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ANNEX 2

to the Commission Implementing Decision on the financing of the annual action plan in favour of Angola for 2023

Action Document for Support to upgrade the value chain of Solid Waste Management and adoption of a Circular Economic Model

ANNUAL PLAN

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Support to upgrade the value chain of Solid Waste Management and adoption of a Circular Economic Model OPSYS number: ACT-61480 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	Yes TEI Diversification of Economy and Public Financial Management Angola ¹
3. Zone benefiting from the action	The Action shall be carried out in the Province of Luanda, Angola (with potential countrywide impact)
4. Programming document	2021-2027 Multiannual Indicative Programme (MIP) Angola ²
5. Link with relevant MIP(s) objectives / expected results	Priority Area 1: Sustainable economic diversification Specific Objective 1. Improved competitiveness and sustainability of the local private sector in Angola Result a) Sustainable value chains and circular productions established, including increased (systemic) resilience to climate shocks and livelihood challenges Result c) Private and public investments scaled-up, including addressing the MSME financing gap Specific Objective 2. Support environmental governance and scaling up circular economy Result b) Resource efficiency and sustainable consumption and production promoted
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority Area 1: Sustainable economic diversification

¹ [Angola | Team Europe Initiative and Joint Programming tracker \(europa.eu\)](#)

² Commission Decision on the adoption of the National Indicative Programme between the European Union and Angola C(2021) 9359 final of 15.12.2021.

	Sectors: Improved competitiveness and sustainability of the local private sector in Angola (DAC Code 250); Support environmental governance and scaling up the circular economy (DAC Code 410)			
7. Sustainable Development Goals (SDGs)	Main SDG: Responsible consumption and production (SDG 12) Other significant SDGs (up to 9) and where appropriate, targets: No poverty (SDG 1), Good health and well-being (SDG 3), Gender equality (SDG 5), Clean water and sanitation (SDG 6), Decent work and economic growth (SDG 8), Reduced inequalities (SDG 10), Sustainable cities and communities (SDG 11), Climate action (SDG 13), Life on land (SDG 15).			
8 a) DAC code(s)	14050 - Waste management/disposal – 30% 25030 - Business development services – 40% 43030 - Urban development and management – 30%			
8 b) Main Delivery Channel	Multilateral Organisations – 40000; Donor Government – 11000			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19 @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line: 14.020122 Total estimated cost: EUR 25 000 000 Total amount of EU budget contribution: EUR 25 000 000 The Action is part of the Team Europe Initiative ‘Diversification of Economy and Public Financial Management’ which includes the participation of the European Investment Bank (EIB), France/AFD, the Netherlands and Portugal.			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management: The entity(ies) to be selected in accordance with the criteria set out in section 4.4.1.			

1.2 Summary of the Action

In Angola, the fast growth of the population (3% per year) and of mostly small scale economic activities has led to an exponential increase of the volumes of waste, principally in urban areas, and has in turn challenged the waste governance structure. This is particularly evident in the province of Luanda, which hosts approximately one third of Angola’s population. Solid waste management in the province is a growing challenge, despite the existing relevant regulations and strategic plans.

Out of the estimated approximately 6 500 tons of waste produced every day in the province of Luanda, around 61% is being disposed, without proper selection, treatment or recycling, in the only authorised landfill site of the country. While a small percentage of the generated waste (less than 5%) is diverted for recycling, the remaining 34% (i.e. about 2 200 tons/day) is not properly managed, meaning that it is either dumped in the open environment or burnt. This improper handling of waste has detrimental effects on human health, the environment and the climate, and it hinders economic growth.

The Action has been prepared with the full participation and support of the Angolan Government, led by the National Waste Agency (NWA). It will contribute to Priority Area 1 (Sustainable Economic Diversification), Specific objective 1 (Improved competitiveness and sustainability of the local private sector in Angola) and 3 (Support environmental governance and scaling up the circular economy) of the 2021-2027 European Union (EU) Multiannual Indicative Programme (MIP) for Angola.

The Action aims to improve solid waste management and scale up circular economy, while boosting decent job creation, private sector development and green entrepreneurship. Specifically, the Action aims to: (1) Strengthen the policy and regulatory role of the NWA in boosting waste management services and creating circular business opportunities; (2) Strengthen the effectiveness of Luanda's provincial and municipal authorities' solid waste management plans, including promoting sustainability and circular business models (including recycling and recovery of materials); (3) Attract private sector capital and boost circular business opportunities; (4) Strengthen formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension.

The Action aims to support the restructuring and modernisation of the solid waste sector and related economy, to improve the solid waste value chain opening the door to profitable and formal business opportunities, improving the competitiveness of the private sector, creating decent and green jobs and providing opportunities to formalise Angola's informal workers, addressing inequalities and fighting child labour. In doing so, the Action strengthens the environmental governance approach, addressing the public health and environment problems resulting from the improper disposal of municipal solid waste and boosting the uptake of circular economy models and practices. The outcome will be more streamlined and effective solid waste value chains, including proper waste management at all stages, from source separation, collection and transport, to proper recycling and material recovery at transfer and recovery stations, to final disposal of non-recyclable and non-compostable waste.

Promoting the transition to a circular economy, the Action will contribute to climate change mitigation through the reduction of greenhouse gas (GHG) emissions related to the extraction, processing, and consumption of materials and slow down nature degradation by reducing the demand for virgin materials, decreasing pressure on ecosystems, land and water, thereby contributing to reduce biodiversity loss and to enhance climate resilience including to vulnerable food and nutrition secure populations and to disaster-prone communities.

The Action is part of the TEI on Diversification of Economy and Public Financial Management. It will work on upstream policy support (policy, legislative and regulatory package) and assist Angola adopting an integrated approach to deal with solid waste management and move to a cleaner, more efficient and circular economy. Supporting the country's transition to a more sustainable and inclusive development model, the EU will position itself as a key partner for the promotion of the green and circular economy transition and the promotion of decent jobs as part of the implementation of the Global Gateway strategy and the European Green Deal³.

The Action will contribute to the Global Gateway Africa – Europe Investment Package⁴ by accelerating sustainable growth and decent job creation as well as the green transition boosting competitiveness, while promoting health security. It is aligned with the European Green Deal⁵ and its agenda for sustainable growth, with the EU Circular Economy Action Plan⁶ to reduce pressure on natural resources, create sustainable growth and decent jobs and achieve the EU's 2050 climate neutrality target, and consistent with the global approach to improve ocean health. The Action is in line with the EU Gender Action Plan III 2021-2025⁷ and with the EU policy to tackle inequalities in developing countries⁸.

The Action will contribute to the Agenda 2030 Goals, notably Responsible consumption and production (SDG 12), but also No poverty (SDG 1), Good health and well-being (SDG 3), Gender equality (SDG 5), Clean water and sanitation (SDG 6), Decent work and economic growth (SDG 8), Reduced inequalities (SDG 10), Sustainable cities and communities (SDG 11), , Climate action (SDG 13), Life on land (SDG 15).

³ [A European Green Deal \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101)

⁴ [EU-Africa: Global Gateway Investment Package \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101)

⁵ [A European Green Deal \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101)

⁶ COM/2020/98 final

⁷ [Gender Action Plan III – a priority of EU external action \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101). The [Gender Action Plan III](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101) is a Joint communication by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy which was welcomed through [EU Presidency Conclusions](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=102&tid=101) of 16 December 2020. Drafting was led by European Commission in close consultation with EU Member States, EEAS, civil society organisations, partner governments, and international organisations (UN entities, International Finance Institutions among others). The different parties contributed to the drafting of the document through meetings and through responses to a survey conducted during the process.

⁸ Commission Staff Working Document on Implementation of the new European Consensus on Development – Addressing inequality in partner countries SWD(2019) 280 final of 14.6.2019.

2 RATIONALE

2.1 Context

In Angola, fast population growth and increased economic activities have resulted in an exponential increase of the volumes of waste, principally in urban areas, which has challenged the waste governance structure. This is particularly evident in the province of Luanda, where approximately one third of Angola's population lives.

It is estimated that per day, the Luanda province produces approximately 6 500 tons of solid waste, of which only 4 000 tons (around 61%) is deposited in the only authorised landfill site in the province, located in Mulenvos (in the Municipality of Viana). Whereas a small proportion (about 5%) is deviated for recycling purposes, the remaining around 34% (close to 2 200 tons/day) is illegally dumped in improper sites (essentially in hotspots located in semi-infrastructured and non-infrastructured areas⁹) leading to contamination, health threats, environmental pollution and other waste-related hazards, flooding and ocean plastic pollution, as well as hindering economic growth. As consumption and economic activities increase, improper solid waste management will pose a growing problem for the province of Luanda, in terms of management expenses as well as social and environmental impacts.

Angola has progressively been trying to promote circular economy schemes to reduce waste as well as diversify the economy, increase production with secondary materials (thereby reducing carbon footprints) and formal employment. In this context, the National Strategic Plan for Urban Waste Management (Plano Estratégico para a Gestão de Resíduos Urbanos em Angola - PESGRU), approved in 2012, identifies a set of strategic options aiming at boosting public and private waste collection and recycling services. The National Waste Agency (NWA) was established in 2014 with the mandate of regulating the waste sector and supporting, coordinating, monitoring, evaluating the implementation of the PESGRU, and it is accountable for executing the waste management policies and the development of cross-sector initiatives. The Luanda Provincial Urban Cleaning Plan (Plano Provincial de Limpeza Urbana de Luanda - PPLUL) was approved in 2016, together with the adoption of a payment scheme based on cleaned areas instead of the waste weight based payment system, which contributed to allow for a saving of about 63% of the solid waste management budget. Despite all these actions and additional measures approved more recently¹⁰, the achievement of the PESGRU's objectives remains limited and progress towards more virtuous cycles of solid waste management is mitigated. Indeed, an assessment conducted in 2022 assessed that, so far, only 3 out of the 42 PESGRU goals (i.e., 7%) were considered as “fully achieved”, whereas 14 goals (i.e., 33%) were “partly achieved” and 24 goals (i.e., 57%) were “not achieved”.

The solid waste management model developed in the PPLUL is essentially based on big operators which are facing challenges to efficiently operate the collection of waste, especially the non-valuable waste, in semi-infrastructured and not-infrastructured areas. In April 2022, municipal administrations were given the responsibility for developing, in line with the PPLUL, their economic models for sanitation services, including contracting and paying operators with their own budgets. There is a need to strengthen local administrative and fiscal systems, build human capacity and strengthen the role of civil society to accompany the gradual process of administrative de-concentration and transfer of resources management to sub-national governments.

The annual budget estimate for the municipal programmes, including waste management, is essentially based on historical expenditures. It remains highly dependent on the allocation of financial resources from the central government budget through an arbitration process by the provincial government. The municipal resources allocation does not necessarily adequately reflect a bottom-up programme based on budgeting and needs assessment. When the availability of funds reduces at the central level (e.g., due to volatility of oil prices and failing delegation of budget to local authorities) repercussions at the provincial and municipal level can be severe.

Despite the prospects for an increase in the recycling of waste, currently estimated at around 5% of the total waste, the amount of recycled materials is still marginal compared to the total amount of waste produced in the province

⁹ Semi-infrastructured and non-infrastructured areas refer to areas with no access to large trucks or even smaller motorised vehicles. Some local actors have to perform primary collection activities, i.e. collect waste and transport it to transfer points in areas accessible by collection trucks.

¹⁰ The National Strategy 2020-2050 for Environmental Education was approved in 2022. A strategy on the formalisation and valorisation of solid waste was also drafted. Early in 2023, President Lourenço designed a working group to draft the “National Plan to Ban Plastics” to address environmental degradation issues and regulate the production and the use of non-biodegradable products. Currently it is estimated that a total of 12.4 million plastic bags are distributed free of charge every day in Angola.

of Luanda. However, the demand for recyclable and recovered materials is higher than the offer and it is on the rise, which forms a good basis for further promoting the uptake of circular business models. So far, recycling is only driven by the economic interest of the private sector, when they decide to use some recycled materials in their production. As a result, recycling is not systematised, and there is no regulation for the recovery of specific materials such as plastic, paper and cardboard or metal. Therefore, recycling only happens due to a local industry willing to reincorporate some recycled materials in their production cycles.

Informal waste-pickers are responsible for the biggest part of the waste separation of recycling materials, operating without proper job security and access to social security. There is no specific socio-professional category for waste pickers to formalise their activity as such, and socially the activity is frowned upon. Most of the waste-pickers sell the material they collect to aggregators, who act as intermediaries and further sell the material to the industry. Most of these aggregators also act informally, entirely or alongside a formal business. Some collection entities act informally too, being directly paid by the population they serve. Some of these collectors started to act informally during the waste crisis in Luanda, when there was no collection performed by official operators. In the meantime, some of them have been recognised or at least are known by their district administration. Because they are informal, these monetary and material flows are not registered.

Women are primarily found in the lower tiers, working in waste picking and separating waste at landfill sites. Men dominate the higher-income tiers in the value chains and decision-making roles, whether as truck drivers, scrap dealers, repair shop workers, or in buying and reselling recyclables. This reflects the gender-based division of labour in the society, but also means that women are often even more excluded when waste management activities are formalised, missing out on protections and benefits, such as social security or higher wages.

As almost half of total GHG emissions and more than 90% of biodiversity loss and water stress come from the extraction, processing, and manufacturing and consumption of materials/natural resources, the EU launched the European Green Deal, a concerted strategy for a climate-neutral, resource-efficient and competitive economy. Besides measures to phase out fossil fuels and decarbonize the economy, scaling up the circular economy and reducing material consumption in high income countries will make a decisive contribution to delivering on global climate (both mitigation and adaptation) and biodiversity commitments and decoupling economic growth from resource use, while leaving no one behind. As such, the transition to a circular economy in the province of Luanda will contribute to climate change mitigation through the reduction of GHG emissions from the recovery of secondary materials (by lowering emissions from reducing the extraction and consumption of new virgin materials), and while circular economy strategies can slow down nature degradation by reducing the demand for new virgin material extraction, decreasing pressure on ecosystems, land and water (especially within food systems), thereby contributing to reduce biodiversity loss and to enhance climate resilience including of vulnerable food and nutrition insecure populations and of disaster-prone communities. Circular economy strategies help build resilience to climate and other shocks, for example by promoting regenerative agriculture that improves soil health and food production, by reducing water use and waste on the streets rendering them less prone to flooding, or by improving access to goods and services when needed, through local material use and sharing, reuse, repair and refurbishment practices¹¹. Furthermore, landfills are among the largest sources of methane, a greenhouse gas far more potent than carbon dioxide and a major contributor to global warming, when organic wastes such as food scraps, wood and paper decompose. Reducing deposited organic waste, especially paper and plastics, will also contribute to mitigate climate change.

2.2 Problem Analysis

Short problem analysis:

The problems identified are interlinked and are the following:

Insufficient governance, coordination and control structure in the waste sector

The legislation is reasonably clear concerning the roles and the responsibilities of the different entities involved in solid waste management and quite in line with neighbouring countries. Nonetheless, various public bodies experience difficulties to adequately carry out the functions entrusted to them.

The NWA, in the lead for the coordination of the implementation of the National Waste Policy and the PESGRU, has limited regulatory autonomy and an organic structure which is unsuited to the coordination, control and

¹¹ [3 Ways the Circular Economy Can Aid Climate Action | World Resources Institute \(wri.org\)](https://www.wri.org/publications/2019/03/3-ways-the-circular-economy-can-aid-climate-action/)

application of policies¹². It has therefore been operating basically as an oversight body and it has neither been able to adequately monitor environmental offences and crimes nor to effectively support inter-sectorial efforts and municipalities.

The PESGRU was formulated with limited consultation of key stakeholders, which led to weak ownership by the implementers. Due to its complexity, the PESGRU does not adequately take into account municipal authorities' institutional absorption and management capacities, hampering its translation into practical provincial and municipal operational plans.

As far as waste recycling is concerned, the performance is low. The private sector is the main driver in Luanda, but it does not receive any effective support or incentive from the government. The off-takers are companies who buy recyclables from waste-pickers or from aggregators to incorporate them in their production cycles. Reforms and adequate policy/regulatory frameworks are needed to encourage circular linkages (e.g. industry standards for products with recyclable content, etc.).

There are no specific regulations defining extended producer's responsibility schemes, standards on waste recycling or recovery rates, or aiming for reducing and combating single-use plastic. The existing regulations to control illegal waste dumping by waste producers or by waste collection entities are poorly enforced. Waste taxes, when set-up, are poorly applied and the necessary inter-sectorial actions to ease their set-up have not been developed.

As a consequence of the poor solid waste governance, coordination and control, the current municipal waste cleaning and collection services lack inclusiveness and do not guarantee a smooth integration of public and private stakeholders.

Lack of capacity, resources and autonomy at the municipal level

Provincial authorities have a mandate to develop the PPLUL, to support municipalities and to take care of provincial facilities (such as landfills or transfer stations).

Due to the poor implementation of the decentralisation process, municipalities do not have the knowledge and the resources necessary to properly estimate/measure the operational and financial needs of holistic cleaning and waste collection services. Therefore, the real costs of the system is currently not known.

Furthermore, although municipalities have the authority to establish municipal rules and charge taxes associated with waste management, they often lack technical and financial resources to properly do so. The municipal institutional fragility hampers the equally fragile State budget arbitration process, makes it difficult to implement user/payer principles and calls into question the estimation of realistic fees to cover part of the costs.

Additionally, waste cleaning and collection services are not designed in a comprehensive way to consider all the types of wastes, areas and stakeholders acting in the sector.

Moreover, the model does not appropriately guarantee the integration of small formal operators, informal waste pickers and waste aggregators.

Inadequate design of solid waste management operations

Currently, no comprehensive collection and cleaning operations cover all the areas of the municipalities and province. The current solid waste management model developed in the PPLUL leaves the formal municipal waste management system under the responsibility of big waste operators, which are the only players responsible for the waste cleaning and collection in municipal areas. They can decide on how to provide the services (if subcontracting other entities or working with its own staff, etc.) and have no clear obligation to work with local entities. Municipal waste collection services provided by those operators are very much failing in semi-infrastructured and not-infrastructured areas, where the biggest amount of waste is mismanaged. There are no incentives to collect non-valuable waste in these areas and valuable materials are only at times collected by (informal) waste-pickers (who however mostly prefer to work in infrastructured areas where middle and high class produce more valuable waste or at the landfill). Challenges are observed also in some accessible areas, although to a lesser extent.

In addition, collection and cleaning operations do not efficiently integrate cooperatives, MSMEs, and informal actors. There is no wide-ranging legal disposition nor inclusive design of collection and cleaning operations to integrate such actors. In addition, although they are responsible for an important part of the waste flows in the province of Luanda, the waste-pickers, as well as aggregators and some primary collection operators, still act in

¹² It is worth mentioning that the NWA budget has increased significantly, suggesting that it has started to gain in importance. This is also confirmed by the additional number of technicians hired in recent years even if, with 45 agents in 2022, it is still far from the 130 agents foreseen in its founding Decree.

an informal and vulnerable way. Most of the waste-pickers sell the material they collect to aggregators, who act as intermediaries and sell the material to the industry. Most of these aggregators also act informally, entirely or alongside a formal business. Their action is not adequately integrated nor coordinated within the formal waste management system, which hinders the formalisation of the value chain and is a challenge to develop job security and long-term circular business models, beyond “low-hanging” opportunities.

Moreover, the majority of the population of the province is not well integrated in the waste management system, partly because it does not pay waste-related fees and partly because there is not much waste-related awareness. This is also a key challenge to develop new circular business models, which would demand involvement of the community to secure proper streams of recyclable wastes.

Another significant barrier preventing the circular economy ecosystem from growing is the lack of replicable business models that involve all types of players (e.g. brand owners, petrochemical companies and plastics manufacturers, as well as specialised recyclers). There is also a lack of a single value stream where roles and inputs are clearly defined. The coordination of the various market actors is not adequately concerted into a functional recycling supply chain that boosts volumes of recycled products to the levels that have been demonstrated by some of the emerging markets, integrates community-based collection and sorting and coordinates investment in infrastructure.

The operations of the public and private actors are not necessarily optimised for holistic circular economy models, but are focused on short-term individual benefits.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the Action:

The key duty bearer (government stakeholder) is the Ministry of Environment (Ministério do Ambiente - MINAMB), including the National Waste Agency (NWA) soon to be merged into a National Environment Agency (NEA). The MINAMB has the mission to formulate, conduct, execute and control the executive’s policy regarding the environment in a perspective of protection, preservation and conservation of environmental quality, pollution control, areas of conservation and enhancement of the natural heritage, as well as the preservation and rational use of natural resources. The MINAMB includes a National Directorate for the Environment, a National Directorate for Environmental Education, a National Directorate for Climate Action and a National Directorate for Environmental Technologies. The MINAMB, as an “Accounting Unit” (linked to the Single Treasury Account), is responsible for the submission of its annual budget proposal to the Ministry of Finance for arbitration and approval.

The NWA was established in 2014 with the mandate of regulating the waste sector and supporting, coordinating, monitoring as well as evaluating the implementation of the PESGRU. It is accountable for executing the waste management policies and the development of cross-sector initiatives. The NWA is also an “accounting unit” under the tutelage of the MINAMB and depends on the internal redistribution of the overall ministerial budget.

Other relevant Ministries are the Ministry of Finance, the Ministry of Economy and Planning, the Ministry of Industry and Trade (overseeing among other institutions the National Institute for Quality Control), the Ministry of Education (overseeing environmental education) and the Ministry of Social Action, Family and Promotion of Women (overseeing gender and social inclusion initiatives).

Other duty bearers (stakeholders) are the provincial and the municipal governments of the Luanda province. Each municipality is an “accounting unit” and as such shall prepare a detailed annual budget proposal but is not involved in any direct arbitration with the Ministry of Finance. It is the provincial government that redistributes part of its overall annual budget (agreed with the Ministry of Finance) to each municipality, including the budget allocation for solid waste management.

The National Institute of Support for Micro, Small and Medium Enterprises (Instituto Nacional de Apoio as Micro, Pequenas e Médias Empresas - INAPEM) is the public institution responsible for the development of MSMEs. The Angolan Risk Capital Fund (Fundo Activo de Capital de Risco Angolano - FACRA) operates as a business promoter for MSMEs and entrepreneurs by building, innovating and expanding their businesses to deliver sustainable financial returns in order to contribute to the socio-economic development of Angola. INAPEM, FACRA and other similar organisations will be key partners for the setup of associations and cooperatives and therefore contribute to the formalisation of the informal workers in line with the Informal Economy Reconversion Programme (Programa de Reconversão da Economia Informal - PREI)¹³.

¹³ Launched by the government in 2020, the PREI is a multi-sectorial programme supported by the EU through two budget support operations, respectively 2020-22 and 2023-25.

The consortium Ambiental SGR was appointed in January 2022 to manage the Mulenvos landfill on a Public-Private Partnership (PPP) model as of 2023. According to the business model that will be agreed by the parties (currently still being studied), the consortium might install specialised units for waste sorting, industrial composting, generation of fuels derived from residues, sterilisation and incineration for hospital material incineration or bio-methanisation for energy.

The recycling and reuse industry involved in metals, paper, plastics, glass, organic materials, electronics, tires, and other post-consumer and post-industrial scrap (some companies active in the area of valorisation, recycling and reuse of waste¹⁴) is an important stakeholder.

Smaller size but very important stakeholders will be the formal and informal private sector operators (e.g. waste pickers and collectors), associations, cooperatives acting in the sector. This includes the Association of the Young Waste Pickers in Angola (Associação dos Jovens Catadores de Materiais Recicláveis de Angola - AJOCAMARC) which assists cooperatives and association in establishing and in developing their waste-related business.

The process of formalizing business activity will require the assistance of various public administration services such as the Ministry of Justice (e.g. for issuing identity cards), the Guiché Unico da Empresa (a “one-stop shop” service for the registration of newly formalised MSMEs), the General Tax Administration (to obtain the taxpayer identification number) and financial institutions (to create a bank account and give access to microcredit).

The Agostinho Neto University has already conducted waste characterisation studies in Mulenvos, the latest one in 2022.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective of this Action is to improve solid waste management and scale up circular economy, while boosting decent job creation, private sector development and green entrepreneurship.

The Specific Objectives of this Action are to:

1. Strengthen the policy and regulatory role of the National Waste Agency in boosting waste management services and creating circular business opportunities.
2. Strengthen the effectiveness of Luanda’s provincial and municipal authorities’ solid wastes management plans, including promoting sustainability and circular business models (including recycling and recovery of materials).
3. Attract private sector capital for infrastructure projects and boost circular business opportunities.
4. Strengthen formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension.

The Outputs to be delivered by this Action contributing to the corresponding Specific Objectives are:

- 1.1 Contributing to Outcome 1 (or Specific Objective 1): Improved policy framework that encourages circular business opportunities and green entrepreneurship.
- 1.2 Contributing to Outcome 1 (or Specific Objective 1): Strengthened NWA’s policy-making, regulatory, fiscal, managerial, technical and administrative capacities.
- 1.3 Contributing to Outcome 1 (or Specific Objective 1): Strengthened NWA’s capacity to support the administrations to boost waste collection services, to introduce sound and circular waste management practices in the society, and to enforce legislation.
- 2.1 Contributing to Outcome 2 (or Specific Objective 2): Enhanced municipalities’ expertise in planning, budgeting, revenue collection.
- 2.2 Contributing to Outcome 2 (or Specific Objective 2): Improved capacity for integrated solid waste management plans development and implementation, including standards for increased recycling and recovery of secondary materials.
- 2.3 Contributing to Outcome 2 (or Specific Objective 2): Improved solid waste management monitoring.
- 3.1 Contributing to Outcome 3 (or Specific Objective 3): Identified waste management infrastructure projects with potential to attract private sector investment.
- 3.2 Contributing to Outcome 3 (or Specific Objective 3): Established financial facility to enable infrastructure projects that are economically justified but not financially viable.

¹⁴ <https://www.anr.gov.ao/Uploads/Divulgacao/Operadoras%20da%20ANR-compactado.pdf>

4.1 Contributing to Outcome 4 (or Specific Objective 4): Enhanced presence and capacity of associations, cooperatives and SMEs for the provision of waste management services and for the sorting and recycling of waste materials, especially those led by women and employing women as well as of food and nutrition insecure populations and disaster-prone communities.

4.2 Contributing to Outcome 4 (or Specific Objective 4): Enhanced access to fair business opportunities and better linkages with anchor firms within the circular economy for collectors, aggregators, associations, cooperatives and MSMEs.

3.2 Indicative Activities

Activities relating to Output 1.1.

- Provide technical advice for the upgrade and implementation of the PESGRU (e.g. information systems, principle of Extended Producer Responsibility, coordination of market actors instrument into functioning recycling supply chains, roadmaps for the implementation of the PESGRU at provincial and municipal levels, awareness programmes adapted to the target audience, etc.).
- Support the formulation and execution of policy, regulatory measures and economic instruments (e.g. with a high potential of reducing and reusing specific types of waste such as plastic bottles, bags and other items).

Activities relating to Output 1.2.

- Provide capacity building to the NWA in policy-making and regulatory, fiscal, managerial, technical and administrative capabilities.
- Conduct solid waste management specific studies (e.g. primary collection, sorting, transport, recycling, etc.), including waste liabilities management, costing, etc.)
- Develop circular value chain's sustainable economic models for each type of waste and geographic area.

Activities relating to Output 1.3.

- Design strategies to coordinate the market actors into functioning recycling supply chains and issue guidelines for the development of municipal action plans (which could include PPPs and/or concessions, where feasible).
- Support the enforcement, e.g., by creating monitoring and enforcement structures/tools and by financing awareness campaigns and grass roots operations involving local communities, in cooperation with municipalities and provincial government.
- Support the implementation of existing Memoranda of Understanding between NWA and education institutions (signed so far but not yet implemented) for the development of professional courses.
- Develop monitoring tools useable by all rights holders and duty bearers, from waste-pickers, aggregators, waste collection operators to final destination (landfill and/or off-takers).

Activities relating to Output 2.1.

- Provide capacity building to the municipalities in planning, budgeting, revenue collection, etc.
- Improve the municipal, provincial, Ministry of Finance's annual state budget's arbitration mechanism with regard to the "Environmental Sanitation Programme" functional budget line, gradually moving from "historical expenditures-based budget" to "bottom-up programming-based budget".
- Support municipalities to establish efficient systems to define and collect fees associated to solid waste management in a user-payer systems, and considering the socio-economic situation and the ability to pay.

Activities relating to Output 2.2.

- Support the interactive upgrading of the Provincial and Municipal Waste Management Action Plans (including description of roles and responsibilities; budget; awareness/education/communication programmes; investment measures; waste sorting; transfer schemes; eco-centres; valorisation systems; primary collection in semi/not-infrastructure areas; responsibility of associations and cooperatives; involvement of civil society) and operational plans.
- Support municipal and provincial authorities in the implementation of the plans, e.g. to design a pipeline of infrastructure and equipment projects to improve solid waste management, to support the execution and financing of the infrastructure projects (ecopoints, transfer stations, etc.), to draft procurement procedures for municipal operators promoting the contracting of cooperatives or SMEs employing women in variety of roles, including as former informal pickers.
- Identify ways for municipalities to increase (e.g., through fiscal incentives) the productivity and efficiency of associations, cooperatives, SMEs and to enable strategic alliances with anchor firms.

Activities relating to Output 2.3.

- Support the provincial and municipal authorities to establish comprehensive solid waste management monitoring systems, including tools to smooth the progress of fiscalisation¹⁵ of waste operators' performance and a provincial exchanges platform to share experiences, best practices and lessons learnt.
- Develop a waste management value chain data collection system (supply and demand sides) on the recycling supply chains to track market information, waste flows and related PESGRU's implementation outcomes.
- Support the setup of a coordination instrument involving all the actors (key governmental authorities, public and private operators, citizens representatives, business customers, development partners) to share experiences and issue policy and regulatory recommendations.

Activities relating to Output 3.1.

- Conduct a private waste sector market screening.
- Carry out a plastic circularity opportunity assessment.
- Conduct a Refuse Derived Fuel (RDF) market opportunity assessment.

Activities relating to Output 3.2.

- Evaluation and structuring of appropriate mechanisms and subsidy needed for the establishment of a facility to cover viability gap funding for private sector participation in waste infrastructure projects.
- Implementation of the mechanisms to cover viability gap funding for private sector participation in waste infrastructure projects.
- Financing of the first projects.

Activities relating to Output 4.1.

- Conduct awareness raising campaigns on the advantages of joining and/or setting up formal associations, cooperatives and MSMEs.
- Propose simplified legal and/or financial statutes for waste-picking and aggregating activities as a way to formalise the activity offering advantages.
- Support financial institutions to develop lending and financing products, sensitisation materials and trainings, for MSMEs, associations and cooperatives working in solid waste management with special incentives to those led by women.
- Set up a credit line, fiscal incentives, and support the execution of local pilot projects where associations, cooperatives or local MSMEs can launch operations (with special incentives to the women-led entities).
- Provide trainings for members of associations, cooperatives and MSMEs (finance management, managerial skills, digital abilities, business planning, etc.).

Activities relating to Output 4.2.

- Map and assess the capacity and readiness of financial institutions to support market-based solutions for the uptake of circular economy business models and/or their deployment in line with the market (demand/offer).
- Establish clear rules of the game between voluntary organisations, associations, cooperatives, MSMEs and anchor firms / private operators (e.g. including a mandatory percentage of active women for the organisations to benefit from contracts, etc.).
- Provide a technical and legal support as well as a mediation platform to collectors, aggregators, associations, cooperatives and MSMEs, to establish a legal, fair and transparent contracting with anchor firms / private operators.
- Create the formal business opportunities for these cooperatives/associations (e.g. by enforcing waste management enterprises to only work with formal sector and/or require they do subcontract to them part of their activities).

The commitment of the EU's contribution to the Team Europe Initiative (TEI) to which this action refers, will be complemented by other contributions from Team Europe members. It is subject to the formal confirmation of each respective member's meaningful contribution as early as possible. In case the TEIs and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

Environmental protection and climate change mitigation and adaptation are central objectives of the transition towards a green and circular economy and are the main focus of the Action. Fully in line with the European Green

¹⁵ Fiscalisation means ensuring the fulfilment of the terms of a contract.

Deal ambitions, the Action mainstreams a broader approach aimed at supporting the transition to a circular economy. The principles of the circular economy - designing out waste and pollution, keeping products and materials in use for as long as possible, and regenerating natural systems - can deliver positive environmental impacts together with financial savings.

Outcomes of the SEA screening (relevant for budget support and strategic-level interventions)

The Strategic Environmental Assessment (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the Action as “Category C” (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this Action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per the OECD Gender DAC codes identified in section 1.1, this Action is labelled as G1. This implies that gender equality will be mainstreamed throughout the entire Action whereas in the activities of Specific Objective 3 in support of SDG5 it will be prioritised through women-centred approach. Women in all their diversity are traditionally responsible for managing household waste as part of their daily chores, meaning they have greater engagement with domestic waste management and waste management services and therefore constitute the most vulnerable population groups to inappropriate service system designs, in particular solid waste collection systems. Concerning employment, men dominate the higher-income and decision-making roles, whether as truck drivers, scrap dealers, repair shop workers, or in buying and reselling recyclables. Women in all their diversity are primarily found in the lower tier, working in waste picking and separating at landfill sites. This reflects the gender-based division of labour in the society, but also means that women are often excluded when waste management activities are formalised, missing out on protections and benefits, such as social security, training or higher wages. The Action will focus on how the participation of women in the waste value chain could be enhanced, looking at their involvement across the solid waste management cycle from production of waste, waste collection, to recovery of recyclables and processing for recycling. Moreover, the gender equality dimension in the setup of association and cooperatives will enhance capacity of women in all their diversity to recognise their key role in preventing environmental degradation and child labour. Sex-disaggregated data and gender-sensitive indicators will also be privileged.

The Action will be gender mainstreamed and aligned with the Gender Action Plan III (GAP III), namely to the thematic area of engagement: Addressing the challenges and harnessing the opportunities offered by the green transition and the digital transformation – Area of Climate Change, namely Specific Thematic Objectives:

1. Increased participation of women and girls in all their diversity, in decision-making processes on environmental conservation and climate change issues.
2. Strategies and agreements on climate mitigation, adaptation, disaster risk reduction and sustainable management of natural resources and biodiversity are more gender-responsive, at local, national, regional and international level.
3. Women, men, girls and boys, in all their diversity, addressing climate change in their daily lives and preserving the natural environment are recognised and valued.
4. Women and men in all their diversity, increasingly participate in and have improved access to jobs, entrepreneurship opportunities and alternative livelihoods in the green economy and the circular economy.

Human Rights

The Action will reduce environmental degradation, pollution, the exposure to hazardous substances and, support effective measures to limit the harmful effects of exposure to hazardous substances on human health and wellbeing in line with the right to life. Concerning child labour prevention, the Action shall explore possible linkages with incentivising education to child garbage pickers and their families.

Disability

As per OECD Disability DAC codes identified in section 1.1, this Action is labelled as D0. Nevertheless, some women and men formal and informal waste workers with disabilities will benefit from the action through their incorporation into the associations and the cooperative. The Action will ensure that rights of persons with

disabilities will be respected, and the planned activities are disability responsive and inclusive. The Action will invite to attend to organisations representing people with disabilities when possible.

Reduction of inequalities

As per the Inequality Marker, the Action Document could be labelled as an I1. In accordance with the PREI, the support for the formalisation of informal workers (individuals, households and socio-economically disadvantaged groups) in the waste sector through the creation of associations and cooperatives should improve their job security, ensure better compliance with occupational health and safety practices, and provide them with better access to basic public services while combating child labour.

Democracy

This Action has a potential to boost local governance. The Action will equally reinforce the capacities of the duty bearers/public authorities, through improved capacity on enforcement and compliance with social regulations. The Action is aligned with the EU's Action Plan on Human Rights and Democracy 2020-2024.

Conflict sensitivity, peace and resilience

This Action should have no significant impact on conflict sensitivity, peace and resilience.

Disaster Risk Reduction

This Action should limit the amount of waste illegally dumped in inappropriate sites and subsequently have a positive impact on disaster risk reduction. By limiting puddles of rainwater linked to waste dumps, the breeding of mosquitoes that transmit malaria, dengue fever and yellow fever will slow down. The reduction of the burning of waste containing items such as plastics or chemicals, should mitigate the risks to lung health. Proper solid waste management and recovery of drainage function should aim to reduce the risk of flooding and decrease waste entering rivers and subsequently the sea thereby also preserving vulnerable populations in disaster-prone communities from food and nutrition insecurity.

Other considerations if relevant

None.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (Low/ Medium/ High)	Impact (Low/ Medium/ High)	Mitigating measures
Policy	Risk 1: Environment and waste management remain too low on Angola's political agenda.	Medium	High	Policy dialogue at highest level, donor coordination and alignment.
Governance	Risk 2: Weak governance (including lack of decentralisation), corruption and patronage can constitute a major challenge to the implementation of the Action.	High	Medium	Policy dialogue at the highest level.
Weak policy formulation	Risk 3: Lack of consensus concerning a common vision on solid waste management and, possible conflicting advice from different development partners.	Low	Medium	Close partners' collaboration and coordination to ensure smooth implementation.
Domestic revenue collection	Risk 4: Oil price volatility (60% Government revenues, 96% foreign exchange earnings) put at risk the resources allocated to the sector.	Low	High	The Action would support a review of the Solid Waste Municipal plans in line with the actual availability of the resources and explore new sources of funding. In addition, the Action

				will support the establishment and/or scaling up of models to charge tax associated with waste services.
Institutional capacity	Risk 5: Low absorption capacities at any level.	High	Medium	The programme is closely aligned with Government priorities and will be sequenced according to needs.
Political	Risk 6: Political instability following elections.	Low	High	To redefine the strategy according to the context.
Policy analysis	Risk 7: A gender-blind, neutral, or negative context and problem analysis could reinforce existing gender inequalities and non-realisation of human rights in the sector, and hinder the efficiency and sustainability of the Action.	Medium	Medium	Knowledge and tools of gender mainstreaming are available. Gender-sensitive monitoring, use of sex disaggregated data, and gender-sensitive indicators. Gender mainstreaming is applied in all phases of the support services.

Lessons Learnt: Solid waste management services form the core of municipal services and cannot be sustained without community cooperation and participation in all operations. Waste management services come at a cost, which can ideally be partly recovered following a Polluter Pays approach. The understanding of the demographic characteristics of communities within the local authorities' operational area is vital for the delivery of accessible, affordable, relevant, acceptable and effective services. Angola is characterised by a large lifestyle gap between the elite and the poor. The current waste service programmes have been designed based essentially on known formal residential areas. The increasing informal settlements and their incorporation into the formal areas presents a great challenge to solid waste authorities who have to come up with alternative solutions. This will be taken into account in the context of this Action.

3.5 The Intervention Logic

The underlying intervention logic for this Action is that:

IF a policy framework that encourages circular business opportunities and green entrepreneurship is improved, AND the NWA's policy-making, regulatory, fiscal, managerial, technical and administrative capacities are strengthened, AND the NWA's capacity to support the administrations to boost waste collection services, to introduce sound and circular waste management practices in the society, and to enforce legislation is strengthened; ASSUMING THAT:

- The national, regional and local authorities implement the policy and regulatory framework and are willing to receive the NWA support.
- Citizens of Luanda (end rights holders) are informed about the policy and regulatory framework.
- The NWA established a system to fiscalise the implementation of the policy and regulatory framework.

THEN Specific Objective 1 ('Strengthen the policy and regulatory role of the NWA in boosting waste management services and creating circular business opportunities') can be achieved.

IF the municipalities' expertise in planning, budgeting, revenue collection, is enhanced, AND the capacity for integrated solid waste management plans development and implementation, including standards for increased recycling and recovery of secondary materials, is improved AND solid waste management monitoring is improved, ASSUMING THAT:

- The provincial and municipal finance's annual state budget's arbitration mechanisms are effective.
- The Ministry of Finance provides the planned resources to the provincial and municipal government.
- The resources are essentially spent as programmed.

- The provincial and municipal governments are use data for planning, budgeting, monitorind and decision making.

THEN Specific Objective 2 (‘Strengthen the effectiveness of Luanda’s provincial and municipal authorities’ solid wastes management plans, including promoting sustainability and circular business models (including recycling and recovery of materials)’) can be achieved.

IF waste management infrastructure projects with potential to attract private sector investment are identified AND a financial facility to enable infrastructure projects that are economically justified but not financially viable is established;

ASSUMING THAT:

- Private sector investment boosts circular business opportunities.

THEN Specific Objective 3 (‘Attract private sector capital for infrastructure projects and boost circular business opportunities’) can be achieved.

IF the presence and capacity of associations, cooperatives and SMEs, for the provision of waste management services and for the sorting and recycling of waste materials,especially those led by women and employing women as well as of food and nutrition insecure populations and disaster-prone communities, is enhanced AND access to fair business opportunities is enhanced and linkages with anchor firms are better within the circular economy for collectors, aggregators, associations, cooperatives and MSMEs;

ASSUMING THAT:

- Association and cooperastives contribute to the formalisation of its employees.
- Formal business entail more decent jobs.

THEN Specific Objective 4 (‘Strengthen formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension’) can be achieved

AND, if the following assumptions at the level of Outcomes hold:

- Circular economy and solid waste management are positioned high in the political agenda.
- The NWA, Government of the Province of Luanda, municipalities’ institutional absorption capacities is at the required level.

THEN, the Impact (‘To improve solid waste management and scale up circular economy, while boosting decent job creation, private sector development and green entrepreneurship’) can be achieved.

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines 2023	Targets 2028	Sources of data	Assumptions
Impact	Improve solid waste management and scale up circular economy, while boosting decent job creation, private sector development and green entrepreneurship	1. Quantity of solid waste dumped in illegal sites (tons per day). 2. Metric Tons of solid waste managed reduced, reused and recycled using a circular economy approach with EU support (*) 3. Number of (b) green jobs supported/sustained by the EU (GERF 2.13b)	1. About 2,500 tons per day. 2. 5% 3. None. 4. To be determined at the start of implementation .	1. Less than 2,500 tons per day. 2. More than 15% 3. To be determined at the start of implementation 4. To be determined at the start of implementation	NWA, Government of Luanda Province, private recyclers, PREI programme.	<i>Not applicable</i>
Outcome 1	Strengthened policy and regulatory role of the NWA in boosting waste management services and creating circular business opportunities	1.1 Status of development of a common strategic vision by the NWA and the solid waste management actors in Luanda 1.2 Number of provincial and municipal solid waste management plans in line with PESGRU strategy. 1.3 Level of implementation of policy, regulatory measures and economic instruments (e.g. with a high potential of reducing specific types of waste). 1.4 Existence of the monitoring tool for measuring solid waste management performance. 1.5 Existence of intersectorial dialogue to reduce, reuse, recycle waste.	1.1 No common vision exists and is shared by the solid waste management actors in Angola. 1.2 Zero. 1.3 To be determined at the start of implementation 1.4 Monitoring tool not in place. 1.5 No effective dialogue.	1.1 A common vision is shared and exists in writing. 1.2 To be determined at the start of implementation. 1.3 To be determined at the start of implementation 1.4 Monitoring tool in place to measure SWM performance. 1.5 Existing working groups for specific waste flows.	1.1 NWA, Luanda province and municipal authorities 1.2 NWA, Luanda province and municipal authorities. 1.3 NWA, Luanda province and municipal authorities. 1.4 NWA, other ministries, private sector. 1.5 NWA, other ministries, private sector.	Circular economy and solid waste management are high positioned in the political agenda.
Outcome 2	Strengthened effectiveness of Luanda's provincial and municipal authorities' solid wastes management plans, including promoting sustainability and circular business models (including recycling and recovery of materials)	2.1 Percentage of the territory (km2) of the municipalities covered by the service of solid waste collection (disaggregated in urban semi-infrastructured and not-infrastructured areas) 2.2 Number of municipalities implementing domestic revenue collection earmarked to waste collection.	2.1 To be identified at the start of implementation. 2.2 municipalities collect taxes associated with waste collection. 2.3 To be determined at the start of implementation 2.4. Zero	2.1 To be defined at the start of implementation. 2.2 5 municipalities collect taxes associated with waste collection.	2.1 NWA, Luanda province and municipal authorities. 2.2 NWAe, Luanda province and municipal authorities. 2.3 NWA	Availability of resources for the sector for the Provincial and municipal authorities.

		2.3 Number of operational plans under implementation in the different municipalities 2.4. Number of gender-responsive policies approved by partner (national, regional or local) government(s) in the circular economy sector (GAP III Indicator)		2.3 To be defined at the start of implementation. 2.4 To be determined at the start of implementation	2.4 NWA	
Outcome 3	Strengthened formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension	3.1. Number of solid waste management infrastructure projects financed and in operation stage	3.1. None	3.1. At least 2	Municipal authorities	
Outcome 4	Formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension, are strengthened	4.1 Number of associations / cooperatives / local MSMEs formally active in the municipal waste management sector in Luanda, disaggregated in urban, semi-infrastructure and non-infrastructure areas and by sex of manager/business owner. 4.2 Number and percentage of formal jobs created in the waste sector with the Action disaggregated by sex and type. 4.3 Percentage of the municipalities' solid waste management budget allocated to associations / cooperatives / local MSMEs.	4.1 To be defined at the start of implementation. 4.2 To be defined at the start of implementation 4.3 To be defined at the start of implementation	4.1 To be identified in the first year of the project. 4.2 To be defined at the start of implementation 4.3 To be defined at the start of implementation	Municipal authorities.	Institutional absorption capacity at the required level.
Output 1.1	Improved policy framework that encourages circular business opportunities and green entrepreneurship	1.1.1 Number of policy and regulatory measures and economic instruments (e.g. with a high potential of reducing specific types of waste) developed with support of the EU-funded intervention. 1.2.2 Number of roadmaps to guide the implementation each area of the PESGRU developed and in use.	1.1.1 Zero 1.1.2 Zero	1.1.1 To be determined at the start of implementation 1.1.2 To be determined at the start of implementation		
Output 1.2	Strengthened NWA's policy-making, regulatory, fiscal, managerial, technical and administrative capacities	1.2.1 Number of NWA staff trained, by the EU-funded intervention with increased knowledge and/or skills in policy development, finance, management disaggregated by sex, category of staff and type of training	1.2.1 Zero 1.2.2 Zero 1.2.3 Zero	1.1.1 To be determined at the start of implementation 1.1.2 To be determined at the		

		1.2.2 Number of specific studies on solid waste management conducted with support of the EU-funded intervention. 1.2.3 Number of circular value chain's sustainable economic models developed (for each type of waste and geographic area).		start of implementation 1.1.3 To be determined at the start of implementation		
Output 1.3	Strengthened NWA's capacity to support the administrations to boost waste collection services, to introduce sound and circular waste management practices in the society, and to enforce legislation	1.3.1 Number of strategies to coordinate the market actors into functioning recycling supply chains developed with support of the EU-funded intervention 1.3.2 Level of availability of municipal administrations tool and budget to conduct awareness campaigns promoting solid waste management good practices (e.g. on local composting, etc.). 1.3.3 Number of professional courses developed through Memorandum of Understanding with training institutions with support of the EU-funded intervention.	1.3.1 Zero. 1.3.2 No awareness tools / budget is available in the municipal the municipal administrations. 1.3.3 No professional courses are available.	1.3.1 To be defined at the start of implementation. 1.3.2 To be defined at the start of implementation. 1.3.3 To be defined at the start of implementation.		
Output 2.1	Enhanced municipalities' expertise in planning, budgeting, revenue collection	2.1.1 Existence of documentation of the arbitration of the annual waste management municipalities' state budget. 2.1.2 Number of staff trained by the EU-funded intervention with increased knowledge and/or skills in planning, budgeting and revenue collection (disaggregated by sex, type of staff and of training)	2.1.1 The annual state budget arbitration mechanism is neither in place nor documented. 2.1.2 Zero.	2.1.1 The annual state budget arbitration mechanism is documented 2.1.2 To be defined at the start of implementation.		
Output 2.2	Improved capacity for integrated solid waste management plans development and implementation, including standards for increased recycling and recovery of secondary materials	2.2.1 Number of provincial and municipal plans based on a bottom-up approach to budgeting developed with support of the EU-funded intervention. 2.2.2 Number of infrastructure and equipment projects in the pipeline of the municipalities developed with support of the EU-funded intervention. 2.2.3 Number of procurement procedures promoting the contracting of cooperatives or MSMEs employing women and former informal pickers developed with support of the EU-funded intervention.	2.2.1 Zero. 2.2.2 Zero. 2.2.3 Zero. 2.2.4 Zero	2.2.1 To be determined at the start of implementation 2.2.2 To be determined at the start of implementation 2.2.3 To be determined at the start of implementation		

		2.2.4 Number of solutions identified by the NWA to increase productivity and efficiency of associations, cooperatives, SMEs and to enable strategic alliances with anchor firms with support of the EU-funded intervention.		2.2.4 To be determined at the start of implementation		
Output 2.3	Improved solid waste management monitoring	2.3.1 Number of provincial and municipal authorities using solid waste management monitoring systems established with support of the EU-funded intervention. 2.3.2 Number of waste management value chain data collection system developed and in use with support of the EU-funded intervention.	2.3.1 Zero 2.3.2 Zero	2.3.1 To be determined at the start of implementation 2.3.2 To be determined at the start of implementation		
Output 3.1	Identified waste management infrastructure projects with potential to attract private sector investment	3.1.1 Status of waste sector market screening developed with support of the EU-funded intervention. 3.1.2 Status of the plastic circularity opportunity assessment developed with support of the EU-funded intervention. 3.1.3 Status of the Refuse Derived Fuel (RDF) market opportunity assessment developed with support of the EU-funded intervention.	3.1.1 No screening available. 3.1.2 No plastic circularity opportunity assessment available. 3.1.3 RDF market opportunity assessment not available.	3.1.1 Screening finalised 3.1.2 Plastic circularity opportunity assessment done 3.1.3 RDF market opportunity assessment done		
Output 3.2	Established financial facility to enable infrastructure projects that are economically justified but not financially viable	3.2.1 Status of implementation of the mechanism to cover viability gap funding for private sector participation in waste infrastructure projects developed with support of the EU-funded intervention.	3.3.1 Not implemented	3.3.1 Appropriate mechanisms implemented		
Output 4.1	Enhanced presence and capacity of associations, cooperatives and SMEs for the provision of waste management services and for the sorting and recycling of waste materials, especially those led by women and employing women as well as vulnerable food and nutrition insecure populations and disaster-prone communities	4.1.1 Number of people reached by the awareness raising campaigns conducted by the EU-funded intervention. 4.1.2 Number of people trained by the EU-funded intervention with increased knowledge and/or skills in finance management, managerial skills, digital abilities, business planning, disaggregated by sex (disability and migration status). 4.1.3 Number of pilot projects in implementation with the support of the EU-funded intervention.	4.1.1 Zero. 4.1.2 Zero 4.1.3 Zero	4.1.1 To be defined at the start of implementation 4.1.2 To be defined at the start of implementation 4.1.3 To be defined at the start of implementation		

Output 4.2	Enhanced access to fair business opportunities and better linkages with anchor firms within the circular economy for collectors, aggregators, associations, cooperatives and MSMEs	4.2.1 Number of studies/mapping developed with support of the EU-funded intervention (including specific to semi and not-infrastructured areas to ease the provision of services there). 4.2.2 Status of operationalisation of mediation platform developed with support of the EU-funded intervention.	4.2.1 No mapping is available. 4.2.2 Mediation platform not available	4.2.1 To be defined at the start of implementation 4.2.2 To be defined at the start of implementation		
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4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this Action, it is envisaged to conclude a financing agreement with the partner country.

4.2 Indicative Implementation Period

The indicative operational implementation period of this Action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation of the Budget Support Component

N/A

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the Action with EU restrictive measures.

4.4.1 Indirect Management with (an) entrusted entity(ies)

This Action may be implemented in indirect management with one or more entities, which will be selected by the Commission's services using the following criteria: (i) Recognised experience and expertise in the solid waste management and circular economy sectors; (ii) Strong worldwide engagements across the entire waste management value chain (solutions for waste collection and transfer, creating value, material and energy recovery from waste, remediation of landfills and dumpsite) and circular economy (waste typology and recycling, value chains); (iii) Recognised experience in developing policy and regulatory frameworks in sectors relevant to the Action and in supporting their implementation; (iv) Recognised experience in capacity building of national and local authorities; (v) Recognised experience in offering of investment and advisory services for the mobilisation of private capital; (vi) Recognised experience in private sector development and, possibly, support to formalisation.

The implementation by this entity(ies) entails Specific Objectives 1, 2, 3 and 4:

1. Strengthen the policy and regulatory role of the National Waste Agency in boosting waste management services and creating circular business opportunities.
2. Strengthen the effectiveness of Luanda's provincial and municipal authorities' solid wastes management plans, including promoting sustainability and circular business models (including recycling and recovery of materials).
3. Attract private sector capital for infrastructure projects and boost circular business opportunities.
4. Strengthen formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension.

4.4.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

If negotiations with entities as specified in 4.4.1 fail, this Action may be implemented for the concerned objective(s) in direct management mode through grants and procurement.

1) Direct management (grant(s)):

a) Purpose of the grant(s):

The grant(s) will contribute to Output 4.1 under Specific Objective 4.

b) Type of applicants targeted:

The type of applicants targeted for funding are legal entities non-profit making Non-Governmental Organisations or assimilated Civil Society Organisations, or respective networks, platforms or federations or International Organisations and Agencies.

2) Direct Management (procurement):

Procurement will contribute to Specific Objective 1, Specific Objective 2, Specific Objective 3 and Output 4.2 under Specific Objective 4.

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this Action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities - cf. section 4.4	
Specific Objective 1 "Strengthen the policy and regulatory role of the National Waste Agency in boosting waste management services and creating circular business opportunities" composed of:	5 000 000
Indirect management with an entrusted entity(ies) - cf. section 4.4.1	
Specific Objective 2 "Strengthen the the effectiveness of Luanda's provincial and municipal authorities' solid wastes management plans, including promoting sustainability and circular business models (including recycling and recovery of materials)" composed of:	6 500 000
Indirect management with an entrusted entity(ies) - cf. section 4.4.1	
Specific Objective 3 "Attract private sector capital for infrastructure projects and boost circular business opportunities" ¹⁶ composed of:	5 000 000
Indirect management with an entrusted entity(ies) - cf. section 4.4.1	
Specific Objective 4 "Strengthen formalisation and decent employment opportunities in the solid waste sector, incorporating the gender equality dimension" composed of:	7 000 000
Indirect management with an entrusted entity(ies) - cf. section 4.4.1	
Evaluation – cf. section 5.2	500 000
Audit – cf. section 5.3	
Contingencies	1 000 000
Totals	25 000 000

4.7. Organisational Set-up and Responsibilities

A Policy Advisory Committee (PAC) and a Management Committee (MC) will be set up.

The PAC will provide directions to the activities of the Action and to establish a forum for policy dialogue and donor co-ordination in the solid waste management area. It will be composed of the Minister of Environment (or

¹⁶ The budget will be reconfirmed in light of the budgetary needs for the financial facility.

designate) as Chairman, the Governor of Luanda Province (or designate) as Co-chairman, the Ministry of Economy and Planning (MEP) as signatory of the Financing Agreement, the Head of the EU Delegation, and the Head(s) of the entity(ies) referred to in section 4.4.1. Other key stakeholders involved in the solid waste management area at provincial and municipal levels, the civil society organisations (including those representing women and persons with disabilities) together with non-contributing donors may also join the PAC in an advisory capacity.

The Management Committee (MC) will be responsible for administering and implementing the Action activities. It will supervise the implementation of financed activities, identify and resolve implementation issues and, suggest visibility and other actions related to the management of the Action. The preferred decision-making process will be by consensus. The MC will be supported by a Secretariat and will meet on a quarterly basis unless a different frequent schedule is decided upon by its members. It will be chaired by the Head of the NWA (or designate) and include relevant technical staff from the Government, entity(ies) entrusted with the implementation and the EU Delegation. The MC prepares the agenda meeting of the PAC including the topics for discussion. Both Committees (PAC and MC) will ensure equal and meaningful representation of women and persons with disabilities, in all their diversity.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the Action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this Action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the Action and elaborate regular progress reports (not less than half-yearly) and final reports. Every report shall provide an accurate account of implementation of the Action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring: Data collection including possible surveys, analysis, monitoring and quarterly reporting is under the responsibility of the implementing partner. Monitoring arrangements should be embedded in the Action's governance configuration, building on and strengthening existing structures, fostering horizontal inter-ministerial and vertical institutional coordination and favouring inclusive processes (notably towards civil society). The progress reports should monitor the overall implementation of the reforms based on the achievement of the results.

5.2 Evaluation

Having regard to the importance of the Action, a mid-term and a final evaluation will be carried out for this Action or its components via independent consultants contracted by the Commission. The mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to the enlargement of the scope to other provinces. The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that this is a new sector of intervention for the EU in Angola. All evaluations shall assess to what extent the Action is considering the human rights-based and disability mainstreaming approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least one month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this Action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union’s support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the EU/European Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as:

Action level (i.e. Budget Support, blending)		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
Group of actions level (i.e. top-up cases, different phases of a single programme)		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#):
Contract level		
<input type="checkbox"/>	Single Contract 1	
<input type="checkbox"/>	Single Contract 2	
	(...)	
Group of contracts level (i.e. series of programme estimates, cases in which an Action includes for example four contracts and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other)		
<input type="checkbox"/>	Group of contracts 1	