

# REPUBLIC OF ANGOLA

## Multi-annual Indicative Programme 2021-2027

### 1. The overall lines of the EU international cooperation in Angola

#### 1.1. Basis for programming

The basis for programming is a joint framework document between the EU and its Member States (MS), which built on an assessment concerning their policies towards this partner country for the period 2021-2027. The 2021-2027 Multi-annual Indicative Programme (MIP) has been prepared following the outcome of close consultations with the Government of the Republic of Angola (GoA), the EU MS present in Angola, the European Investment Bank (EIB), other international donors and financial institutions, civil society, private sector and on the 10<sup>th</sup> and 11<sup>th</sup> European Development Fund (EDF) programming; and on Angolan, EU and global policy and other documents and plans.

Generally, women in Angola do not have the same opportunities as men in terms of income, employment and education. Consulted CSOs agreed on the proposed priority areas giving special importance to Human Development and the promotion of employment opportunities for women.

Consultations over several months with the GoA and the Office of the National Coordinator led to the identification of several areas for (continued) cooperation. With regard to ‘sustainable economic diversification’, the GoA underlined its interest in focussing on the development of the transformative industry; regional ((including the African Continental Free Trade Area and the Southern African Development Community (SADC) Free Trade Area)) and international economic integration ((EU SADC-Economic Partnership Agreement (EPA) and climate change in particular governance, circular economy and decarbonisation).

The consultations on ‘governance’ evolved considerably over the months, with an initial request by the GoA for cooperation in the field of human rights and public policies (including the creation of a single citizen’s card regrouping civil, fiscal and social security data in one document) and penal reform. In the course of the consultations, the GoA also expressed an interest in working with the EU on the fight against corruption, transparency, justice reform, decentralisation, elections and more inclusive governance. A request for specific collaboration on Sustainable Development Goals (SDGs) 8 (decent work and economic growth), 10 (reduced inequality) and 16 (peace and justice strong institutions) was also shared.

The GoA also confirmed its wish to extend ongoing programmes in the field of vocational training and higher education aligned with the achievement of SDGs 4 (quality education) and 9 (industry, innovation and infrastructure).

Exchanges with the EIB regarding ongoing and future activities confirmed its interest in economic diversification, infrastructure development, access to suitable finance, development of modern financial markets and banking systems, digitalisation, sustainable agriculture, food value chains and biodiversity, and human capital/development (with an emphasis on health and education).

In the course of the programming, the EU held a series of discussions with the UN (Resident Coordination, Special Envoys, agencies), the World Bank (WB), African Development Bank (AfDB), International Monetary Fund (IMF) and other international partners, such as the United Kingdom, Norway, Switzerland and the United States, to avoid overlap and promote of action as well as explore further possibilities for (continued) cooperation and coordination.

During consultations, the private sector interlocutors indicated their interests in investing in the agricultural and industrial sectors (even among those currently not in that field). The EU is seen as an important partner in improving the business environment through training and capacity building (compensating for insufficient workers' skills comes at a high cost for companies), strengthening the legislative framework (in this sphere the Government also has manifested interest in strengthening its institutional capacity for enforcement of legislation and resolution of commercial disputes), upgrading the human and material resources in public institutions as well as addressing the high public debt (companies depend largely on contracts with the public sector).

Ongoing collaboration and specific consultations have shown that CSOs are eager to build their capacity and keen on getting support in setting up and strengthening a structured dialogue with the Government as well as thematic networks to exchange knowledge, ideas and actions among themselves and with other stakeholders.<sup>1</sup>

Furthermore, the MIP is in line with key policy documents, including Angola's 'National Development Plan 2018-2022',<sup>2</sup> last reviewed in July 2020, and 'Angola 2025',<sup>2</sup> the country's long-term development strategy, which is being reviewed and has been extended until 2050. It also reflects the EU-Angola strategic political relations; in particular, the EU-Angola Joint Way Forward signed in 2012. The EU will continue to engage regularly with the GoA, at both the political and technical level, to ensure effective implementation of programmes under this MIP. The EU will continue to consult and involve Civil Society, MS and concerned development partners throughout the implementation of the MIP.

The EU cooperation in Angola remains guided by the Agenda 2030, the Paris Agreement, the Addis Ababa Action Agenda, and the Sendai Framework for Disaster Risk Reduction 2015-2030, the Global Strategy for the European Union's Foreign and Security Policy, the European Consensus on Development, the EU Communication of Resilience<sup>3</sup> and the Council Conclusions on operationalising the humanitarian-development nexus.<sup>4</sup> All actions are inspired by the principle of 'Leaving no one behind' and are consistent with the 'do no harm' principle of the European Green Deal.

All actions taken under this programming exercise shall comply with EU legislation, in particular EU restrictive measures (sanctions) adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union.

## **1.1. Status of joint programming**

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<sup>1</sup> For instance intensifying the use of traditional methods such as Onjango, an open area where people meet, which is a very common institution in Angolan rural areas. <sup>2</sup>

[https://prodesi.ao/uploads/PDN\\_Angola\\_2018\\_2022\\_Low.pdf](https://prodesi.ao/uploads/PDN_Angola_2018_2022_Low.pdf)

<sup>2</sup> <http://extwprlegs1.fao.org/docs/pdf/ang184675.pdf>

<sup>3</sup> JOIN (2017) 21

<sup>4</sup> 9383/17

## **Status of joint programming**

As described in 1.1., the MIP was developed in close consultation with the GoA, the EU MS, other international partners, civil society and the private sector. Further stakeholder engagement is ensured through the EU's coordination with the Office of the National Coordinator in the Framework of the 10<sup>th</sup> and 11<sup>th</sup> EDF as well as implementation of projects and programmes with UN-agencies (e.g. FAO and UNDP in the framework of the Programme 'Strengthening Resilience and Food and Nutritional Security in Angola' - FRESAN) and EU MS-agencies (e.g. Camoes IP and AFD).

EU MS exchange views, develop common positions and agree on 'joint action' in EU-(Deputy) Heads of Mission-, EU-Cooperation-, EU-Trade- and EU-Consular- and other meetings. The EU explored the possibility of developing Joint Programming building on MS' interest, however, given the limited cooperation envelopes, only France and Portugal have cooperation activities, at this stage the EU Programming takes into account the interests of EU MS and EIB present in Angola as, all are engaged in expanding trade and investment relations. The EU, together with its MS – specifically France through AFD and Expertise France, Portugal through Camoes<sup>5</sup>, the Netherlands – and the EIB, has identified a TEI that will be developed during the span of the current programming.

The EU has been instrumental in advocating for and organizing International Development Partners' Meetings and actively participates in other informal meetings to promote common positions. The EU and its MS continue to engage in policy dialogue with the government on foreign relations and human rights. EU MS have also shown a keen interest in continuing to work together on issues regarding the business and investment climate in Angola, Angola's regional economic integration (e.g. EU SADC-EPA), public finance management and the fight against corruption as well as gender equality and youth. With the (general) elections at the doorstep, EU MS are already preparing to accompany Angola's democratic process.

Grounded on a Team Europe approach the EU will continue to reach out, coordinate, develop common positions and team up with the UN (Resident Coordination, Special Envoy(s), agencies), WB, AfDB, IMF and other international partners, such as the United Kingdom, Norway, Switzerland and the US on issues such as climate, human rights, public finance management and coordinate for a 'division of labour' (e.g. leave primary education in the good hands of the WB and health to USAID).

Team Europe's outreach will not be limited to the GoA and the international partners, but focus equally on civil society (organisations) and the private sector. Furthermore, the EU and its MS are committed to including all of the territory of Angola and all Angolans in its efforts, beyond the provincial border of Luanda/Bengo.

## **1.2. Priority areas of the EU's cooperation with the partner country**

<b>PRIORITY AREA 1: Sustainable economic diversification</b>
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<sup>5</sup> France has annual budgets for operating grants for scholarships (around EUR 0.9 million per year) and small projects of two years duration (around EUR 0.5 million per year). Portugal has a multiannual programme with annual allocations ending in 2022 which focuses on education and health. France and, possibly Portugal plus the EIB are (looking to be) active in one or more of the EU MIP priority areas, in cooperation/alignment with the EU

To support the government's **drive towards economic diversification** and aligned to the interests of private sector and civil society organizations discussed during the consultations, the first priority area focuses on **accelerating growth and attracting foreign direct investment**.

This priority translates into improving Angola's competitive advantage by **upgrading sustainable value chains** through climate-smart agriculture that contribute to increased productivity, food security and nutritional outcomes as well as **maximizing the benefits of circular economy** to increase productivity and exports in addition to **reducing waste and meeting the demand for work opportunities and decent jobs** with a special focus on women and youth.

This entails engaging with the private sector to **promote resilient business opportunities and access to new markets**, tapping into innovative financing schemes such as green financing and instruments such as business angels, blending or guarantees.

In addition, the EU proposes to **invest in clean energy** to increase population's access to electricity from the current level of 40% and improve the operating environment for businesses. The EU in close coordination with stakeholders will design interventions to deliver on the Government's request to **put in place appropriate regulations and to attract private sector** consistent with Paris Agreement objectives and the 'do no harm' principle of the European Green Deal. In line with the Africa-EU Green Energy Initiative,<sup>6</sup> the EU will explore the modalities to mobilize funding and TA from international financial organizations, particularly the EIB, to expand the renewable energy, power grids and interconnectors.

To **contribute to Angola's economic integration** and support a soft transition to Middle Income Country status, taking place over the span of the current programme, the EU will design programming to continue reinforcing EU-Angola trade relations, including accession to the EU-SADC-EPA and signature of a Sustainable Investment Facilitation Agreement. At the regional and continental level, interventions will support the country's market integration through the African Continental Free Trade Area and the SADC Free Trade Area.

## **PRIORITY AREA 2: Transparent, accountable and effective governance**

To support Angola's **governance reform** and sustainable economic diversification agenda, the second priority area focusses on supporting Angola in achieving greater **transparency, accountability and efficiency of governance at the central and local level**.

This priority focusses on the promoting the **Rule of Law**, with particular attention to Angola's on-going judiciary reform (review of legislative framework, capacity building/human resources, organisation and structure, digitalisation )<sup>7</sup>; a transparent and rule based business

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<sup>6</sup> The Joint Communication 'Towards a Comprehensive Strategy with Africa JOIN (2020)' calls for EU partnership with Africa "on green finance and sustainable energy efficiency through the launch of a 'Green Energy' Initiative building on the recommendations of the High Level Platforms of sustainable energy in Africa".

<sup>7</sup> Despite the lack of approval of the Juvenile Justice law financed under the 10<sup>th</sup> EDF and tabled for approval during the Justice programme implementation, the adoption of other laws such as the new Criminal Code and the Criminal Process Code which are starting to be applied deserve to be supported by the EU.

environment; and protection and regulation of the digital space against abuses and frauds (including commercial).

It also encompasses a dialogue and operational activities with regard to the **fight against corruption** including strengthening the legislative framework and building the capacity of institutions charged with combatting corruption and recovering assets in general and, specifically, improving the transparency and governance of the extractive industries.

To support stability-oriented macroeconomic policy, to promote efficient, effective and performance-based budgeting, to operationalize the universal right to social protection and to maximise the benefits of available resources, the EU will build on existing programmes and design new ones related to **public finance management and social protection**.

Last but not least, the EU plans to engage with the Government and civil society in supporting the **decentralisation and electoral processes**, in response to the Government's expression of interest and building on an existing programme to promote citizens' (and CSO's) participation in decision making processes as well as the recommendations/findings of EU election-related expert- and observation missions.

### **PRIORITY AREA 3: Human development**

The third priority area focuses on **human development and research**. These are key to empower people, especially the youth, women and vulnerable groups, to have a stake in their societies, a chance of a decent livelihood, to be active and responsible citizens. It also is essential to drive innovation and knowledge.

The EU's will contribute towards **increasing competitiveness of students and their employability**, be it as public servants contributing to the modernization of the State or in the private sector, thus also supporting the first two priorities.

In line with the Shanghai Consensus,<sup>8</sup> the programme will support **TVET interventions to enhance people's skill set and match them to the labour needs** necessary to drive a green, resilient and diversified economy in a digitalised world. The EU will give special attention to women's participation in TVET and supporting their transition to the labour market.

The EU will continue to **invest in Higher Education** to encourage entrepreneurship, competitiveness, science, technology and innovation (STI) and critical thinking. Interventions will support universities' scientific and technological research, particularly relevant as the country embarks on a transformational reform of its economic model<sup>10</sup>.

In recognition of the importance of intra-Africa mobility schemes for students, young professionals/entrepreneurs, but also researchers/innovators and youth leaders, the EU will **link and complement Erasmus+ actions** by improving harmonization, alignment and coordination at regional and continental level for skills and curricula-recognition, comparability and transferability of competences.

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<sup>8</sup> Third International Congress on Technical and Vocational Education and Training. Shanghai, People's Republic of China, 14-16 May 2012.

[http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/ED/pdf/Final\\_General\\_Report\\_English.pdf](http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/ED/pdf/Final_General_Report_English.pdf) <sup>10</sup>  
Angola could benefit from support to **address gender-specific labour market segregation** and to ensure that women have the same status regarding the acquisition and management of property rights as men (thereby strengthening the application of [ILO conventions 100](#) and 111 on gender equality and on non-discrimination which have been mentioned by ILO experts as deserving improvements).

To promote an enabling environment for the uptake of STI, the EU will **build on complementarities with regional programming to address science capacities** (by promoting among other others partnerships among organisations and countries, knowledge exchange through open science), **common green and health sectors challenges** (harmonisation of approaches, supporting continental and regional research networks and organisations) and **STI governance** (policy dialogue and investments into ‘green skills for green jobs’ dialogue, involving specific AU-EU High Level Policy Dialogue on STI and the links with the countries).

### 1.3 Justification and context

Since 2012, the EU has enjoyed a privileged high-level dialogue with Angola through the “Joint Way Forward” (JWF) partnership: this aims to take the relationship beyond development cooperation, to a more political partnership. The context for this JWF remains favourable but the window of opportunity is limited. The Government headed by President João Lourenço, in place since 2017, started a series of transformational reforms in the political-administrative, social and economic system, marking a new era in the country’s history.

The social and political situation in Angola is relatively stable but the country confronts a severe economic crisis and extreme inequalities. One in two people live below the international poverty line of US\$1.90 per day. Triggered by the outbreak of the Covid-19 pandemic and exposure to recurrent climate events, in 2020, the economy recorded its worst contraction in the last 40-years and real GDP fell by 5.2%<sup>9</sup>, exacerbating a recession that started in 2014. This protracted recession is mainly due to the declining production of oil, lower prices, lower demand<sup>10</sup> and a global commitment to reduce greenhouse gas, further highlighting the importance of economic diversification.

Inequality is on the rise and gender inequality is one of the highest the world, 0.578 in 2018 (higher than Afghanistan, 0.575, and the average for sub-Saharan Africa, 0.572).<sup>11</sup> Unemployment remains high (30.6% and up to 55.3% among youth) and those with jobs work mostly in the informal sector (approximately 80% of the active population and nine out of ten women). The country high debt<sup>12</sup> and its amortisation and interest payments crowd out recurrent expenditure for service delivery and investments needed to upkeep with population growth and reach the furthest behind.

Angola is also facing the worst drought in the last 38 years, following consecutively lower average rainfall for the past years. The effects include food shortage, lack of potable water, diseased cattle and malnourished children particularly in the south of the country. According to data collected by the World Food Programme (WFP) and FRESAN<sup>13</sup> in Southern Angola, severely hit by the ongoing drought, people face high levels of food insecurity in all municipalities analysed (including 1.3 million people in crisis or emergency phase), and

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<sup>9</sup> National Statistics Institute. National Accounts Report for the 4th trimester of 2020. Angola

<sup>10</sup> International Monetary Fund Country Report no. 20/281 (2020), Angola: Third Review under the Extended Arrangement

<sup>11</sup> Angola’s 2021 Voluntary National Report on the implementation of Agenda 2030

<sup>12</sup> The Angolan Central Bank estimates a debt/GDP ratio of 140% based on a GDP of USD 59.9 Billion and a sovereign debt of USD 83.1 Billion for 2020 and although the IMF in its Fourth revision of the Extended Fund Facility with Angola (January 2021) estimates a lower debt/GDP ratio of 134.2% based on a higher projected GDP of USD 61.9 Billion both point to its unsustainability.

<sup>13</sup> Integrated Food security Analysis published in September 2021, <http://www.ipcinfo.org/ipc-countryanalysis/details-map/en/c/1155109/?iso3=AGO>

difficulties in obtaining food. Between October 2021 and March 2022<sup>14</sup>, the situation is likely to further deteriorate with around 1.58 million people likely to be food insecure (out of which 416,600 people in emergency). Also, acute malnutrition especially for children under five years old is prevalent, essentially due to inadequate and poor dietary intake and lack of access to safe water. The high vulnerability of domestic food production to climate shocks and climate change (with increasing rainfall variability) and the weak food systems trap farmers in small scale, low productivity, and subsistence agriculture.

Several months ahead of the general elections, slated for summer 2022, much remains to be done. However, important legislation is in place and there are clear signals that reforms will remain high on the governmental agenda, and the population's expectation, in the years to come. Angola's programmes to address economic recovery and tackle the impact of Covid19 – from formalizing the economy, promoting agro investment and economic diversification, negotiating entry into trade agreements and expanding social protection aimed at generating jobs, increasing productivity and exports – form the basis for the current MIP.

To assist the country pursue a sustainable development path, the first priority of the MIP is **sustainable economic diversification**. It aims to support the ongoing economic reforms of the Lourenço administration and to contribute to Angola's resilience through, among other programmes, the promotion of job-centred growth, the increase of the export value of the nonoil/extractive industries (currently at 6.1% of GDP) and the integration in the global market by increasing its exports to its neighbours and the EU. The very high percentage of oil and its related products in the composition of Angolan exports, equivalent to 95%,<sup>15</sup> further highlights the absolute need to diversify if Angola is to enter a path of sustainable development and diminish its exposure to the global market.

Aligned to the Green Deal and the Paris Agreement, the investment focus will be on value chains and circular economy as well as support environmental governance (from regulatory framework, to introduction of sustainable management and climate adaptation practices). The approach supports Angola's ambition to add value, extract higher rents from its commodities, integrate into global value chains and promote vertical and horizontal diversification anchored in value addition and local content development.

In addition, given Angola's low nutritional outcomes, the programme will build on the FRESAN programme (which focuses on resilience and food security) and identify additional nutrition-sensitive value chains. Building on the current support to the formalization of the informal sector projected to integrate two million workers from the informal in the formal sector in 2020,<sup>16</sup> the MIP proposes to continue supporting Angola achieve Agenda 2030's goal of full and productive employment and decent work for all women and men, including for young people and persons with disabilities.

The second priority of the MIP focuses on deepening the on-going **governance reform**, including rule of law and the fight against corruption, and on maximizing the fiscal space as a necessary condition to deliver more efficient and effective services including social protection and identification cards.

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<sup>14</sup> <http://www.ipcinfo.org/ipc-country-analysis/details-map/en/c/1155109/>

<sup>15</sup> The African Development Bank report available at <https://www.afdb.org/en/countries/southernafrica/angola/angola-economic-outlook>

<sup>16</sup> Through a combination of facilitating the access to identification documents, registration of businesses, access to digital money and credit.

In line with the Government priorities, the MIP will support the right to a fair trial and equality before the law. In particular, it proposes to support the implementation of the new Criminal Code and the Criminal Process Code, both developed with EU support, and adopted recently. The pursuit of anti-corruption measures, bolstering the anti-corruption systems and encouraging a culture of anti-corruption are a strategic choice to achieve the MIP priorities.

Working together with other EU MS and building on the regional program ‘Support for the Consolidation of the Rule of Law’<sup>17</sup> and the bilateral project ‘Supporting the Strengthening of a National Asset Forfeiture System in Angola’, the EU proposes to expand and extend support to combat corruption and recover assets.

The EU also proposes to contribute to the full registration of Angola citizens. The GoA has simplified the civil registration process and is working on an identification card that regroups civil, fiscal and social security data in one document (‘Documento Unico’) in line with its intention to expand the provision of services. The MIP will also support the efforts of the GoA to digitalise the Public Administration, facilitate access to public administration via the internet as well as the development of legislation protecting and regulating the digital space against abuses and frauds (also commercial).

Building on ongoing programs, the MIP will support the implementation of reforms to improve the public financial management, including domestic revenue mobilization essential to bolster the performance, legitimacy and accountability of the State and to achieve the citizens’ socioeconomic objectives (including social protection). The targets include an increase in the total government revenues as a proportion of GDP from the 2019 level of 20%. Following the completion of the PEFA other targets will be negotiated with the Government and different operations will be used to provide the necessary capacity building skills.

The GoA is committed to raising the level of education, which is of strategic importance for a country where the children below 15 years represents 45% of the population in 2021.<sup>20</sup> The third priority on **human development** aligns with the Government’s strategy to extend the network of secondary TVET and higher education and linking it to the market needs, building on existing, successful, EU programmes such as the RETFOP (TVET) and UNIAO (Higher Education). The urgency to invest in education is a consensual one and both the private sector and civil society, particularly women’s’ associations consider it a key pillar for Angola’s development.

Education will allow the country to fundamentally change the labour market, which is currently characterised by informality, low productivity and mismatched skills. Education responding to the labour market needs addresses the ambition of creating a virtuous circle between better education and improved educational outcomes thus contributing to higher incomes and to improvement in living standards (and ultimately a more sustainable tax system).

CSOs in Angola have become more outspoken and more influential in the last few years as the Government has called for increased engagement and input from players outside the formal state structures to jointly meet the country’s development objectives and achieve more inclusiveness in governance. They are ready to be forefront actors in partnership with the government and international actors in a wide ‘alliance for development’. They remain a strategic ally for the EU in the implementation of the MIP, acting as intermediaries between

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<sup>17</sup> Implemented in the African countries with Portuguese as official language and East Timor. <sup>20</sup> National Statistics Institute. Population Projection 2014-205. Angola (2016)



the state and citizens, reaching out to vulnerable and marginalised groups, in shaping policies and programming, as well as in overseeing and monitoring state authorities.

The table below captures the MIP’s support to the country’s progress in achieving the Sustainable Development Goals (SDGs).

**Table 1. MIP programming impact on the achievement of the SDGs**

SDGs	MIP Priorities		
	Sustainable economic diversification	Transparent, accountable and effective governance	Human Development
 1. No Poverty	✓	✓	
 2. Zero Hunger	✓		
 3. Good Health and Well-Being			
 4. Quality Education			✓
 5. Gender Equality	✓	✓	✓
 6. Clean Water and Sanitation			
 7. Affordable and Clean Energy	✓		
 8. Decent Work and Economic Growth	✓		
 9. Industry, Innovation and Infrastructure	✓		✓
 10. Reduced Inequalities	✓	✓	
 11. Sustainable Cities and Communities			
 12. Responsible Consumption and Production	✓		
 13. Climate Action	✓		
 14. Life Below Water	✓		
 15. Life on Land	✓		
 16. Peace, Justice and Strong Institutions		✓	
 17. Partnerships for the goal	✓	✓	

### 1.3. Duration of the MIP and options for synchronisation

The MIP will have a duration of seven years, from 2021 to 2027. A review of the implementation of the MIP should be carried out in 2024. This provides a good opportunity for synchronisation with the next National Development Plan 2023-2027, after the adoption by the GoA.

## 2. EU support per priority area and proposals of Team Europe Initiative 2.1. Priority area 1: Sustainable economic diversification

### 2.1.1. Specific objectives related to the priority area 1

*Specific objective 1. Improved competitiveness and sustainability of the local private sector in Angola (DAC Codes 250 Business & other services and 310 Agriculture, Forestry, Fishing and SDGs 1, 2, 5, 7 to 10, 12, 13 and 17)*

The EU proposes to support the GoA’s drive to diversify the economy through the promotion and formalisation of the private sector and of informal operators (started under a 2020-21

Budget Support project), the facilitation of local/domestic food production based on climatesmart agriculture (based on farm to fork strategy, nutrition-sensitive value chains, including industry and food processing) as well as sustainable fisheries (including increased

cooperation with the relevant regional fisheries management organisations<sup>18</sup> and the fight against illegal, unreported and unregulated (IUU) fishing) and the promotion of a blue economy)<sup>19</sup>, leading to enhanced prevention and preparedness for food crises.

Specifically the EU will support the upgrade of sustainable value chains, the introduction of climate resilient production energy efficient and circular economy initiatives through the improvement of quality, standards and certifications, market intelligence and promotion of investments as well as building the resilience of local communities, entrepreneurs and financial institutions and engaging in dialogue with GoA to support key legal, policy and regulatory reforms that contribute to an enabling environment and support women entrepreneurs. To complement, digital industry will be promoted as well. The EU will integrate a gender perspective in its interventions building towards Gender Equality and Women's Empowerment.

*Specific objective 2. Trade integration of Angola and diversification of exports (DAC Code 330 Trade Policies and Regulations and SDGs 8 and 17)*

To support the Government's ambition to increase non-oil trade, a key driver of economic diversification, the EU will seek to negotiate a trade agreement in the framework of the EU SADC-EPA and a Sustainable Investment Facilitation Agreement involving the private sector, trade unions and CSOs to provide input to the process. In addition, the EU will continue to provide capacity building and share best practices to assist Angola bolster its integration into continental and regional markets and tap into opportunities provided by global value chains.

*Specific objective 3. Support environmental governance and scaling up circular economy (DAC Code 410 and SDGs 7, 12 to 15)*

The EU will support the Government with environmental policy development and the implementation of the Paris Agreement, ratified in July 2020, and the continued adoption of mitigation and adaptation measures in line with its National Strategy and the 2021 Nationally Determined Contributions of Angola (NDC).<sup>23</sup> Furthermore, to gather information to report to national policymakers, international forums and the public, the EU, with the broad participation of society, will work with the GoA to revise its climate and energy legislation as well as set up a robust system to monitor and verify the NDC's implementation.

Working together with the Government and CSOs, the programme will also promote the mobilization of citizens and civil society to build awareness and to promote their participation in climate change action. The European Green Deal will be the roadmap to support Angola turn climate and environmental challenges into opportunities and to enhance the efficient use of resources by moving to a clean, efficient and circular economy. Scaling up investments in renewable energy, energy efficiency and a circular economy and investments into 'green skills for green jobs', will make a decisive contribution to achieving climate change targets, decoupling economic growth from resource use, while ensuring the long-term competitiveness of Angola and leaving no one behind in a fair green transition (supported by re-skilling and lifelong learning opportunities). In this process, the expertise and know-how of European companies will be critical.

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<sup>18</sup> Which includes two regional fisheries management organisations (the International Commission for the Conservation of Atlantic Tunas, ICCAT, and South East Atlantic Fishery Organization, SEAFO) and one regional fisheries body (Fishery Committee for the Eastern Central Atlantic, CECAF).

<sup>19</sup> The Ministry of Agriculture and Fisheries confirmed recently Angola's interest in negotiating with the EU on a Sustainable Fisheries Partnership Agreement and has called for enhanced cooperation on blue economy.

<sup>23</sup> <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Angola%20First/NDC%20Angola.pdf>

In the context of the Covid-19 pandemic, and as part of the ‘Building Back Better’ drive, the MIP will promote sustainable consumption and production to contribute substantially to the transition towards green economies. To minimize the unsustainable use of natural resources, toxic materials and pollutants as well as recycle and re-use waste at the level of production and consumption, the MIP proposes to support the development of green and climate resilient businesses adopting an approach of greater cooperation among stakeholders and sectors. In line with Angola’s commitment to decarbonisation and the EU’s green deal, the MIP will support the adoption of cost efficient renewable energy solutions as well as policies and programmes to increase access to energy in rural areas, in particular through mini grids, and promote private investment. Through TA and policy dialogue, the EU proposes to support the Government in creating better conditions for the mobilization of foreign private investments and European know how.

The EU will work with CSOs<sup>20</sup> to provide training and technical support to Micro, Small & Medium Enterprises (MSMEs), with a special focus on youth and women run enterprises, to address market access constraints related to limited production, management and marketing capacities as well as facilitate access to lending to strengthen its productivity and growth, which will subsequently enhance employment opportunities. In terms of expertise, the EU will work with CSOs promoting sustainable value chains and innovation, social enterprises and voluntary cooperatives and associations of smallholders, as well as those working in partnership with start-ups and social impact investors, on responsible consumption, sustainable business practices and Corporate Social Responsibility.

The fragmentation and lack of coordination among national and local authorities may have an adverse effect on the impact of the programme. Private sector actors, from farmers to industries, face significant challenges in obtaining land titles as well as unreliable utilities and adequate infrastructure, including ports. Each issue falls under a different Ministry, most of which do not have agriculture or industry among their priorities, leading to a fragmented and uncoordinated response. These risks can possibly be mitigated by holding coordination meetings with different Ministries and local authorities as well as supporting the government gather evidence, and based on a whole-of-government response, model scenarios to support its policy decisions and assess its results. To improve the infrastructure, trade corridors in the framework of a regional project is another envisaged solution for exports.

The private sector actors also highlighted as barriers to their growth the weak business environment, lack of payments of debts by public bodies or public companies and nontransparent procedures in the awarding of contracts<sup>21</sup>. Another challenge is the substantial financing necessary for transformational investments in infrastructure to respond to the energy and infrastructure needs (including ports).

### **2.1.2 Expected results per specific objective**

*Specific objective 1. Improved competitiveness and sustainability of the local private sector in Angola*

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<sup>20</sup> CSO actors include social partners, business and professional associations; chambers of commerce; social and economic councils; cooperatives; entrepreneur, consumer, recycling, waste management and environmental associations; trade unions; foundations and funds supporting innovation, think tanks, research institutions and media.

<sup>21</sup> In Angola, more than 75% of the economy depends on public sector (public bodies or public companies) and many private companies depend for their businesses (more them 50%) on them. The Government is honouring its external debt but neglects debts with private companies.

Result a) Sustainable value chains and circular productions established, including increased (systemic) resilience to climate shocks and livelihood challenges;

Result b) Improved prevention of and preparedness for food crises;

Result c) Private and public investments scaled-up, including addressing the MSME financing gap;

Result d) Environment for innovation and entrepreneurship ecosystem, especially for youth and women, improved;

Result e) Cross-sectoral policies promoting integrated approaches to ecosystem management and ocean governance adopted.

*Specific objective 2. Trade integration of Angola and diversification of exports*

Result a) Enhanced trade integration at regional and continental level while promoting effective implementation of internationally agreed social and environmental standards relevant in such contexts (e.g. fundamental UN/ILO conventions);

Result b) Increased diversification of exports in goods and services;

Result c) Improved access for European investments and commercial relations in strategic sectors.

*Specific objective 3. Support environmental governance and scaling up circular economy*

Result a) Energy policies and environmental governance instruments aligned to Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015-2030 Result

b) Resource efficiency and sustainable consumption and production promoted; Result

c) Improved, efficiency and access to renewable energy.

**2.1.3 Indicators, including baseline and targets per expected result**

*Indicators for 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) preparedness and resilience to climate shocks and livelihood challenges

- 1. Number of nutrition-sensitive value chains supported by Global Europe funds (Participation of Angola in regional and international value chains) (baseline: 0 in 2021, target 2 in 2027).*
- 2. Number of communities benefitting from increased resilience to various types of risks and shocks, including climate-related ones, as a result of EU support, disaggregated by province.*

Result b) Improved prevention of and preparedness for food crises

*Proportion of local governments that adopt and implement local disaster risk reduction strategies and carry out responses to food crises.*

Result c) Private and public investments scaled-up, including addressing the MSME financing gap

1. *Number of MSMEs with access to financial services with Global Europe funds support disaggregated by percentage of enterprises owned by women (baseline 0 in 2021, target 20,000 in 2027);*
2. *Number of companies with access to digital financial services with Global Europe funds (baseline 0 in 2021, target 10,000 in 2027);*
3. *Value of leverage of EU blending and guarantee operations financed in the private sector*
4. *Share of non-oil/extractive goods and services in the GDP (baseline 60% Q2 2020, target 70% in 2027);*
5. *Share of industry in the GDP (Industry GDP baseline 6.5% in 2020, target 10% in 2027);*
6. *Number of economic agents supported by Global Europe funds who transit from the informal to the formal sector disaggregated by sex (baseline 0 in 2021, target 500,000 in 2027).*

Result c) Environment for innovation and entrepreneurship ecosystem, especially for youth and women, improved

1. *Global Innovation Index assessment of progress on “Environment for innovation” (baseline 132/132 in 2021, target 125/132 in 2027)*
2. *Ratio of Angolan women/men as CEOs/Business owners (%) (baseline 30.6% in 2021, target 40% in 2027);*
3. *Experts ranking of Entrepreneurial framework conditions<sup>22</sup> (baseline 2018 a) Government Policy Taxes and Bureaucracy 42/45, b) Government Entrepreneurship Programs, 45/45 c) ease of entry market burdens and regulations 44/45; target a) 38/45, b) 41/45, c) 39/45 in 2027);*
4. *Number of young people starting a business with Global Europe funds support (baseline 0 in 2021, target 10,000 in 2027).*

Result e) Cross-sectoral policies promoting integrated approaches to ecosystem management and ocean governance adopted

1. *Integrated regulatory framework is adopted (baseline 0 in 2021, target framework adopted in 2027);*
2. *People responsible for implementing policies are trained at a) thematic and b) geographical levels (baseline a) and b) 0 in 2021, target a) at least 50 and b) at least 5 00 in 2027).*

*Indicators for Specific objective 2. Trade integration of Angola and diversification of exports*

Result a) Enhanced trade integration in goods and services

1. *Share of exports to African countries (baseline 2.6% Q2 2020, target 5% in 2027);*

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<sup>22</sup> <https://www.gemconsortium.org/data/key-aps>

2. *Share of exports to SADC countries excluding South Africa (baseline 0% Q2 2020, target 2% in 2027);*
3. *Share of exports to EU countries (baseline 7.5% Q2 2020, target 10% in 2027);*
4. *Status of the EU SADC - (No EPA in 2021, target agreement signed in 2024);*
5. *Geographical indicators identified and enforced (baseline 0 in 2021, target 1 in 2027).*

Result b) Increased diversification of exports in goods and services

1. *Share of non-oil/extractive goods and services exports as a percentage of GDP (baseline 6.1% in 2021, target 15% in 2027).*

Result c) Enhanced European investments and commercial relations in strategic sectors

1. *Signature of Sustainable Investment Facilitation Agreement (baseline, 2021 no agreement, target 2024 signed).*

*Indicators for Specific objective 3. Support environmental governance and scaling up circular economy*

Result a) Energy policies and environmental governance instruments aligned to Paris Agreement and other relevant Multilateral Environmental Agreements

1. *Status of related legislation related to reduce emissions with EU support (baseline 0 in 2021, target legislation adopted in 2025);*
2. *Number of sustainable management and climate adaptation practices introduced in agricultural, forestry, coastal and marine ecosystems with EU support (baseline 0, target 10 in 2027);*
3. *Energy Efficiency score according to Regulatory Indicators for Sustainable Energy (RISE) (baseline 2019 5%, target 15% in 2027).*

Result b) Resource efficiency and sustainable consumption and production promoted

1. *Number of MSMEs applying Sustainable Consumption and Production practices with Global Europe funds support (baseline 0 in 2021, target 1,000 in 2027);*
2. *Metric Tons of solid waste managed reduced, reused and recycled using a circular economy approach with EU support (baseline 0 in 2021, target TBD based on assessment carried out by EU to be finished beginning 2022).*

Result c) Improved efficiency and access to renewable energy

1. *Number of individuals with access to electricity with Global Europe funds support through: a) new access, b) improved access (baseline 0 in 2021, target a) 500,000 b) 500,000 in 2027).*
2. *Renewable Energy generation capacity installed (MW) with EU support (baseline 0 in 2021, target 300 MW in 2027)*

#### **2.1.4 Possible use of blending and guarantees for investment under the European Fund for Sustainable Development Plus (EFSD+)**

AFD is identifying a project to support the formalisation of markets ('feeding cities') to improve the distribution and sale of agricultural products in formal circuits in urban centres. This project is closely linked to a Budget Support pilot project financed by the EU for the formalisation of economy that started in 2021. The EU envisages continuing this type of support after the pilot phase and one of its components could be providing TA of around EUR 5 million via blending to the AFD project. In addition, continued support for the formalisation of economy and to fostering improvements in Public Finance Management through a second Budget Support operation being developed to start in 2022 based on experience of the first one and taking into account 2021 PEFA is envisioned.

The EU is also considering providing blending of EUR 5 million to a second phase of a smallscale family fishing and aquaculture project that AFD is developing with the International Fund for Agricultural Development (IFAD) that will depend on the outcome of the first phase evaluation study to be carried out in 2022. Together with the Netherlands, the EU is envisaging interventions in the area of agro-logistics to support food security, bolster export promotion and investments.

The EIB is identifying an Angola-Namibia interconnection project. This investment will favour Angola's regional integration by joining the Southern African Power Pool and contributes to the improvement of continental and sub-regional regulations and harmonization in support for a coherent continental framework compatible with the single African Electricity Market and in line with EU's regional programming. In addition, EIB is considering an electrification expansion project, the Baynes hydropower plant on the border between Angola and Namibia, which will re-inforce regional integration with the construction of the Angola-Namibia interconnection project complementing a WB programme implemented together with other partners. A final decision will depend on feasibility studies.

Regarding sustainable blue economy, the EIB is developing a pilot project under the Clean Oceans Project Identification and Preparation Facility, a joint initiative with KfW and AFD. This is still at a very early stage, but if it goes ahead, a bankable project could be developed during the period covered by the MIP.

The EIB proposes to identify and finance projects that also contribute to the achievement of the MIP's objectives. The EIB will address climate change mitigation and adaptation as well as environmental sustainability as transversal priorities that could entail the issuance of Green Bonds. The EU will consider participation via blending.

As for guarantees, AFD is considering the deployment of the Agricultural and Rural Finance Guarantee Programme (AGREENFI<sup>23</sup>) in Angola that could be combined with TA financed by the EU, as well as the use of the European Guarantee for Renewable Energy (EGRE) to support investments in renewable energy.

Subject to its confirmation through the implementation phase, it is expected that an indicative total amount of EUR 26 million may be used between 2021 and 2024 to provision the External Action Guarantee to support guarantee operations under the EFSD+, including under this priority area.

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<sup>23</sup> [https://ec.europa.eu/eu-external-investment-plan/projects/agricultural-and-rural-finance-guaranteeprogramme-agreenfi\\_en](https://ec.europa.eu/eu-external-investment-plan/projects/agricultural-and-rural-finance-guaranteeprogramme-agreenfi_en)

Finally, the EU will continue to explore possible ways of cooperation with other Development Financing Organisations.

## **2.2. Priority area 2: Transparent, accountable and effective governance**

### **2.2.1. Specific Objectives related to Priority 2**

*Specific objective 1. Enhance Rule of Law and digital governance (DAC codes 150 Government & Civil Society and SDG 16)*

The interventions support the Government's reform of the Judiciary. The support will provide TA and capacity building to implement the reform's four pillars. These include legislative reform; reform of the organisation and functioning of the justice system (new Courts will be introduced at territorial and specialization level); human resources reform (capacity building and better management) and digitalisation. The proposed interventions will integrate a gender dimension to contribute to the advancement of gender equality. The EU will assess impact by monitoring the respect of human rights particularly for detainees and imprisoned population.

The Government is designing a strategy to fight and prevent corruption. The EU proposes to support its implementation by providing TA and capacity building to anti-corruption bodies including the General Attorney, Police, General Direction to Fight Corruption, General Direction for Research and Criminal Action, Criminal Research Service, General Tax Administration as well as enhance the role of journalists, CSOs and others in this domain. In addition to the existing EU programmes, future programming will address the need for a regulatory framework of the institutions responsible for the fight against and the prevention of corruption, capacity building of civil servants, training of investigators, journalists, citizens and CSOs as well as improved access to information.

To contribute to the efficient operation of the public sector, the EU proposes to contribute to e-governance from promoting digital literacy within the administration to promoting the use of ICT tools to communicate, create, disseminate, store, manage information and simplify administrative processes. Illustrative interventions include the introduction of e-procurement (mandatory for all public budgetary organisations) to increase transparency and address corruption. Another example would be to simplify the procedures for the setting up companies or export facilitation ('soft connectivity'). Furthermore, the EU will explore possibilities to support the Government with the initiative regarding unique 'identity cards'.

To complement, the support envisaged includes the adoption of legislation protecting and regulating the digital space against abuses and frauds, both personal and commercial, and assistance to digitalise the Public Administration. This also in respect to citizen's rights to fair access to the net and the protection of their rights.

*Specific objective 2. Improve Economic Governance and strengthen the social protection system (DAC Codes 150 and 160 and SDGs 1, 5, 10 and 17)*

Economic governance is key to implementing Angola's development agenda, including the reduction of poverty and the improvement of the delivery of public services. The GoA is carrying out the first PEFA in 2021 and has manifested its intention to join the Extractive Industries Transparency Initiative. Adopting a Team Europe approach with France, the EU is funding and supporting the PEFA, key for the future commitment of funds and Budget Support operations.

The EU will support the implementation of stability-oriented macro-economic policy and PFM reforms. The on-going PEFA will inform the EU's strategy on the PFM Reform Action Plan



and on bolstering the mobilization of domestic revenues. Foreseen areas include support to improve efficiency of public investments, including the transparency of the public procurement system, and ensure fiscal sustainability by increasing the credibility of the budget, developing a debt management strategy based on modern management tools as well as improving revenue forecasting and macro-fiscal modelling.

In 2019, Angola introduced the Value Added Tax (VAT) and started its gradual implementation.<sup>24</sup> While the VAT is expected to contribute 6% of Government revenues in the coming years, the GoA needs to assess its capacity to close the tax policy gap and the tax compliance gap. Aligned with the Government priorities, the following areas of intervention will be defined building on Team Europe synergies and a division of labour with donors:

- Improving efficiency and effectiveness of the tax administration (capacity building)
- Support tax policy reforms (to broaden the tax base) and fight against tax avoidance (fighting tax evasion and illicit financial flows)
- Increase taxation and transparency of natural resources management along the value chain

The Government's commitment to optimize the fiscal space serves to extend the social protection. Informed by the on-going '*Improving synergies between Social Protection and Public Finance Management*' pilot initiative – which is identifying the coverage gap, estimating the cost of establishing a social protection floor and conducting fiscal space analysis to identify options to fill the financing gap – additional areas of support include:

- Reinforcement of the Social Protection Policy and the institutional set up for its implementation;
- Designing the social protection floors based on financing options;
- Introduction of expenditure-side components to strengthen efficiency and effectiveness of the social protection policy, including performance-based budgeting.

Following the GoA announcement of its intention to join the Extractive Industries Transparency Initiative (EITI),<sup>25</sup> possible interventions to increase the transparency and improve the governance of the extractive industries include:

- Support national processes to join global initiatives on minerals governance (i.e. other than EITI, those of the Organisation for Economic Co-operation and Development, CONNEX,<sup>26</sup> Extractives Global Programmatic Support, European Partnership for Responsible Minerals, ACP-EU-UNDP Development Minerals Programme);
- Measures at country level linked to implementation of commitments under the Kimberly process;
- Improve responsible mining practices and due diligence in minerals supply chains covered by the EU Responsible Minerals Regulation 2017/821 and beyond;
- Support actions to contribute to evidence-based policy making and decision-making.

The EU proposes to support CSOs<sup>27</sup> to enable them to raise awareness, conduct advocacy and/or play watchdog roles *vis-à-vis* the authorities, analyse and contribute to the budget

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<sup>24</sup> From 3% on the transitory to 14% on the general regime.

<sup>25</sup> [www.eiti.org](http://www.eiti.org)

<sup>26</sup> <https://www.connex-unit.org/en/>

<sup>27</sup> Actors to be taken into account are human rights CSOs (and their networks and coordination structures); faithbased organisations and religious leaders; community-based and grass roots organisations; human rights defenders and human rights movements; women's organisations advocating for the right of women and girls;

process through their engagement in the PFM processes (an approach strongly advocated by the IMF and WB), monitor and track public revenues and expenditures and in enhance citizens' budget literacy among others. The MIP will also seek to support CSOs in the creation of a widespread anti-corruption culture in all layers of society, from schoolchildren to the highest representatives of the public sphere.

The Justice Reform runs the risk of not being in full compliance with the principle of separation of powers. Careful engagement should avert the risk of lack of appropriation by the Ministry of Justice.<sup>32</sup> Although the Government has made the fight against corruption one of its priorities, corruption rankings indicate that many challenges persist. Mitigating measures include a targeted, well-coordinated dialogue with the Government, together with other MS and international partners. A positive example of such a dialogue is the one that has recently started in the framework of the economic reforms and linked to the EU's Budget Support.

As for Human Rights, in line with the Governmental programme and priorities in the area of justice, the EU will, in the short term, use the Dialogue Facility financed by the 11<sup>th</sup> EDF to continue engaging in a constructive dialogue and cooperation in the area of justice, anticorruption and human rights (including fundamental labour rights) and to promote targeted actions.

### **2.2.2. Expected results per specific objective**

#### *Specific objective 1. Enhance Rule of Law and digital governance*

- Result a) Right to a fair trial and equality before the law is promoted and ensured;
- Result b) Corruption and bribery in all its forms reduced;
- Result c) Capacity of judicial and anti-corruption institutions at national, provincial and local level is enhanced;
- Result d) Digital Governance efficiency improved; Result
- e) All citizens have a legal identity.

#### *Specific objective 2. Improve Economic Governance and strengthen the social protection system*

- Result a) Public Finance Management improved, including strengthening Domestic Revenue Mobilization, and better efficiency and accountability of public expenditure;
- Result b) Transparency and governance of the extractive industries improved;
- Result c) Nationally Appropriate Social protection systems and measures implemented for all.

### **2.2.3. Indicators, including baseline and targets per expected result**

#### *Specific objective 1. Enhance Rule of Law and digital governance*

- Result a) Right to a fair trial and equality before the law is promoted and ensured
  - 1. World Justice Project (WJP) Rule of Law Index on civil justice (baseline 0.44 in 2021, target 0.55 by 2027);
  - 2. WJP Rule of Law Index on criminal justice (baseline 0.36 in 2021, target 0.47 in 2027);

trade unions, foundations, universities, research centres and think tanks; associations of local authorities; youth movements, the media etc.

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CSOs actively involved in promoting social accountability and accountability; lawyers association, social partners; organisations providing free legal aid; journalists associations and other professionals associations;

<sup>32</sup> The 10<sup>th</sup> EDF project finished in 2020 ‘Registration and Justice for Children’ supported, among other things, the adoption of a law on juvenile justice ended without this law being adopted and buildings that were supposed to be used as juvenile courts have been furnished with IT and other material financed by the EU are not being used.

3. *Proportion of victims of violence in the previous 12 months who reported their victimisation to competent authorities, or other officially recognized conflict resolution mechanism disaggregated by gender, sex, age, marginalised groups (SDG 16 data not available for Angola, expected for 2024 at the latest, target TBD depending on baseline data);*
4. *Number of victims of human rights violations directly benefitting from assistance funded by the EU (baseline 0 in 2021, target at least 100 in 2027);*
5. *Bertelsmann Transformation Index Rule of Law (Baseline score 3.8 in 2021, target: 6 in 2027);*
6. *Unsentenced detainees compared to overall prison population (SDG 16.3.2, data not available for Angola, expected for 2024 at the latest, target TBD depending on baseline data).*

Result b) Corruption and bribery in all its forms reduced

1. *WJP Rule of Law Index on corruption (baseline 0.43 in 2021, target 0.52 in 2027).*

Result c) Capacity of judicial and anti-corruption institutions at (sub-) national levels is enhanced

1. *Number of officials trained with Global Europe funds (baseline 0, target TBD).*

d) Digital Governance efficiency improved

1. *Status of e-governance systems and services established and/or improved with Global Europe funds (baseline no system in 2021, target established in 2027);*
2. *Status of regional/national policy documents or sector strategies developed/improved by making use of machine-readable data with Global Europe funds (baseline no policy and strategies developed in 2021, target developed in 2027);*
3. *Number of policies/strategies/laws/regulation developed/revised with EU support (baseline 0 in 2021, target: 3 in 2027);*
4. *Number of people in the public administration trained on skills and competencies needed in digital era, database management, data transmission, system analysis etc. (baseline 0 in 2021, target 1,500 in 2027).*
5. *Status of online systems for public administrations (baseline 0 in 2021, target systems developed in 2027).*

Result e) All citizens with a legal identity

1. *Citizens in possession of an identity card (baseline 50% in 2021, target 100% in 2027).*

*Specific objective 2. Improve Economic Governance and strengthen the social protection system*

Result a) Public Finance Management improved, including strengthening Domestic Revenue Mobilization and better efficiency and accountability of Public Expenditure Improved economic governance

1. *Non-oil tax revenue per revenue ratio (baseline 6.5% in 2019, target 20% in 2027);*
2. *Total government revenue as a proportion of GDP (20% in 2019, target 35% in 2027);*
3. *Status of PEFA PI-14 Macroeconomic and Fiscal Forecasting (baseline based on in results of PEFA exercise to be finished in December 2021, target: at least one step improvement in PEFA 2026);*
4. *Status of PEFA PI-18 legislative scrutiny of budgets (baseline based on in results of PEFA exercise to be finished in December 2021, target: at least one step improvement in PEFA 2026);*
5. *Aggregate expenditure out-turn compared to original approved budget (PEFA – PI-1) (baseline 2017 20%, target: one step progress in 2026 compared to PEFA 2021);*
6. *Status of PEFA PI-11 Public Investment Management (baseline based on in results of PEFA exercise to be finished in December 2021, target: at least one step improvement in PEFA 2026);*
7. *Status of PEFA PI-13 Public Debt Management (baseline based on in results of PEFA exercise to be finished in December 2021, target: at least one step improvement in PEFA 2026).*

Result b) Transparency and governance of the extractive industries improved

1. *Number of processes aimed at increasing transparency and accountability in the extractive industries supported by the EU (baseline 0 in 2021, target 3 in 2025).*

Result c) Nationally appropriate Social protection systems and measures implemented for all

1. *Percentage of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons (especially youth), informal workers, older persons, persons with disabilities, pregnant women, new-borns, work-injury victims and the poor and the vulnerable (baseline TBD following enquiry to be carried out by EU and other donors in 2023<sup>28</sup>, target TBD based in enquiry)*

#### **2.2.4. Possible use of blending and guarantees for investment under EFSD+**

The EU is preparing second Budget Support operation and envision continuing to work with Expertise France to provide TA in the implementation of the action plan resulting from the PEFA with link and synergies to the sectoral component of the Budget Support under the first priority.

The EU will also conduct joint high level and long term PFM TA with AFD to support in the areas of Public-Private Partnership, State-Owned Enterprises reforms, debt management, PFM transparency and efficiency to the key ministries of Finance and of Economy and Planning with link and synergies to Budget Support under the first priority.

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<sup>28</sup> There is currently two running pilot project on social protection financed by the EU and a more ambitious one by the WB. Based on the results of these projects an enquiry will be carried out in 2023 to see the situation in the country

Subject to its confirmation through the implementation phase, it is expected that that out of the total of EUR 275 million, an indicative amount of EUR 26 million may be used between 2021 and 2024 to provision EFSD+ guarantee operations, including in this priority area.

### **2.3. Priority area 3: Human development**

#### **2.3.1. Specific Objectives related to Priority 3**

*Specific objective 1. To improve access, quality and relevance of TVET and Higher Education (DAC Code 110 and SDG 4, 5 and 9)*

The third priority supports private sector growth by focusing on developed skilled and trained people to: a) take a leap from extraction of raw materials to transformation; b) provide specialized services and products and; c) modernise agriculture and exponentially increase productivity. This fundamental shift will place the country in a better position to deal with the challenges of global competitiveness, climate change, and economic recession aggravated by the Covid-19 pandemic and seize opportunities such as digitalisation.

Both the GoA and the private sector confirm that one of the most important constraints for economic development is the skills mismatch between the demand and the supply of the labour market. A 2020 study pointed to the low number of postgraduate courses in agriculture, engineering, transformation and the production industry,<sup>29</sup> areas that play a key role in Angola's transformative agenda. In a survey of 66 private firms, employers indicated they face difficulties in hiring skilled staff. To address this challenge, specific objective 1 aims at expanding the public network of both TVET and higher education and improving the quality and relevance of the courses provided. In addition, the EU will give particular focus to:

- Increase the enrolment of girls/women by creating the conditions for inclusion of a 'gender aware' approach in terms of curricula, timetable of courses and in other relevant areas;
- Expand the offer and improve the quality of information and technology courses to train a workforce with the skills required to make the most of the opportunities brought by digitalisation to fight poverty;
- Expand the offer and improve the quality of courses to pave the way to a greener economy and to address the challenges brought about by climate change;
- Pay particular attention TVET and higher education in the agricultural and nutritional sector in order to fully develop the potentialities of agriculture and address stunting problems.

The EU will develop interventions engaging with the private sector to align the educational and skills development investments to the labour needs; to meet the needs of a fundamental shift towards a green economy and inclusive labour opportunities; and to ensure coordination with training and corporate social responsibility programmes. The EU will also invite CSOs to support citizen engagement in educational policy-making and in its implementation (including the phases of planning, budgeting and monitoring).

The risks associated with this priority is a lack of appropriation by the Government (e.g. insufficient allocation of funds for building maintenance, acquisition and maintenance of laboratory equipment and adequate salaries). In addition, to date, Angola has not prioritised research and development (R&D) in its national budget. Therefore, there is a risk that the investment in higher education is not translated into an improvement of targeted knowledge

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<sup>29</sup> Study funded by the EU Higher Education Support Programme

production. The lack of coordination between the Ministries and the institutions in charge of TVET and higher education is also a risk.

Mitigating measures include requiring, as a preliminary condition for engagement, allocation of sufficient funds in the Government's budget for the maintenance of buildings, acquisition and maintenance of material and decent salaries for professors among others. The other challenges can be mitigated via provision of TA and political dialogue.

### **2.3.2. Expected Results per specific objective**

*Specific objective 1. To improve access, quality and relevance of TVET and Higher Education*

Result a) Improved school network and regulations related to TVET included identifying labour needs for VET focused on promoting skills and employability.

Result b) Improved network capacities relating to higher education identifying labour needs for economic diversification and including education degrees that strengthens both primary and secondary students' foundational and soft skills.

### **2.3.3. Indicators, including baseline and targets per expected result**

*Indicators for Specific objective 1. To improve access, quality and relevance of TVET and Higher Education*

Result a) Improved school network and regulations related to TVET included identifying labour needs for VET focused on promoting skills and employability.

- 1. Percentage of secondary education students enrolled in TVET courses by sex (baseline 16%, 2021<sup>30</sup>, target TBD);*
- 2. Number of people who have benefitted from institution or workforce based TVET/skills development programmes with Global Europe funds disaggregated by sex (baseline 0 in 2021, target 15% male, 15% female in 2027);*
- 3. Percentage TVET graduates with a job one year after graduation (baseline 0 in 2021, target 50%: 25% female, 25% male in 2027).*

Result b) Improved network capacities relating to higher education identifying labour needs for economic diversification and including education degrees that strengthens both primary and secondary students' foundational and soft skills.

- 1. Percentage of higher education students enrolled in technical courses by sex (baseline 14% in 2021<sup>31</sup>, target 30%, half of which female, in 2027);*
- 2. Number of University Professors trained in the pedagogical, technical and softs skills disaggregated by sex (baseline no data available, enquiry to be carried out by EU in 2023, target TBD based on results of 2023 enquiry);*
- 3. Number of graduates trained in the pedagogical, technical and softs skills becoming teachers in both primary and secondary education disaggregated by sex (baseline no*

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<sup>30</sup> No data available in 2021 by sex

<sup>31</sup> No data available in 2021 by sex

*data available, enquiry to be carried out by EU in 2023, target: 2027 based in enquiry result ).*

### **2.3.4. Possible use of blending and guarantees for investment under EFSD+**

AFD has the intention to launch a project for the modernisation of TVET in the field of agriculture with a EUR 35 million loan focused on three pilot Technical Agrarian Institutes (ITA). This project will have a strong gender dimension. The EU envisages a blending to provide TA for the implementation of a gender action plan and for the integration of young women that have finished their training in the agro-industry sector, farms, cooperatives, etc. for a value of EUR 5 million.

The EIB will continue to support and actively work to identify opportunities in the area of education.

Finally, the EU will continue to explore possible ways of cooperation with other Development Financing Organisations.

Subject to its confirmation through the implementation phase, it is expected that that out of the total of EUR 275 million, an indicative amount of EUR 26 million may be used between 2021 and 2024 to provision EFSD+ guarantee operations, including in this priority area.

### **2.4. Proposals of Team Europe Initiative**

A strong focus on the Team Europe approach is an important aspect of the EU's strategic relationship with Angola which is one of partnership on an equal playing field. As a result, one transformative TEI focusing on Economic Diversification for Angola of mutual interest to Angola and the EU, its MS and EIB is being pursued.

This TEI is fully aligned with the GoA's National Development Plan (2018-2022) Pillar 2 'Sustainable, diversified and inclusive economic growth' and the Joint Way Forward political agreement priority areas and it reflects recommendations issued at Ministerial Meetings held since.

The TEI will provide a strategic framework to the development of programmes contributing to economic diversification, maintaining a flexible approach to the common objective of unlocking sustainable and inclusive development in Angola through a decreased reliance on oil revenues. The MS expected to contribute are France through AFD and Expertise France, Portugal through Camoes, the Netherlands and the EIB.

The TEI will seek to facilitate economic diversification in a sustainable manner by upgrading non-oil based value chains and strengthening the development of the private sector, agrolistics, supporting export promotion and investments focusing in particular on EU-Angola trade, as well as strengthening the enabling environment, including skills development and economic governance.

The EU's indicative contribution to this TEI (EUR 145 million) is subject to the confirmation of the Team Europe partners' indicative meaningful contribution as early as possible. In the absence thereof, the EU's indicative contribution may be redirected in accordance with the priority areas of the MIP and their allocations. The obligation of the Union and the MS to coordinate their development policies following initiatives by the Commission to this effect, as per article 210 TFEU, always applies.

This TEI is fully embedded in the first priority area of the MIP but is also envisioned to include some actions that fall under the second and third priority area, specifically on PFM and TVET.

As such, it is expected that the MIP will contribute an indicative amount of EUR 145 million to the TEI over the period 2021-2024, subject to further design work, and firm commitments from fellow partners in the Team Europe Initiative that allow the TEI to materialise.

Working modalities may include a combination of grants, budget support, blended financial instruments, and support to the policy and regulatory environment through dialogue, TA, and other facilities as required. Several opportunities to pursue joint financing have been identified. The TEI will take a multi-stakeholder partnership approach to achieving transformative impact by crowding in key partners such as civil society, the private sector, and academia.

### **3. Support measures**

#### **3.1. Measures in favour of civil society**

CSOs remain a precious ally for the EU as strategic partners in programme development in addition to their role as service providers. In the current MIP the focus will be on enhancing their role in providing and gathering information and in providing capacity building to communities and MSME via innovative projects that put into practice the concepts acquired through training and coaching, promoting development and social cohesion.

To reach Angola's ambitious development goals, there is a pressing request from CSOs for support in the creation of wide-scope networks and coalitions with local authorities, donors, private sector, academia and researchers towards a shared development agenda. Going forward, the EU will favour coalitions.

To support CSOs, the EU will monitor the environment and advocate for public and political space, through its on-going political dialogue, to allow CSOs to act and work freely to pursue accountability, monitoring and activism in favour of Human Rights (including labour rights, for instance addressing child labour<sup>32</sup>) and civic participation. The GoA recognises the need to promote participation of CSOs in public bodies' decision-making processes. The EU will also support CSOs in affirming its role in the dialogue with the government and stakeholders in the development of public policies. Based on the CSOs consultations the EU support will consist of:

1. Support to setting up/strengthening of a structured dialogue with the Government
2. Support to CSOs thematic networks to exchange knowledge, ideas and actions among themselves and with other stakeholders<sup>33</sup>
3. CSOs direct capacity building activities

Supporting CSOs access to the digital space and IT tools will be an underlying priority support as a powerful means to support operations and their engagement in shaping public policies.

The bilateral budget and the thematic budget lines will fund the envisaged CSO support. The role of CSOs in the implementation of the three priority areas is paramount. CSOs will be capacitated to play such a role and will learn from it via cross-fertilization effects. The bilateral budget (especially the Cooperation Facility and the Joint Way Forward, given its role in supporting a structured dialogue with the Government) and the thematic budget lines will

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<sup>32</sup> Regarding **child labour**, in its latest report of 2017 about their situation in Angola, the ILO recognised, on the one hand, major progress in school enrolment over the last two decades, but, on the other hand, found massive implementation deficits regarding the [worst forms of child labour](#) (including work in mining and work in fisheries, trafficking, sexual exploitation, street children getting involved in child labour) that will be addressed in the MIP. The EU will also consider support for a labour force survey including data on child labour (possibly funded under the cooperation facility).

<sup>33</sup> For instance intensifying the use of traditional methods such as Onjango, an open area where people meet, which is a very common institution in Angolan rural areas.



support CSOs in their role as actors in the public sphere and as defenders and promoters of Human Rights and Democracy.

The current programming showed the value of CSOs participation in sectors such as nutrition and food security (they play an important role in the implementation of the FRESAN project) and in promoting local engagement in the public sphere (*'Support to Civil Society in Local Administration'* project). This participation of CSOs in the nutrition and food security area will be enhanced as well in the present MIP.

Moreover, CSOs have contributed to economic growth and contributed to a more robust democratic governance structure. They also play a key role in enhancing the participation of women and youth.

### **3.2. Cooperation Facility**

The EU has a strategic interest to deepen the political and economic relationships and to build a broadly-based partnership with Angola. In this context, the EU and Angola signed in July 2012 the Joint Way Forward partnership agreement. The agreement identifies areas for intensified dialogue and cooperation, such as peace and security, good governance and human rights, economic growth and sustainable development, energy, science and technology, transport systems, climate change, training and education. Ministerial meetings take place every year and funds are allocated to implement the agreed activities.

The Cooperation Facility will be used, in line with the Joint Way Forward strategic objectives, to promote regional peace and security as well as human rights and good governance. In particular, it is a tool to explore new areas of cooperation with Angola, for instance including labour standards, social protection and employment policy aspects.

As needs emerge and there is consensus with the Government, the Cooperation Facility could also support trade and economic elements such as:

- EU business support organisations
- Economic and trade elements such as EU-Angola business-to-business links.
- Negotiation and Implementation of relevant Agreements, international commitments and EU priority areas/policies (e.g. specific tools and initiatives under EPA of joint or EU interest only).
- Support to solving Market Access challenges

Regarding human rights, and to complement the Human Rights and Democracy Programme thematic line, on the basis of the political dialogue and the conclusions resulting from Ministerial Meetings, the Joint Way Forward will be used to support the Government, local authorities, MS and other bodies to promote freedom of expression and assembly, freedom of association (including for workers and their representatives<sup>34</sup>), women, children, migrants and refugees rights, transparent and credible elections, among other strategic areas.

The cooperation facility will be used to support accountable and transparent institutions, inclusive, transparent and credible elections through a twinning grant or a TA. In a similar fashion it will also be used to support the GoA improve the identity card system.

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<sup>34</sup> The [Report of ILO expert committee of February 2021 \(pages 65-66\)](#) listed some problems where Angola should bring its legislation and practices in line with the fundamental ILO conventions on **freedom of association** and **collective bargaining**.

Moreover, in line with the new Gender Action Plan III, the Cooperation Facility funding will be used to reinforce gender knowledge and expertise across sectors, to support consultation with national stakeholders, develop communication strategies on gender equality objectives and results at country level etc. The EU will also encourage pooling resources and knowledge sharing with EU MS and international organisations.

The Cooperation Facility will be used as well to support to follow up to the programming, preparation and implementation of actions, including Team Europe coordination and other activities in the interest of the GoA to fund areas such as the use of Copernicus to support the census, nutrition, sanitation etc.

Finally, financing communication including strategic communication, support the fight against disinformation, visibility actions on EU cooperation and public diplomacy to promote EU policies and values as well as its multilateral agenda in the partner country will be included in the Cooperation Facility. In this respect, all the funds foreseen for each of the projects will be re-grouped in one single contract to ensure consistency and leverage.

#### 4. Financial overview

Although the duration of this MIP is seven years, the indicative allocations for Angola and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only. The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other stakeholders of Angola. **Table 2. Indicative commitments for the EU cooperation in Angola 2021-2024**

<b>MIP Priority Areas</b>	<b>(M€)</b>	<b>%</b>
Priority 1. Sustainable Economic Diversification	137.5	50
Priority 2. Transparent, accountable and effective governance	55.0	20
Priority 3. Human development	55.0	20
<i>Support measures</i>	27.5	10
<b>TOTAL for initial period (2021-24) *</b>	<b>275.0</b>	<b>100</b>

*\* Subject to its confirmation through the implementation phase, it is expected that that out of the total of EUR 275 million, an indicative amount of EUR 26 million may be used between 2021 and 2024 to provision EFSD+ guarantee operations*

### *Attachments*

1. Intervention framework
2. Donor matrix showing the current indicative allocations per sector

## Attachment 1. Intervention Framework

Expected results	Indicators	Baselines	Targets	Means of Verification
<b>Priority area 1: Sustainable economic diversification</b>				
<b>Specific Objective 1 Improved competitiveness and sustainability of the local private sector in Angola</b>				
a) Sustainable value chains and circular productions established, including increased (systemic) resilience to climate shocks and livelihood challenges;	1. Number of nutrition-sensitive value chains supported by the Global Europe fund (Participation of Angola in regional and international value chains)	0 (2021)	2 (2027)	Project monitoring and Evaluation
	2. Number of people/communities benefitting from increased resilience to various types of risks and shocks, including climate-related ones, as a result of EU support, disaggregated by sex			
b) Improved prevention of and preparedness for food crises	1. Proportion of local governments that adopt and implement local disaster risk reduction strategies and carry out responses to food crises.			
c) Private and public investments scaled-up, including addressing the MSME financing gap	1. Number of MSMEs with access to financial services with Global Europe funds disaggregated by percentage of enterprises owned by women	0 (2021)	20,000 (2027)	Project M&E
	2. Number of companies with access to digital financial services with Global Europe funds	0 (2021)	10,000 (2027)	Project M&E
	3. Value of leverage of EU blending <u>and guarantee</u> operations financed in the private sector	0% (2021)	10% (2027)	Project M&E data
	5. Share of non-oil/extractive good and services in the GDP	60% (2021)	70% (2027)	National Statistics Institute
	5. Share of industry in the GDP	6.5% (2019)	10% (2027)	National Statistics Institute
	6. Number of economic agents who transit from the informal to the formal sector supported by Global Europe funds disaggregated by sex	0 (2020)	500,000 (2027)	Database on Informal Economy / Social security Register / General Tax Administration

d) Environment for innovation and entrepreneurship ecosystem, especially for youth and women, improved	1. - Global Innovation Index assessment of progress on “Environment for innovation	132/132 in 2021	125/132)	- Global Index Innovation Report
	2. Ratio of Angolan women/men as CEOs/Business owners (%)	30.6% (2021)	40% (2027)	Mastercard annual Statistics on Women Entrepreneurs (GEM)

Expected results	Indicators	Baselines	Targets	Means of Verification
	3. Expert ranking of the Entrepreneurial Framework Conditions related to: a) Government Policy taxes and Bureaucracy, b) Government Entrepreneurship Programs, c) Ease of entry market burdens and regulations	a) 42 b) 45 c) 44  (Ranking out of 45) (2018)	a) 38 b) 41 c) 39  (out of 45) (2027)	Annual Global Report of Global Entrepreneurship Monitor(GEM)
	4. Number of young people starting a business with Global Europe funds support	0 (2021)	10,000 (2027)	Government Statistics, project monitoring
e) Cross-sectoral policies promoting integrated approaches to ecosystem management and ocean governance adopted	1. Satus of integrated regulatory framework	0/not adopted (2021)	Framework adopted (2027)	Project monitoring. Angola Official Journal
	2. Number of trained people responsible for implementing policies at a) thematic and b) geographical levels with Global Europe funds support	a) 0 b) 0 (2021)	a)at least 50 b) at least 500 (2027)	Project M&E
<b>Specific Objective 2 : Trade integration of Angola and diversification of exports</b>				
a) Enhanced trade integration at regional and continental level while promoting effective implementation of internationally agreed social and environmental standards relevant in such contexts (e.g. fundamental UN/ILO conventions);	1. Share of exports to African countries	2.6% (Q2-2020)	5% (2027)	National Statistics Institute
	2. Share of exports to the SADC countries (excluding South Africa)	0% (Q2-2020)	2% (2027)	National Statistics Institute
	3. Share of exports to the EU countries	7.5% (Q2-2020)	10% (2027)	National Statistics Institute and COMEXT
	4. Status of EU SADC-EPA	No SADC EPA (2021)	SADC EPA signed (2027)	Ratification document
	5. Number of products with Geographic Indications identified with Global Europe funds support	0 (2020)	1 (2027)	Registry (Intellectual property)

b) Increased diversification of exports in goods and services	1. Share of non-oil/extractive exports as a percentage of GDP	6.1% (2020)	15% (2027)	National Statistics Institute
c) Improved access for European investments and commercial relations in strategic sectors	1. Status of Sustainable Investment Facilitation Agreement	No agreement (2021)	Signed (2024)	Ratification document

Expected results	Indicators	Baselines	Targets	Means of Verification
<b>Specific Objective 3: Support environmental governance and scaling up circular economy</b>				
a) Energy policies and environmental governance instruments aligned to Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015-2030	1. Status of legislation related to reduce emissions	No legislation (2021)	Legislation adopted (2025)	NDC Paris Agreement NDC reports implementation
	2. Number of introduction of sustainable management and climate adaptation practices in agricultural, forestry, coastal and marine ecosystems with Global Europe funds support	0 (2021)	10 (2027)	Intervention M&E system
	3. Energy Efficiency score according to Regulatory Indicators for Sustainable Energy (RISE)	5% (2019)	15% (2027)	Project M&E RISE Platform
b) Resource efficiency and sustainable consumption and production promoted	1. Number of MSMEs applying Sustainable Consumption and Production practices with Global Europe funds support	0 (2021)	1,000 (2027)	Government sector reports
	2. Metric Tons of solid waste reduced, reused and recycled with Global Europe funds support	0 (2021)	TBD based on assessment carried out by EU to be finished beginning 2022	Project M&E
c) Improved efficiency and access to renewable energy	1. Number of individuals with access to electricity with Global Europe funds through: a) new access, b) improved access	0 (2021)	At least one million a) 500,000 b) 500,000 (2027)	Government sector reports Project M&E
	2. Renewable energy generation capacity installed (MW) with EU support	0 (2021)	300 MW (2027)	Intervention M&E system
<b>Priority area 2: Transparent, accountable and effective Governance</b>				
<b>Specific objective 1: Enhance Rule of law and digital governance</b>				
	1. WJP Rule of Law Index on Civil Justice	0.44 (2021)	0.55 (2027)	WJP indexes

a) Right to a fair trial and equality before the law is promoted and ensured	2. WJP Rule of Law index on criminal Justice	0.36 (2021)	0.47 (2027)	WJP indexes
	3. Proportion of victims of violence in the previous 12 months who reported their victimization to competent authorities, or other officially recognized conflict resolution mechanism disaggregated by sex, age, marginalized groups	SDG 16.3.1 data not available yet, work in progress expected for 2024 et the latest	TBD depending on baseline data	SDG data
	4. Number of victims of human rights violations directly benefitting from assistance funded by the EU	0 (2021)	At least 100 (2027)	Project monitoring
	5. Bertelsmann Transformation Index Rule of Law (score)	3.8 (2021)	6 (2027)	Bertelsmann Transformation Index Rule of Law

Expected results	Indicators	Baselines	Targets	Means of Verification
	6. Number of unsentenced detainees compared to overall prison population	SDG 16.3.2 Data not available, work in progress expected for 2024 et the latest	TBD depending on baseline result	Ministry of Justice, SDG data
b) Corruption and bribery in all its forms reduced	1. WJP Rule of Law Index on Corruption (score)	0.43 (2021)	0.52 (global average) (2027)	WJP indexes
c) Capacity of judicial and anticorruption institutions at national, provincial and local level is enhanced	1. Number of officials trained with Global Europe funds	0 (2021)	500 (2027)	Project M&E
d) Digital Governance efficiency improved	1. Status of e-governance systems and services established and/or improved with investment support	No system (2021)	Established (2027)	Project M&E
	2. Number of policies/strategies/laws/regulation developed/revised with Global Europe funds support	0 (2021)	3 (2027)	Project M&E Angolan Official Journal
	3. Number of people in the public administration trained on skills and competencies (e.g. Data analysis, data transmission, capacity to work with public administration systems etc.) needed in digital era with Global Europe funds support	0 (2021)	1,500 (2027)	Project M&E

	4. Status of online systems for public administrations financed by Global Europe funds	No s (2021)	Systems developed (2027)	Project M&E
e) All citizens with a legal identity	1. % of citizens in possession of an identity card	50% (2021)	100% (2027)	National Statistics Institute
<b>Specific Objective 2: Improve the economic governance and strengthen the social protection system</b>				
a) Public Finance Management improved, including strengthening Domestic Revenue Mobilization, and better efficiency and accountability of public expenditure	1. Non-oil tax revenue to GDP Ratio	6.5% (2019)	20% (2027)	Annual budget documents published by the Ministry of Finance
	2. Total government revenue as a proportion of GDP (%)	20% (2019)	35% (2027)	Annual budget documents published by the Ministry of Finance
	3. Status of PEFA (Public Expenditure and Fiscal Accountability Assessment) PI-14 Macroeconomic and Fiscal Forecasting	To be seen PEFA 2021 to be ended by	1 step progress PEFA (2026)	PEFA 2021 and next PEFA

<b>Expected results</b>	<b>Indicators</b>	<b>Baselines</b>	<b>Targets</b>	<b>Means of Verification</b>
		December 2021		
	4. Status of PEFA PI-18 Legislative scrutiny of budgets	To be seen PEFA 2021 to be ended by December 2021	1 step progress PEFA (2026)	Annual budget documents published by the Ministry of Finance
	5. Aggregate expenditure out-turn compared to original approved budget (PEFA – PI-1) (%)	20% (2017)	1 step progress compared to PEFA 2021 (2026)	PEFA 2021 and next PEFA
	6. Status of PEFA PI-11 Public Investment Management	To be seen PEFA 2021 to be ended by December 2021	1 step progress PEFA (2026)	PEFA 2021 and next PEFA



	7. Status of PEFA PI-13 Public Debt Management	To be seen PEFA 2021 to be ended by December 2021	two steps progress PEFA (2026)	PEFA 2021 and next PEFA
b) Transparency and governance of the extractive industries improved	1. Number of processes aimed at increasing transparency and accountability in the extractive industries supported by Global Europe funds	0 (2021)	3 (2025)	Extractive Industries Transparency Initiative (EITI) Report
c) Nationally appropriate social protection systems and measures implemented for all	1. Percentage of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, new-borns, work-injury victims and the poor and the vulnerable.	To be seen following enquiry to be carried out by EU Delegation and other donors in 2023	TBD based on enquiry (2027)	Government data and Global SDG indicators database

### Priority area 3: Human Development

#### Specific Objective 1 To improve access, quality and relevance of TVET and Higher Education

a) Improved school network and regulations relating to TVET including identifying labour needs for VET focused on	1. Percentage of secondary education students enrolled in TVET courses by sex	16% (2021)	40% (2027)	Project monitoring National Statistics Institute
	2. Number of people who have benefitted from institution or workplace based	0 (2021)	20,000 (2027)	Intervention M&E system

Expected results	Indicators	Baselines	Targets	Means of Verification
promote skills and employability	VET/skills development programmes with Global Europe funds disaggregated by sex			
	3. Percentage TVET graduates with a job one year after graduation	0 (2021)	50% (25% male and 25% female) (2027)	Project monitoring
b) Improved network and capacities relating to higher education, identifying labour needs for economic	1. Percentage of higher education students enrolled in technical courses by sex	14% (2019)	30% (2027)	Project monitoring
	2. Number of University Professors trained in the pedagogical, technical and softs skills disaggregated by sex	No data available, enquiry to be carried out by EU in 2023	TBD based on enquiry results (2027)	Publications and expert analysis as part of the intervention M&E system

<p>diversification and including education degrees that strengths both primary and secondary students' foundational and soft skills.</p>	<p>3.Number of graduates trained in the pedagogical, technical and softs skills becoming teachers in both primary and secondary education disaggregated by sex</p>	<p>No data available, enquiry to be carried out by EU in 2023</p>	<p>TBD based on enquiry results (2027)</p>	<p>Publications and expert analysis as part of the intervention M&amp;E system</p>
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## Attachment 2. Donor Matrix

Areas of intervention in Angola	Period	Amount (EUR) <sup>35</sup>
<b>Agence Française de Développement</b>		
Water and Sanitation	Until 2023	141,096,000
Agriculture	Until 2024	116,200,000
Energy (grant)		141,500,000 <sup>36</sup>
Innovation		1,000,000
Economic Governance		200,000
Sport for Development		300,000
Education	2022-	35,000,000
<b>TOTAL</b>		<b>435,296,000</b>
<b>African Development Bank</b>		
Agriculture & Fisheries sector	2018-2021	85,304,000
Higher Education, Science and Technology	2016-2021	75,490,000
Credit line to banks	2020-2022	100,654,000
Diversification and competitiveness	Ongoing	138,400,000
Private Sector Development	2015-2021	20,845,500
Water Supply and Sanitation	2016-...	103,757,758
Transport sector	Ongoing	2,432,000
<b>TOTAL</b>		<b>522,453,690</b>
<b>Center for Disease Control and Prevention (CDC)</b>		
Health	2020-2024	17,681,061
<b>TOTAL</b>		<b>17,681,061</b>
<b>European Investment Bank</b>		
Agri-business	N/A	50,327,126
Health	N/A	50,000,000
SMEs	2018-2021	12,000,000
Water and sanitation	2018-2024	100,000,000
<b>TOTAL</b>		<b>212,327,126</b>
<b>French Embassy</b>		
Education	2020-2023	2,700,000
Miscellaneous projects	2020-2023	4,500,000
<b>TOTAL</b>		<b>7,200,000</b>
<b>Global Fund</b>		
Health	2018-2021	<b>101,908,220</b>

<sup>35</sup> December 2020 - InforEuro: 1 EUR = 1.1922 USD

<sup>36</sup> 500,000 grant

<b>TOTAL</b>		<b>101,908,220</b>
<b>Japanese International Cooperation Agency</b>		
Energy	TBC	4,193,927
Energy (loan)	2017-2022	447,802,826
<b>Areas of intervention in Angola</b>	<b>Period</b>	<b><u>Amount</u></b>
Telecommunication	2021-2024	300,704
Agriculture	tbc	36,263,210
<b>TOTAL</b>		<b>488,560,667</b>
<b>Korea</b>		
Public Security Innovation (loan)	Until 2024	66,868,208
Fish processing (loan)	Until 2025	49,488,340
Industrial technology (loan)	Until 2022	28,757,758
Education (grant)	Until 2022	4,831,404
<b>TOTAL</b>		<b>149,945,710</b>
<b>Norwegian Embassy</b>		
Energy policy and administrative management	2013-2022	3,883,750
Human rights	2017-2021	2,651,415
Removal of land mines and explosive remnants of war	2020-2021	2,600,000
<b>TOTAL</b>		<b>9,135,165</b>
<b>Portugal</b>		
Small sums in miscellaneous areas mainly education and health	2018-2022	35,000,000
<b>TOTAL</b>		<b>35,000,000</b>
<b>UN Agencies</b>		
Democracy, stability and governance	2020 - 2022	21,140,349
Environment and Climate Change	2020 - 2022	76,432,562
Social and Economic Transformation	2020 - 2022	75,494,449
Youth, children and women	2020 - 2022	56,440,307
<b>TOTAL</b>		<b>229,507,667</b>
<b>USAID</b>		
Agriculture	Until 2025	840,336
Anti-corruption	Until 2023	420,168
Health	Until 2022	6,612,204
Public Financial Management	Until 2023	420,168
<b>TOTAL</b>		<b>8,292,876</b>
<b>World Bank</b>		
Agriculture	2016-2024	167,757,087

Education	2021-2025	209,696,360
Energy	Pending	209,696,359
Health	2018-2023	92,266,398
Social Protection and Labour	2020 - 2023	268,411,340
Water Supply and Sanitation	2018 - 2024	293,574,903
Statistics	2017-2021	52,000,000
<b>TOTAL</b>		<b>1,293,402,447</b>