thus, support will be prioritised (i) for the restructuring and development of technical-vocational education aimed at the training of technicians and middle management, (ii) for the public-private partnerships that involve the creation of appropriate technical-vocational capacities suited to the job market.

2.B. *Socio-community Development*

Justification:

Portuguese support for this sector is in agreement with Angola's ECP, which identifies the "disqualification and depreciation of human capital as one of the main causes of poverty in the country". At the same time, the current post-conflict situation in Angola demands that special attention be given to the population's vulnerable groups.

Objectives:

The general objective of this Intervention Area is to reduce poverty and extend social protection, acting directly and at the micro level to promote the communities' sustainable economic and social development. The main specific objectives are to:

- Contribute towards the creation of a broader social network to support needy children and youths from the local communities of various municipalities.
- Educate to guide towards employment and accompany the youths in their gradual integration into society through support for private initiatives and the creation of micro businesses.
- Promote the integrated development of the target population through various components: implementation of a literacy system, creation of a micro-credit fund, support infrastructure.
- Support the vocational training of vulnerable groups with a focus on capacity building for women.

Instruments / Actions:

Since poverty is a multidimensional phenomenon, cooperation in this area has given preference to integrated projects that act across several dimensions of human development and poverty and encompass various

age groups in the neediest populations. Since they develop at the micro level, these projects have little visibility in the general sum of cooperation, but they have very positive impacts at the local level, namely with regard to improvements in education, quality of life of the populations and the creation of new prospects for employment and professional insertion.

Thus, besides the technical cooperation with the Angolan Ministry of Assistance and Social Reinsertion, encompassing integrated socio-community development projects in several municipalities, which mainly fall in the basic and primary education and health care and food areas (for children and adults), training projects are also developed for youths. These often involve the construction and/or improvement of social and vocational training infrastructure and encompass different technical areas, such as civil construction and electricity, cookery, cutting and sewing. The main objective is to increase employability or even guide them towards self-employment. At the same time, there is differentiated support for specific groups in social exclusion situations or in more vulnerable positions: women, orphans, street children, the handicapped and ex-combatants.

The projects are based on Partnership Agreements that can involve homologous ministries, either public or private, civil society, lay or religious entities. Work with Angolan civil society entities is given preference and they are entrusted with carrying out the cooperation projects due to their proximity to the population and because they better perceive and understand their problems.

In the medium-term, the intention is to continue supporting the projects underway, with one of the main concerns being their sustainability. In order to create conditions where the projects become progressively more sustainable and involve more beneficiaries, it is necessary to ensure their visibility and their adequacy in municipal development plans or in the Social Assistance Community Centres to be implemented by the Angolan government²⁷. This integration will be carried out without questioning project management experience on the part of local civil society.

²⁷ These centers encompass technical-vocational training activities for women, day centres for the elderly, recreational and leisure activities, medical attention and other actions with a direct impact on the lives of the population. The first community centre will be installed in Kamzembe (Luanda) and the projection is to have at least one in each province, with the participation of several donors.

Considering the objective of increasing coordination with other donors, it is also the intention to create synergies with other bilateral cooperation that finance components for the same projects, as in the case of Spanish and French cooperation.

2.C. *Capacity Building and Research in the Health Area*

Justification:

Health is an essential component of human development. The so-called “poverty diseases” (malaria, tuberculosis and others) have ravaging effects on Angolan socio-economic development, for which access to basic health care and the quality of the services provided are determining factors to break the vicious cycle of Disease-Poverty. Several MDG are related to this area: MDG 4 (reduce infant mortality); MDG 5 (improve maternal health); MDG 6 (combat HIV-AIDS, malaria and other diseases); and MDG 8 (through specific goal 17: in cooperation with pharmaceutical companies, provide access to essential medication at affordable prices for developing countries).

Although this is not a priority area in the current programme, Portuguese action intends to complement Angolan government investments, based primarily on extending basic services to the entire population and rehabilitating infrastructure networks, and programmes by other donors, focused on supplying equipment or on the specific issue of combating HIV-AIDS. Indeed, achieving progress in the sector greatly depends on the physical context, installations and complementary means for diagnosis at the health units, which, due to the financial magnitude of these projects and their characteristics, are not appropriate for bilateral Portuguese cooperation. The rehabilitation and construction of units, financed in the most part by the State Budget and multilateral institutions, must be complemented by capacity building and training actions since there are rehabilitated units and modernized services (such as the Paediatric Hospital and the services at the Neves Bendinha Hospital) without qualified personnel to ensure their

effective operation. There are also middle and higher education schools awaiting Portuguese support to teach core curricula or train local teachers. The creation of a national health school is also fundamental due to the heterogeneity of health technician basic training in Angola.

The benefits of Portuguese cooperation in health take on special relevance in two fields:

- i. In the basic training of health technicians since there is the support of the common language and institutional ties that shall be strengthened and and made more professional. These actions are complementary to inter-university cooperation in the sector.
- ii. In reinforcing hospital skills in areas where Portuguese organization experience and models can contribute towards the modernization and improved functionality of these services. Within this scope, three thematic areas have been identified: Paediatrics, Public Health, and Control of infectious disease and Combating endemic diseases.

Indeed, Portugal has knowledge and research infrastructure in the tropical area, thus supporting the promotion of research programmes that permit the establishment of prevention plans and control of endemic diseases.

Objectives:

More specifically, the intention is to:

- Increase and improve access to primary health care with priority given to maternal-infant health. This objective shall be pursued through institutional support.
- Improve management capacities and service quality through the training of medical, technical and nursing personnel. Human resource training will be carried out mainly with the creation of hospital doctors in specialties performed locally, some in collaboration with the EC (physical therapy, orthopaedics and family medicine)²⁸ and others in bilateral cooperation (public health, general practice and psychiatry).

²⁸ With financing from the EC's Support Programme for the Health Sector (PASS).

- Contribute towards the diagnosis and eradication of diseases linked to poverty (malaria, tuberculosis and other diseases). This objective will be achieved through laboratory and/or clinical research centre support.

Instruments / Actions:

In this context, the creation or strengthening of partnerships will be favoured between the sector's homologous institutions, holders of expert information and technical knowledge that permit the implementation of more sustainable cooperation actions in terms of thematic and temporal scope. The actions that give preference to training and research are the core vector for intervention in this sector. Training in a across-the-board logic rather than a health unit will also be favoured in order to increase the actions' results and impacts.

Besides these objectives, Portugal will continue to respond to potential crisis situations, whether in the multilateral framework (reinforcing the contributions from the United Nations) or bilaterally through direct interventions by sending medication, vaccines or providing medical care. This type of aid will preferably be channelled through an NGO and/or multilateral organizations, strengthening the advantages, capacities and competences of those institutions to act in the field.

2.D. ***Capacity Building and Research in Agriculture and Food Security***

Justification:

As established in the "Sectoral Strategy Document for Rural Development", this is one of the fundamental sectors not only to reduce poverty in developing countries, but also so the populations of these countries achieve the levels of food security recognized internationally as appropriate for human nutritional needs. Poverty as well as hunger is felt with greater severity in rural populations, as is the difficulty to access basic social services,

because they reside in regions where levels of security, income and quality of life are extremely low. Rural development plays a fundamental role in achieving the MDG, contributing directly to achieving 6 MDG (MDG 1, 2, 3, 4, 5 and 7) and exerting indirect influence on the remaining two. In this sense, the “Strategic Vision for Portuguese Cooperation” document states that “Portugal will participate in the international initiatives against hunger, and will contribute towards the eradication of poverty through the promotion of community management and traditional cultures as well as the local institutions linked to rural development”.

Angola’s rural sector (integrating agriculture, silviculture and livestock) is the second largest contributor to GDP and is clearly important due to its economic potential and the volume of population that depends on it directly. As a generator of production, income and jobs, rural development is indispensable to achieve food security and reduce poverty, as established in the ECP²⁹.

²⁹ ECP, pp. 51-56.

This sector has important programmes from the multilateral agencies present in the area: the World Bank works essentially at the infrastructure level; the European Commission chose rural development, agriculture and food security as one of the sectors in which to concentrate aid; the UN has the Food Assistance for Education and Health in Conflict-Affected Communities of Angola programme for 2006-2009. The EU is the main donor of food aid and rural development interventions with more than 30% of the total donations in this sector in 2005. The second most important donor is the World Bank with about 20% of total contributions, and USAID with 12%, although actions in this area have been diminishing.

The lack of adjustment by the legal and regulatory system to current conditions and the lack of capacity to design, manage and implement policies at a central level are deficiencies that have not been properly addressed by these programmes. On one hand, the existence of strong public and private national institutions is essential for the creation of an appropriate environment for rural development. MINADER’s Office of Food security, the Institute of Agricultural Development, the Institute of Agricultural Research, the Institute of Veterinary Research and the Veterinary Laboratories at the provincial level



are especially referred to in the ECP as fundamental agents for the rural development programme³⁰. On the other hand, the existence of policies that encourage economic and social development in poor rural areas, especially by facilitating private sector investment and

reforms at the commercial and economic levels that reduce the disparities between the rural and urban areas must be disseminated.

Objectives:

Due to the aforementioned, the interventions carried out in this sector have the following objectives:

- Support human and institutional capacity building of entities that deal with rural development issues in order to make them regulatory and promotional agents for the sector's sustainable development
- Strengthen the capacity to formulate policies and research in the rural development area, namely by reorganizing the legal-judicial framework
- Contribute towards the training of agricultural technicians.

Instruments / Actions

Portuguese cooperation actions in this area centre on training, political reform and human and institutional capacity building of the bodies that deal with rural development issues through the reorganization of the legal-judicial framework and the gradual modernisation of these institutions. Institutional support for the Institute of Agricultural Research and support for the National Rural Development Plan are examples of some of the actions forming part of this programme.

Complementary Intervention: Cooperation Cluster

This PIC will develop an integrated intervention following the Cluster philosophy, with a set of proposals carried out by different institutions (individually or associated with the partner country's institutions), in a same geographical area, in order to increase the interventions' long-term sustainability, visibility and impact.

The objective is to strengthen the sustained development of a specific location through an integrated and decentralized intervention that creates synergies among the various agents and intervention areas.

The core element of the Cluster will be a strategic and substantial intervention around which other projects will be developed, smaller in scale and more focused, which complement the main project and provide an integrated approach. A detailed choice of partners and action implementers will be carried out based on comparative advantage criteria and specific strengths, such as experience in implementing similar actions, knowledge of the terrain, know-how in required technical areas as well as the existence of local partnerships. Public-private partnerships with and between Portuguese and Angolan institutions and companies will receive special attention.

In terms of intervention management, the parties agree to ensure the existence of effective management capacities and monitoring in the area through financing mechanisms and adequate disbursements or by ensuring the technical quality of human resources for coordination and local implementation. Cluster implementation will be carried out in strict collaboration with local and central authorities, ensuring the appropriation of projects on the part of Angolan entities.

The Cluster will be duly adjusted, whether in relation to programmes by other donors that encompass the same geographical area, or within the scope of municipal development, and special attention will be given to the decentralization process underway. Indeed, decentralization in planning,

management and monitoring, as well as the existence of good local governance of public administrations are fundamental factors for implementing a sustainable and effective ECP. Deconcentration and decentralization in the formulation and implementation of programmes permits the direct participation and accountability of local structures and those who benefit from problem solutions. The Cluster will take into account the pilot municipal programme where municipal development plans will be developed and organizational and management models will be implemented with the support of the donor community³¹.

³¹ Decentralization Programme and Municipal Development Fund Project managed by the UNDP and with contributions from various bilateral donors that are dedicated to their specifically chosen municipalities. Support for four pilot municipalities is underway out of a total of 41 selected by the Angolan government.

Implementation of the cluster presupposes the establishment of an understanding (in the form of an agreement or memorandum) with the Angolan government to carry out the programme, namely foreseeing the definition of tasks and responsibilities for both parties. This centrally agreed understanding will (simultaneously or immediately thereafter) be extended to a protocol with the provincial/municipal government for acceptance of the projected principles and obligations.

2. **Implementation: Work Programme**

This Chapter refers to the major Portuguese actors who will intervene in implementing Portugal-Angola cooperation, with an emphasis on the coordination mechanisms between the two. It also introduces various methodological instruments for planning, monitoring and evaluating in order to maximize medium and long-term interventions.

The general and specific objectives of each Strategic Axis and respective Intervention Areas, the specific indicators, geographical zones for action and partnerships to be promoted among the Portuguese actors and between them and Angolan and international actors, are shown in an Intervention Matrix. This does not intend to be a summary of the Strategic Choices, but rather their practical application, in a detailed and objective manner, in order to implement cooperation strategy.

2.1. *Actors*

The IPAD is the central body for implementing Portuguese cooperation policy. It will be responsible for planning, financing, monitoring and evaluating cooperation results. In this context, IPAD will:

- Ensure the supervision, direction and coordination of PIC implementation, including the programmes financed and carried out by other State bodies and other public entities in order to create a logical and coherent set;
- Seek the necessary resources to ensure PIC implementation (including other actors); finance cooperation actions within this scope and coordinate the cooperation's financial planning;
- Coordinate implementation of the PIC with the Strategic Vision for Portuguese Cooperation operational process and with drafted sectoral strategies;
- Ensure the quality of the interventions through clear project selection and approval criteria;
- Manage the PIC using an approach focused on results, according to rationality, efficiency, effectiveness and sustainability criteria;
- Centralize the information on all cooperation actions, namely using complete and updated project files;
- Monitor cooperation projects using the appropriate methods;
- Identify and share success cases and lessons learned;
- Periodically evaluate PIC implementation and review it based on findings and lessons learned from the evaluation.



Several sectoral ministries have specific interests in the area of development cooperation and some finance cooperation projects within the scope of this cooperation strategy. The participation of several ministries in the priority intervention axes is shown in the Intervention Matrix.

The selection of cooperation project promoters and implementers will be carried out by IPAD according to comparative advantage criteria and specific strengths, experience in implementing similar actions, knowledge of the terrain, required technical know-how, existence of local partners and cost-benefit ratios. Great importance will be given to the identification and choice of partners (in Portugal and in Angola) with the capacity to implement projects in order to guarantee good execution. The existence of medium and long-term partnerships between institutions from the two countries will be favoured and encouraged in order to ensure greater project sustainability. Whenever necessary, public tenders will be held to execute cooperation actions, open to civil society and the private sector.

The Angolan counterpart for cooperation programming and implementation is the Ministry of Foreign Affairs (MIREX), as the cooperation coordinator with Portugal, notwithstanding the participation of various sectoral ministries to execute cooperation actions.

The actors in Portugal and in Angola who may potentially intervene in executing Portuguese cooperation with Angola are the following:

- Sectoral ministries from both countries, mainly through entities with technical skills that give them an advantage in carrying out specialized actions;
- Municipal Councils and Municipal Associations through inter-municipal cooperation (protocols, twinning and networks) or through their participation in implementing decentralized projects, as in the case of the Cluster, accompanying the decentralization process underway in Angola and the needs for local administration capacity building;

- Universities and other higher learning institutions in several areas: as suppliers of higher education (teaching degrees, Master and PhDs) through inter-university cooperation (resulting from the institutional relationship governed by existing agreements between Portuguese universities and their Angolan counterparts) or as technical cooperation project managers and implementers, involving on-the-job training and institutional capacity building;
- Research institutes in actions that demand great expertise in specialized technical areas such as health and rural development;
- Professional associations, especially in the implementation of training actions;
- Foundations, whenever they have added value in implementing specific actions;
- Portuguese and Angolan NGOs, not only as the object of specific co-financing lines, but also as privileged implementers of actions at the micro and local levels. Angolan civil society is very weak, but there are some organizations with considerable capacity to carry out projects;
- Private sector institutions involving Portuguese and Angolan companies through public-private partnerships that permit the strengthening of limited financial and human resources. The most achievable participation involves companies that already develop social responsibility and financing activities for cooperation projects.



2.2. *Mechanisms for Planning and Management*

The planning and programming of cooperation actions will be carried out by the IPAD, in coordination with sectoral ministries with skills in the development cooperation area.

This programming will be carried out according to PO-5 budget rules, which constitutes a budget instrument for programming and for funding for commitments assumed by Portugal in terms of Development Cooperation, coordinated by the Ministry of Foreign Affairs (MNE) through IPAD. This programme encompasses expenses with external cooperation actions and official development assistance, including those within the scope of military structures, and every cooperation action is recorded under the following matrix:

Measure 1 Affirmation of the Cultural Dimension of Development	<p>Actions and projects to promote the Portuguese language, promote cultural and historical heritage (tangible or intangible), operation and activities of cultural centres and Portuguese schools.</p>
Measure 2 Support for Sustainable Development and the Fight against Poverty	<p>Actions and projects to support strategies and projects in the essential sectors to combat poverty and improve access to basic services, namely education, health, agriculture, natural resources, socio-community development, among others, thus contributing so beneficiary countries can achieve the Millennium Development Goals. This measure also includes support for human resource training and job creation actions, as well as support to strengthen the private business sector.</p>
Measure 3 Support for Democracy, Government and Consolidation of the Rule of Law	<p>Actions and projects to support the Rule of Law, just as justice, police, administrative reform, Finances (including direct budgetary support) and holding elections. This also includes support to strengthen civil society intervention.</p>
Measure 4 Participation in the International Framework and in multilateral mechanisms to support development	<p>Actions and projects aimed at supporting and promoting the participation of Portugal in the entities and international courts dedicated to development, specifically within the scope of the EU (EDF), the UN system, the World Bank and other multilateral mechanisms (such as Development Banks). It also includes support for the participation and functioning of the Community of the Portuguese-speaking Countries (CPLP).</p>
Measure 5 Support to Promote Human Security	<p>Actions and projects to support emergency situations and humanitarian aid. It also includes support for countries in post-conflict situations and coming out of serious crises, and peace missions within the scope of the United Nations.</p>
Measure 6 Technical-Military Cooperation	<p>Expenses related to technical-military cooperation projects with Portuguese-speaking Countries as well as cooperation in the defence area within the framework of the CPLP.</p>
Measure 7 Cooperation Management	<p>Support activities for Portuguese Cooperation that cannot be imputed to the other measures above.</p>

All of the interventions and projects to be defined during the PIC must be duly inserted and respect the general and specific objectives defined for each of the Priority Strategic Axes (see Intervention Matrix). The interventions shall be thought of in an integrated manner, taking into account the overall needs of the sector in question and not only on the potential merits of isolated projects. Short-duration actions shall preferably be part of a more comprehensive action framework with sustainability as an across-the-board concern for project implementation.

No project or action shall be initiated without the approval of the respective project files. These **project files** shall obligatorily contain the following elements:

- general and specific objectives for the cooperation project/programme
- justification of the intervention in terms of the MDG and the ECP
- intervention target groups
- description of the activities and their respective timetable
- methodology for implementing the activities
- budget
- expected results
- evaluation indicators

The guiding **criteria** for including projects in the Portugal-Angola cooperation programme are the following:

- Insertion in the general and specific objectives defined for each Strategic Axis and Intervention Area;
- Clear correspondence with ECP priorities;
- Contribution towards pursuit of MDG;
- Sustainability, expressed in the guarantee that the actions can be reproduced beyond the life of the project;

- Appropriation of the projects on the part of the beneficiaries;
- Effectiveness, achieved through project preparation around a coherent whole that permits correspondence with previously established objectives;
- Socio-economic impact resulting from project implementation;
- Incorporation of the defined cross-the-board issues: gender equality, good governance and environmental sustainability.

Projects that have at least one of the following characteristics will be given **preference**:

Adopt a medium or long-term approach, constituting structural and multi-annual interventions;

- Contribute towards the strengthening of sustainable partnerships between institutions from both parties, functioning as means for long-lasting and measurable institutional capacity building;
- Be included in multilateral cooperation programmes that exist in the area;
- Have complementarity and synergies with other bilateral cooperation;
- Have civil society organizations as implementers (including foundations, universities, non-governmental organizations or others);
- Promote partnerships between the public and private sectors.

The relationship between the two parties must also be founded on work that permits obtaining fast and appropriate responses to specific Angolan needs. In order to guarantee maximum quality in the results defined for each project, the public tender process in Angola or in Portugal shall respect international advertising rules, transparency and free competition. The simplification of procedural aspects that may limit flexibility, such as means of payment and disbursement and simplification of channels, shall constitute a concern for both parties.



The Angolan part also agrees to carry out the necessary proceedings to simplify obtaining the appropriate visas in a timely manner for specialists linked to Portuguese Cooperation projects. In cases where it is necessary to import equipment and material, the Angolan beneficiary shall be responsible for local charges, fees and taxes in accordance with the applicable local legislation.

2.3. *Monitoring and Evaluation Mechanisms*

On the Portuguese side, the IPAD will ensure continuous monitoring and evaluation in order to gauge progress in relation to the general and specific objectives of this cooperation strategy, based on the attached Intervention Matrix. This will not only permit the strengthening of transparency and accountability between the parties, but also build a learning process that can identify good practices, incorporate lessons learned and increase aid effectiveness.

Although the current scarcity of databases makes progress evaluation difficult, mechanisms will be implemented to ensure stricter and more regular monitoring, namely:

- 6-monthly monitoring systems that include completing project files by sector, monitoring missions and joint meetings whenever justified.
- Mid-term review, at the end of 2008, at the general and sectoral levels, in order to evaluate programme implementation and any eventual changes in the local context, guiding the incorporation of lessons learned and the redefinition or redirection of actions.
- Final external evaluation of the cooperation programme.

Notwithstanding the need for sectoral missions, monitoring will preferentially be carried out in the field, which presupposes the existence of specialized human resources to exercise functions in the cooperation area with the Portuguese diplomatic representation in Luanda.

This component will thus be reinforced in order to: accompany debates underway within the donor community and participate in existing coordination mechanisms (EC, UN and probably sectoral forums); regularly monitor cooperation projects; promote a permanent and updated analysis of Angolan reality in terms of development; identify potential synergies between the actors in the field of activity (between Portuguese actors and theirs with other donors). This delegation must also assure the appropriate articulation of activities in the field, the IPAD and the other implementing entities.

Within the scope of specific Intervention Areas, maintenance of a Defence Attaché at the Portuguese Embassy in Luanda must be underscored. His functions, among others, will be to carry out and accompany the Technical-Military Cooperation Project; monitoring in the field will be maintained and strengthened with the presence of a MAI Official at the same Embassy. Their functions, among others, will be to carry out and accompany the Technical-Police Cooperation Project.

For the evaluation to be as systematic and objective as possible, performance indicators were defined with a focus on result and impact criteria. There are two types of indicators in the Intervention Matrix: global indicators for PIC

evaluation, which are equally valid and applicable to the defined priority axes; and specific indicators related to the Intervention Areas. Since they are general, there may be projects and interventions for which the presented indicators are not entirely suitable, and which may be complemented with others to be defined according to the project (as per the respective project files).

The evaluation will be a participatory process, involving various implementing agents and the beneficiaries. The IPAD assumes the commitment to broadly disseminate their results and ensures they will be incorporated in the development actions.

INDICATIVE COOPERATION PROGRAMME PORTUGAL-ANGOLA 2007-2010

INTERVENTION MATRIX

PIC Objectives	PIC Guidelines	General Indicators (Overall and Sectoral)
<p>General objective:</p> <ul style="list-style-type: none"> • Contribute towards the reduction in poverty in the current post-conflict phase, using a medium-term approach that permits the promotion of sustainable economic and human development. <p>Specific Objectives:</p> <ul style="list-style-type: none"> • Support good governance and build Angolan institutional capacity in the medium to long-term in order to strengthen service provision capacity for the population, transparency, a culture of democracy and human rights. • Contribute towards improvements in the Angolan education system, focussing on education and training as catalysers for development. • Promote decentralization, namely through socio-community development actions and the creation of a Cooperation Cluster, in order to more directly contribute towards improvements in the population's living conditions. 	<ul style="list-style-type: none"> • Concentration on Strategic Axes and Priority Intervention Areas. • Incorporation of Across-the-board issues (gender equality, good governance and environmental sustainability). • Geographic Decentralization of Cooperation. • Coordination and complementarity with other donors. • Greater integration of actions in multilateral projects. • Greater participation of civil society and the private sector. 	<p>Articulate this with ECP results</p> <ul style="list-style-type: none"> • Achievement rate of results by axis (results achieved compared to those projected in the set of projects); • Distribution of the overall disbursed amount per axis; • Geographic distribution of projects; • Projects carried out through partnerships with other donors.

Priority Strategic Axes	Intervention Areas Objectives	Result Indicators
<p>STRATEGIC AXIS 1</p> <p>GOOD GOVERNANCE, PARTICIPATION AND DEMOCRACY</p> <p>General objective:</p> <p>Support good governance and build Angolan institutional capacity in the medium to long-term in order to strengthen service provision capacity to the population, transparency, a culture of democracy and human rights³⁵</p>	<p>Intervention Area 1.A. CAPACITY BUILDING FOR PUBLIC ADMINISTRATION³⁵</p> <p>Objectives:</p> <ul style="list-style-type: none"> • Build the administration's capacity and competence focusing on the quality of services provided and the strengthening of implementing institutions. • Support capacity building in terms of planning, legal framework and policy formulation at both the central and provincial levels. • Build state entity capacities with specific technical competences, namely in the realm of statistics. 	<p>(indicators broken down by sector)</p> <ul style="list-style-type: none"> • Technical assistance (long duration) advisory services to draft public policies by sector and/or region; • Social public policies, legal documents for implementation and other strategy products within the scope of advisory TA by sector or region; • Number of technicians trained by sector and/or region who remain in speciality services; • % of total resources committed to the pursuit of results within the scope of strengthening the statistical system; • % of total resources committed to the pursuit of results within the scope of support for the election process.
	<p>Intervention Area 1.B. COOPERATION IN THE JUSTICE AREA</p>	
	<p>Objectives:</p> <ul style="list-style-type: none"> • Strengthen institutional capacity building and the training of different legal and judicial operators. • Support judicial reform and drafting of legislation. • Make the judicial system more just, equitable and accessible to the Angolan population and contribute to permanent structural change in the justice sector and society in general, supporting and strengthening Angola's social and economic development. 	<ul style="list-style-type: none"> • Number of magistrates and technicians trained by career (differentiated by gender); • Job Procedures and competences defined and/or reformulated within the scope of TA advisory services for judicial entities and supervisory services; • Legislative instruments completed/in effect produced within the scope of legal TA advisory services; • Works and collections of Angolan Law published with the support of the CP.

³⁵ Potential capacity building actions for the Ministries of Justice, Defense, Internal Administration, Health and Agriculture are encompassed in other Intervention Areas.

MDG ³²	Priorit ECP ³³	Intervention Zones	Partners in Portugal ³⁴	Partners in Angola	Synergies to be promoted with other donors
All, indirectly	ECP 9 ECP 10	Luanda	Corresponding Sectoral Ministries LNEC INE	Corresponding Sectoral Ministries, such as: MINFIN MINPLAN MAPESS MINARS MAT MINUA Provincial Authorities LEA INE	EC WB ADB USAID Norwegian Cooperation
All, indirectly	ECP 9	Luanda	Ministry of Justice Courts ANACOM CEJ Council of Justices of the Peace CSM, CSMP DGAI, DGAE DGRN, DGSP Coimbra College of Law Lisbon College of Law GDDC GPLP ITIJ IRS INML ISPJCC PJ PGR STA, STJ	Ministry of Justice STJ PGR Ministry of the Interior of Angola / DNIC National Civil Registry and Notary Public Office of Angola INEJ Provincial Courts Mãos Livres NGO	UNDP USAID

³² Millennium Development Goals:
1. Eradicate extreme poverty and hunger;
2. Achieve universal primary education;
3. Promote gender equality and empower women;
4. Reduce infant mortality;
5. Improve maternal health;
6. Combat HIV/AIDS, malaria and other diseases;
7. Ensure environmental sustainability;
8. Develop a global partnership for development. The matrix shows that directly pursued by the Intervention Areas, notwithstanding others that are indirectly related to cooperation actions.

³³ Priority Areas for the Strategy to Combat Poverty de Angola:
1. Social Reinsertion;
2. Safety and Protection;
3. Food security and Rural Development;
4. HIV/AIDS;
5. Education;
6. Health;
7. Basic Infrastructure;
8. Employment and Vocational training;
9. Governance;
10. Macroeconomic Management. The ANNEX shows a summary of the ECP priority areas, objectives and goals:

³⁴ IPAD is not referred to in Portuguese partners because it is present in every priority area and the respective Intervention Areas. The referred partners are indicative and others may be included while the PIC is in effect, namely civil society organizations.

Priority Strategic Axes	Intervention Areas Objectives	Result Indicators
STRATEGIC AXIS 1 <i>(continuation)</i>	Intervention Area 1.C. TECHNICAL-MILITARY COOPERATION	
	Objectives: <ul style="list-style-type: none"> • Strengthen institutional capacity building and the training of different legal and judicial operators. • Support judicial reform and drafting of legislation. • Make the judicial system more just, equitable and accessible to the Angolan population and contribute to permanent structural change in the justice sector and society in general, supporting and strengthening Angola's social and economic development. 	<ul style="list-style-type: none"> • Number of magistrates and technicians trained by career (differentiated by gender); • Job Procedures and competences defined and/or reformulated within the scope of TA advisory services for judicial entities and supervisory services; • Legislative instruments completed/in effect produced within the scope of legal TA advisory services; • Works and collections of Angolan Law published with the support of the CP.
	Intervention Area 1.D. COOPERATION IN POLICE AND SECURITY	
	Objectives: <ul style="list-style-type: none"> • Support Angola in terms of guaranteeing public security conditions in every corner of the country. 	<ul style="list-style-type: none"> • Number of police officers trained and/or prepared for duty (differentiation by gender) and their regional distribution; • Reorganization measures implemented with the contribution of TAs to solve initially identified problems; • Number of trainers trained by specialty.

<i>MDG</i> ³²	<i>Priorit ECP</i> ³³	<i>Intervention Zones</i>	<i>Partners in Portugal</i> ³⁴	<i>Partners in Angola</i>	<i>Synergies to be promoted with other donors</i>
All, indirectly	ECP 9	Luanda Benguela	MDN DGPN Secretary of the Navy, Secretary of the Army and Secretary of the Air Force	Ministry of National Defence	
All, indirectly	ECP 9	Luanda	MAI PSP Higher Institute of Police Sciences and Internal Security (PSP) GNR SEF IESM	Ministry of the Interior PNA Middle Institute of Police Sciences (PNA) SME	

<i>Priority Strategic Axes</i>	<i>Intervention Areas Objectives</i>	<i>Result Indicators</i>
<p>STRATEGIC AXIS 2</p> <p>SUSTAINABLE DEVELOPMENT AND THE FIGHT AGAINST POVERTY</p> <p>General objective:</p> <p>Support Angolan efforts to combat poverty, promoting sustainable development by investing in areas considered essential for promoting social and human development, such as Education, Health and Rural Development.</p>	<p>Intervention Area 2.A. EDUCATION</p>	<p>(indicators broken down by sector)</p>
	<p>General objective:</p> <ul style="list-style-type: none"> • Contribute towards improvement in the Angolan education system in order to promote sustainable development, within the framework for achieving the MDG and promoting Portuguese. 	<p>The indicators consist of the three sub-Intervention Areas.</p>
	<p>Intervention Area 2.AA. BASIC AND SECONDARY EDUCATION</p>	
<p>Specific objectives:</p> <ul style="list-style-type: none"> • Support initial and on-the-job training of Angolan teachers, in order to improve technical and pedagogical competences. • Support school management and inspection in order to contribute towards improving the quality of education. • Promote teaching in Portuguese. 	<ul style="list-style-type: none"> • Number and % of trained Angolan trainers compared to the number needed by the GdA (differentiated by gender and region); • Provincial human resource plans approved/ implemented for primary and secondary education with TA support; • Number and % of schools encompassed in the intervention provinces at the pedagogical supervision level; • Action plans approved to improve the gender ratio in basic and secondary schooling. 	

<i>MDG</i> ³²	<i>Priorit ECP</i> ³³	<i>Intervention Zones</i>	<i>Partners in Portugal</i> ³⁴	<i>Partners in Angola</i>	<i>Synergies to be promoted with other donors</i>
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MDG 2	ECP 5	Luanda	Ministry of Education	Ministry of Education	EC
MDG 3		Kwanza Sul	University Institutions	IMN	UNDP
		Benguela		ISCED	UNICEF
		Moxico			
		Cunene			

Priority Strategic Axes	Intervention Areas Objectives	Result Indicators
STRATEGIC AXIS 2 <i>(continuation)</i>	Intervention Area 2.AB. HIGHER EDUCATION	(indicators broken down by sector)
	Specific objectives: <ul style="list-style-type: none"> • Support the restructuring, management and functioning of higher education institutions in order to improve the quality of education at this level. • Support the training and preparation of teachers and researchers in diverse technical areas. • Support the training of Angolan students by granting scholarships through post-graduate scholarships abroad and reinforce education in the country by strengthening domestic scholarships. • Promote teaching in Portuguese. 	<ul style="list-style-type: none"> • Projects developed within the scope of inter-university partnerships; • Functioning courses supported by lecturing or curricular reform; • Number of teachers trained by academic degree and scientific area; • Number of students graduating from supported courses (differentiated by gender); • Number of internal and external scholarships awarded by degree (differentiation by gender); • Number of students benefiting from classes in official language of instruction.
	Intervention Area 2.AC. TECHNICAL-VOCATIONAL EDUCATION	
	Specific objectives: <ul style="list-style-type: none"> • Acquire competences and technical skills that permit the qualified performance of diverse professions, access to jobs and active participation in the country's economic development. 	<ul style="list-style-type: none"> • Projects developed within the scope of inter-university partnerships; • Functioning courses supported by lecturing or curricular reform; • Number of teachers trained by academic degree and scientific area; • Number of students graduating from supported courses (differentiated by gender); • Number of internal and external scholarships awarded by degree (differentiated by gender).

MDG ³²	Priorit ECP ³³	Interven- tion Zones	Partners in Portugal ³⁴	Partners in Angola	Synergies to be promoted with other donors
MDG 2	ECP 5	Luanda	MCTES	UAN Colleges	EC
MDG 3	ECP 8	Huambo	University Institutions	ISCED	
MDG 8		Lubango	ICA		
		Benguela			
		Lunda Norte			
		Other UAN University Centres			
MDG 2	ECP 5	To be defined	Ministry of Education	Ministry of Education	
MDG 3	ECP 8		Polytechnic Institutes	MAPESS	
			IEFP	Middle Technical Institutes	
				INEFOP	

Priority Strategic Axes	Intervention Areas Objectives	Result Indicators
STRATEGIC AXIS 2 <i>(continuation)</i>	Intervention Area 2.B. SOCIO-COMMUNITY DEVELOPMENT General objective: Reduction in poverty and extension of social protection thus promoting sustainable social and economic development. Specific objectives: <ul style="list-style-type: none"> • Contribute towards the creation of a broad social network to support disadvantaged children and youths from local communities in various municipalities. • Educate for the job market and accompany the youths in their progressive integration into society by supporting private initiatives and the creation of micro-companies. • Promote the integrated development of the target population using several components: implementation of a literacy programme, creation of a micro-credit fund, support infrastructure. • Support vocational training of vulnerable groups, with a focus on empowering women. 	(indicators broken down by sector) <ul style="list-style-type: none"> • Numbers who can read and write (differentiated by age group and gender); • Number of students graduating from vocational training courses; • Amount of micro-credit granted (differentiated by gender); • Return rate from micro-credit; • Number of projects integrated in municipal and/or provincial plans; • Number of those directly benefiting from social action, by municipality.

MDG ³²	Priorit ECP ³³	Interven-tion Zones	Partners in Portugal ³⁴	Partners in Angola	Synergies to be promoted with other donors
MDG 1	ECP 4	Luanda	MTSS	MINARS	EC
MDG 2	ECP 5	Kwanza Norte		Provincial and Municipal Offices	Spanish Cooperation
MDG 3	ECP 6			Mamã Muxima Community	French Cooperation
MDG 4	ECP 7			Dom Bosco Salesian Congregation	
MDG 5	ECP 8			Other Angolan Civil Society Organizations	
MDG 6					

Priority Strategic Axes	Intervention Areas Objectives	Result Indicators
STRATEGIC AXIS 2 <i>(continuation)</i>	Intervention Area 2.C. CAPACITY BUILDING AND RESEARCH IN HEALTH	<ul style="list-style-type: none"> • Number of technicians trained (differentiated by gender, career and respective services); • Intervention plans supported and implemented; • Reference services created or restructured and in operation; • Centre for Clinical Research in operation; • Scientific research that contributes to the eradication of diseases linked to poverty.
	Intervention Area 2.D. CAPACITY BUILDING AND RESEARCH IN AGRICULTURE AND FOOD SECURITY	<ul style="list-style-type: none"> • Finalized and adopted agricultural development plan; • Trained specialized technicians (differentiated by gender and sector); • Number of graduates effectively placed in their respective professions (differentiated by gender).
COMPLEMENTARY INTERVENTION: COOPERATION CLUSTER	General objective: Strengthen sustained development through an integrated and decentralized intervention that creates synergies among various agents and Intervention Areas.	To be defined

MDG ³²	Priorit ECP ³³	Intervention Zones	Partners in Portugal ³⁴	Partners in Angola	Synergies to be promoted with other donors
MDG 3	ECP 9	Luanda and zone of influence (Caxito)	Ministry of Health and DGS	MINSAs	EC
MDG 4	ECP 6		IHMT	National Directorate of Human Resources	WHO
MDG 5			Ricardo Jorge Institute	National and Provincial Directorates of Health	Swedish Cooperation
MDG 6			INSA	Equipment Service	Spanish Cooperation
			National School of Public Health	INSP	
			SUCH	Queimados Neves Bendinha Hospital	
		Internship Commission	School of Public Health		
		Alcoitão Rehabilitation Service	Higher Institute of Nursing		
		Order of Physicians	Dr. David Bernardino Paediatric Hospital		
		Hospitals (D. Estefânia; São José, Sta Maria)			
All, indirectly	ECP 9	Luanda	MADRP	MINADER	FAO
	ECP 3	Huambo	ISA	IDA	EC
		Moxico	IICT	IIA	UNDP
				ADRA	
			Sectoral Ministries Local Authorities Private Sector Civil Society organizations	Sectoral ministries, especially the MAT Provincial and Municipal Directorates Private Sector Civil Society organizations	UNDP EC Bilateral Donors

ANNEX

Strategy to Combat Poverty (ECP) in Angola:

Priority Areas, Objectives and Goals

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
1. Social Reinsertion	Social reinsertion of the demobilized, displaced and refugees is a strategic objective of utmost priority to ensure the consolidation of peace and national unity and to promote local development.	Create conditions to settle the populations in their areas of origin or in areas determined as more appropriate, and promote the economic, social and cultural growth of these places.	<ul style="list-style-type: none"> • Resettlement of all people who voluntarily want to return to their places of origin (4.1 million people) • Reinsertion of UNITA ex-combatants and their families (450 thousand) • Reinsertion of refugees in bordering countries who voluntarily want to return to the country (450 thousand)
2. Security and Protection	The deactivation of mines and other explosive devices still spread around the country is a fundamental condition to permit total freedom of circulation of people and goods, especially in the rural environment, which was the most severely affected by the armed conflict and which constitutes one of the main destinations for the displaced populations.	Guarantee the minimum conditions of citizen physical safety by demining, disarming and guaranteeing law and order throughout country.	<ul style="list-style-type: none"> • Deactivate anti-personnel mines and other explosive devices throughout areas with agricultural potential and near housing areas • Deactivate and remove 4,750,000 land mines • Demine 10,000 areas with mine danger • Demine 6,000,000 m2 of territory • Demine 26,000km of roads

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
3. Food security and Rural Development	<p>Revitalization of the rural economy will help settle the population in the countryside and will progressively lead to a reduction in dependence on agricultural products from abroad. The rural sector is one of the strategic areas of future development in Angola given its potential for job creation, income generation in the family sector and its vital importance to reduce trade dependence, and consequently, domestic market vulnerability.</p>	<p>Minimize the risk of hunger, satisfy domestic food needs and relaunch the rural economy as a vital sector for sustained development.</p>	<ul style="list-style-type: none"> • Increase food self-sufficiency to 50% • Increase the production of cereals, vegetables, roots and tubers • Ensure assistance to 300 seed production units and provide support to continental shelf/ small-scale fishing for 5,000 families • Rehabilitate 1,000km of secondary rural roads and recover 40ha of ravines • Repopulate 50,000ha of forest area • Provide technical irrigation and draining support in a 100ha area • Rehabilitate/create 94 Agricultural Development Stations and 25 Experimental Zoo-Veterinarian Stations • Create 50 Women's Services Units and 50 Environmental Promotion Units • Promote the creation of micro-finance agencies (in each province) directed towards the agriculture sector and promote the granting of credit for agricultural production

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
4. HIV/AIDS	In a context of greater mobility of people and goods and economic development, it is fundamental to solve this problem.	Control the spread of HIV/AIDS and mitigate the disease's impact on people living with HIV/AIDS and their families.	<ul style="list-style-type: none"> • Universal access of the sexually active population to information, education and services, including condoms, counselling and voluntary testing • Reduce the prevalence of sexually transmitted infections in vulnerable populations by 25% • Reduce the risk of blood contamination by HIV by between 1 and 3% • Perform studies on HIV-prevalence and sub-typing of HIV strains present in the country • Broad access of infected people to counselling services and voluntary testing, psycho-social support, therapy with antiretrovirals and other essential packages of basic services
5. Education	Education is one of the key elements for human development, increasing individuals' opportunities in society. Education is also essential for economic growth because it increases the quantity and quality of human capital available for the production process.	Ensure universal access to primary education, eliminate illiteracy and create conditions to protect and integrate adolescents, youths and people with special education needs, always guaranteeing gender equality.	<ul style="list-style-type: none"> • Ensure the educational framework and service in 100% of the country for children whose age groups encompass early childhood • Increase the adult literacy to 75% • Reduce the illiteracy rate among women • Fit all children in their respective age groups in classes that correspond to primary education, the first and second cycles of secondary education with a view to universal national schooling • Increase schooling rates for young girls • Eliminate the "street child" phenomenon through formal and informal public education and social solidarity • Improve education efficiency by eliminating the drop out rate • Increase the retention and progression rate for young girls

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
6. Health	The population's health is equally important for human development. In order to participate in the production process and benefit from the opportunities that stem from economic growth, good health is fundamental.	Guarantee basic health services of the necessary quality to the entire population with women and children as the main target groups.	<ul style="list-style-type: none"> • Ensure universal vaccination coverage against the main childhood diseases (measles, DTP3, BCG and Polio3), by 2015 • 75% reduction in the mortality rate for those under five by 2015 • 75% reduction in maternal mortality rate by 2015 • Stop and reverse the expansion of HIV/AIDS, malaria, tuberculosis, trypanosomiasis and leprosy
7. Basic Infrastructure	Development of these structures is fundamental to ensure basic conditions for inhabitability for the entire population and create basic conditions for development. Improvement in the road network will permit better access to markets and reduce costs, facilitate communication and mobility, especially for rural populations. Providing water, sanitation and energy are essential for human capital development and to increase national production. Social housing will permit the resettling of families living in precarious housing conditions in urban and rural areas, giving them the conditions needed for a dignified life.	Reconstruct, rehabilitate and expand basic infrastructure for economic, social and human development.	<ul style="list-style-type: none"> • Rehabilitate 5,600km of roads, 2,000mts of bridges and carry out periodic maintenance on the national road network (15,500 km) • Increase access to drinking water to 76% in urban areas and 48% in rural areas. • Increase access to sanitation systems to 79% in urban areas and 32% in rural areas. • Increase the proportion of households with electric power in their homes to 25% • Make social housing available for families living in more precarious situations (11,500 families in Luanda and 17,000 in the provinces) • Improve railroads by implementing the Rehabilitation of Angolan Railroads Programme

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
8. Employment and Professional Training	Employment and vocational training play a pivotal role in reducing poverty indexes since they contribute directly towards income generating activities that help sustain the individual and their household and promote the enhancement of national human capital, which leads to sustainable economic development.	Enhance national human capital, promote access to jobs and self-employment and dynamize the job market while guaranteeing the protection of workers' rights.	<ul style="list-style-type: none"> • Adapt the technical education and vocational training systems to the contexts of change and economic activity • Enhance the national workforce of working age • Decentralize and promote vocational training throughout the country
9. Government	The quality of State institutional government is very important to guarantee public services for the neediest and to direct the economic and social development process, guaranteeing compliance with standards and fundamental principles.	Consolidate the Rule of Law, make Make Public Administration more efficient, bringing it closer to the citizens and their needs, and ensure transparency and accountability in policy formulation and the management of public resources.	<p>Implement policies to promote good government in many ways, including:</p> <ul style="list-style-type: none"> • build the capacity and efficiency of the judicial system, protecting citizens' rights and freedoms and enforcing compliance with contracts; • reform public institutions to better respond to the population's needs, beginning to simplify bureaucratic procedures; • decentralize and deconcentrate public administration bringing it closer to communities; • modernize the public finance management and planning processes, • Specific goals have been established for each of these programmes.

Priority Areas	Justification / Framework	Objectives	Expected Results / Development Indicators
10. Macroeconomic Management	A stable macroeconomic environment is fundamental to guarantee investor trust and create optimal conditions to increase business activity, job creation and income for the population. Investments converge more quickly in economic contexts characterized by low inflation, interest and exchange rate stability, transparent fiscal structures, efficient public management and judicial systems that defend free initiative and private property.	Create a stable macroeconomic environment that avoids market imbalances (which damage the poorest) and stimulates economic growth by ensuring sustainable reduction in poverty.	<ul style="list-style-type: none"> • Price stability, with an inflation rate below two digits starting in 2007 • Exchange stability and greater competitiveness of domestic produce • Expansion of commercial banking, especially micro-credit institutions throughout the country • Greater effectiveness and equity in revenue collections • Reduction in the budget deficit • Greater swiftness and transparency in presenting information about public accounts

Source: Strategy to Combat Poverty, Angolan Ministry of Planning, Directorate for Studies and Planning.

Acronyms

ADB	African Development Bank
ADRA	Action for Rural Development and Environment (Angola)
AECI	Spanish Agency for International Cooperation
AIDS	Acquired Immunodeficiency Syndrome
AJPD	Association for Justice, Peace and Democracy (Angola)
ANEOP	National Association of Public Works Contractors (Portugal)
APRM	African Peer Review Mechanism
BNA	National Bank of Angola
CSP	Country Strategy Paper (EU – ANGOLA)
DAC	OECD Development Assistance Committee
DGS	General Directorate of Health (Portugal)
EBA	Everything But Arms
ECP	Strategy to Combat Poverty (Angola)
EDF	European Development Fund
EITI	Extractive Industries Transparency Initiative
EMV	School of Veterinary Medicine (Portugal)
EPA	Economic Partnership Agreements
EU	European Union
FAO	United Nations Food and Agriculture Organisation
FDL	University of Lisbon Law School
FDUC	University of Coimbra Law School
FEUC	University of Coimbra School of Economics
FMUP	University of Porto School of Medicine
GDP	Gross Domestic Product
GNI	Gross National Income
HDI	Human Development Index
ICA	Camões Institute (Portugal)
IDA	International Development Association
IICT	Tropical Research Institute (Portugal)
IMF	International Monetary Fund
IMN	Middle Normal Institute (Angola)
INE	National Institute of Statistics (Angola)
INE	National Institute of Statistics (Portugal)
IOM	International Organization for Migration
IPAD	Portuguese Institute for Development Assistance

IPLB	Portuguese Institute of Books and Libraries
ISA	Higher Institute of Agronomy (Portugal)
ISCED	Higher Institute of Science and Education (Angola)
IST	Higher Technical Institute (Portugal)
LLDC	Least Developed Countries
MADRP	Ministry of Agriculture, Rural Development and Fishing (Portugal)
MAI	Ministry of Internal Administration (Portugal)
MAPESS	Ministry of Public Administration, Employment and Social Security (Angola)
MAT	Ministry of Territory Administration (Angola)
MCC	Millennium Challenge Corporation
MCTES	Ministry of Science, Technology and Higher Education (Portugal)
MDG	Millennium Development Goals
MDN	Ministry of National Defence (Portugal)
MINADER	Ministry of Agriculture and Rural Development (Angola)
MINARS	Ministry of Assistance and Social Reinsertion (Angola)
MINFIN	Ministry of Finance (Angola)
MINOP	Ministry of Public Works (Angola)
MINPLAN	Ministry of Planning (Angola)
MINSA	Ministry of Health (Angola)
MINUA	Ministry of Urban Planning and the Environment (Angola)
MIREX	Ministry of Foreign Affairs (Angola)
MNE	Ministry of Foreign Affairs (Portugal)
MTSS	Ministry of Labour and Social Solidarity (Portugal)
NGDO	Non-Governmental Development Organisation
ODA	Official Development Aid
OE	State Budget
OECD	Organization for Economic Cooperation and Development
PAC	Annual Cooperation Plan
PALOP	Portuguese-Speaking African Countries
PAMPA	Programme to Support Peace Missions in Africa
PIC	Indicative Cooperation Programmeme
PIP	Programme for Public Investments (Angola)
PIR	Regional Indicative Programme
PO-05	Programme for Portuguese Cooperation Abroad

RISDP	SADC Regional Indicative Strategic Development Plan
SADC	Southern Africa Development Community
SAF	Social Action Fund
SIGFE	State Integrated Financial Management System
TA	Technical Assistance
UAN	Agostinho Neto University
UN	United Nations
UNAIDS	Joint United Nations Programme on AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCHR	Office of the United Nations High Commissioner for Human Rights
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
WB	World Bank
WFP	United Nations World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

Matrix Acronyms – Partners in Portugal and in Angola

ADRA	Action for Rural Development and Environment (Angola)
ANACOM	National Communications Authority (Portugal)
CEJ	Centre for Legal Studies (Portugal)
CSM	Superior Council of the Judiciary (Portugal)
CSMP	Superior Council of Public Prosecutors (Portugal)
DGAE	Directorate-General for Extrajudicial Administration (Portugal)
DGAJ	Directorate-General for the Administration of Justice (Portugal)
DGPN	Directorate-General for National Defence Policy (Portugal)
DGRN	Directorate-General for Registries and Notaries (Portugal)
DGS	Directorate-General for Health (Portugal)
DGSP	Directorate-General for Prison Services (Portugal)
DNIC	National Directorate for Criminal Investigation (Angola)
GDCC	Office for Documentation and Comparative Law (Portugal)
GNR	National Republican Guard (Portugal)
GPLP	Legislative Policy and Planning Office (Portugal)
ICA	Camões Institute (Portugal)
IDA	Institute of Agricultural Development (Angola)
IEFP	Institute of Employment and Vocational Training (Portugal)
IESM	Institute of Higher Military Studies (Portugal)
IHMT	Institute of Hygiene and Tropical Medicine (Portugal)
IIA	Institute of Agricultural Research (Angola)
IICT	Institute of Tropical Scientific Research (Portugal)
IMN	Middle Normal Institute (Angola)
INE	National Institute of Statistics (Angola)
INE	National Institute of Statistics (Portugal)
INEFOP	National Institute of Employment and Vocational Training (Angola)
INEJ	National Institute of Legal Studies (Angola)
INML	National Institute of Legal Medicine (Portugal)
INSA	National Institute of Health (Portugal)
INSP	National Institute of Public Health (Angola)
IRS	Institute for Social Reinsertion (Portugal)
ISA	Higher Institute of Agronomy (Portugal)

ISCED	Higher Institute of Education Sciences (Angola)
ISPJCC	Higher Institute of Legal, Police and Criminal Sciences (Portugal)
ITIJ	Institute of Justice Technologies and Information (Portugal)
LEA	Angolan Engineering Laboratory
LNEC	National Laboratory of Civil Engineering (Portugal)
MADR	Ministry of Agriculture, Rural Development and Fishing (Portugal)
MAI	Ministry of Internal Administration (Portugal)
MAPESS	Ministry of Public Administration, Employment and Social Security (Angola)
MAT	Ministry of Territory Administration (Angola)
MCTES	Ministry of Science, Technology and Higher Education (Portugal)
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MINSA	Ministry of Health (Angola)
MINUA	Ministry of Urban Planning and the Environment (Angola)
MIREX	Ministry of Foreign Affairs (Angola)
MNE	Ministry of Foreign Affairs (Portugal)
MTSS	Ministry of Labour and Social Solidarity (Portugal)
PGR	Office of the Attorney-General of the Republic (Angola)
PGR	Office of the Attorney-General of the Republic (Portugal)
PJ	Judicial Police (Portugal)
PNA	National Police of Angola
PSP	Public Security Police (Portugal)
SEF	Borders and Immigration Service (Portugal)
SME	Migration and Immigration Service (Angola)
STA	Supreme Administrative Court (Portugal)
STJ	Supreme Court of Justice (Angola)
STJ	Supreme Court of Justice (Portugal)
SUCH	Service for the Common Use of Hospitals (Portugal)
UAN	Agostinho Neto University

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE GOVERNMENT
OF THE PORTUGUESE REPUBLIC
AND THE GOVERNMENT
OF THE REPUBLIC OF ANGOLA
RELATIVE TO THE INDICATIVE
COOPERATION PROGRAMME
FOR THE 4-YEAR PERIOD 2007-2010**

The Government of the Republic of Portugal and the Government of the Republic of Angola, hereafter referred to as the "Parties", **having regard to:**

– The friendship and affinity between the peoples of the Portuguese Republic and the Republic of Angola, which is built on a historic relationship that has left a common heritage, and which there is a will to further develop through continuous efforts to strengthen their strategic partnership on a political, diplomatic, economic and cultural level;

– The dedication and efforts of the Government of the Republic of Angola to create the necessary conditions for development, which have earned general recognition from its Cooperation Partners;

– The will of the Government of the Portuguese Republic to contribute to and support the Government of the Republic of Angola in their development efforts and in a balanced and sustained affirmation of the country on the regional and international stage;

And in light of the need to define the general terms in which development cooperation between the two States will proceed during the 4-year period 2007-2010;

– The United Nations Millennium Declaration and the Paris Declaration on Aid Effectiveness;

– The General Programme of the Government of the Republic of Angola (PGG) for 2007-2008;

- The Strategic Vision for Portuguese Cooperation adopted by the Government of the Portuguese Republic;
- The need for cooperation between the two countries is guided by the principles of alignment, concentration, suitability and effectiveness;
- The interest in the growing vitality of the Community of the Portuguese-Speaking Countries and recognising the importance, to this end, of the contribution of the Member States, including the Portuguese Republic and the Republic of Angola;

The following was decided:

Article 1

The parties will undertake an **Indicative Cooperation Programme** for the period 2007-2010, hereafter referred to as the "Programme", of the financial scale indicated in the annex to this memorandum, in order to integrate the programmes and projects due to commence, as well as those already under way, resulting from commitments assumed under agreements and protocols signed by those responsible for the various sectors.

Article 2

The Programme is focussed on the following priorities:

- a) **Institutional Capacity Building** – aimed at supporting the efforts of the Government of the Republic of Angola to promote good governance, build the capacity of its institutions and consolidate the Rule of Law;
- b) **Sustainable Development and the Combat against Poverty** – aimed at contributing to the social, human and economic development of Angola and improving living conditions for its population;
- c) Cooperation cluster

Article 3

The entities responsible for coordinating and overseeing the implementation of the Programme are:

- a) On the Portuguese side, the Ministry of Foreign Affairs, through the Portuguese Embassy in Luanda and the Portuguese Institute for Development Support (IPAD); and
- b) On the Angolan side, the Ministry of Foreign Affairs (MIREX).

Article 4

1. The signatories will undertake a 6-monthly evaluation of the Programme, proposing measures that are considered necessary for its proper implementation, in the context of the cooperation strategy defined between the two countries.
2. During this evaluation and subject to mutual agreement, the Parties may decide to support new projects, or suspend or cancel projects that have already commenced.
3. The Parties commit to speed up the necessary procedures in order to promptly obtain the appropriate visas for specialists attached to cooperation projects between the two countries.

Article 5

The Parties commit to make available all the necessary information relative to the progress of the projects requested by the other Party.

Article 6

The Parties will assure the visibility of the programmes, projects and actions carried out through Portuguese Cooperation.

Article 7

This Memorandum may be amended at any time by mutual written agreement of the Parties.

Article 8

1. This Memorandum comes into effect on the date it is signed.
2. This Memorandum lapses when either of the Parties expresses their desire to terminate it by giving the other 90 days' notice in writing.

**On Behalf of the Government of the Portuguese
Republic**

João Gomes Cravinho
*Secretary of State for Foreign Affairs
and Cooperation*

**On Behalf of the Government of the Republic
of Angola**

Irene Alexandra da Silva Neto
*Vice-Minister of Foreign Affairs
for Cooperation*

*Signed in Lisbon, on 26 Julliet of 2007, on two originals in Portuguese,
with both copies having equal validity.*

