I. Res. Rep debrief on the 2012 Annual Meetings - p2

II. AOFO office gets IT boost – p2

III. AOFO participates in the ORSB/SARC Retreat – p3

IV. Youth unemployment – AfDB calls for action – p3

V. Country dialogue: AOFO strengthens partnership with Ministry of Planning – p4

VI. Key measures to improve portfolio performance – p4

VII. Upcoming missions and events – p4

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What is inside

Message from the Resident Representative, AOFO

Angola has a thriving economy and is one of the fastest growing economies in the world with an average real GDP growth rate of 12% from 2005 to 2011.

Real GDP is projected to grow 8.9% in 2012 driven by the expansion on the non-oil sector. Consequently, this will necessitate addressing the most binding constraints to economic growth, particularly – energy, roads, private sector access to credit, improving public sector efficiency and ensure economic diversification. Rising inflationary pressures also present challenges to Angola’s macroeconomic stability goal.

In line with Government’s National Medium-Term Strategic Plan, the Bank will focus on enhancing economic diversification, SMEs competitiveness and income generation.

The African Development Bank (AfDB) group in collaboration with other development partners continues to meaningfully contribute to the Government of Angola’s effort to eradicate poverty and promote economic development. More than 34 operations – valued at over UA 396.34 million (US$ 594.5 million) that have been approved by the Bank group since commencement of operations in 1983 comprised investment projects in the public and private sector as well as human and institutional capacity building development programs. The Bank is also committed to support Angola’s regional integration through projects interventions in power, transport and agriculture and fisheries sectors.
AOFO Resident Representative debriefs media on AfDB’s Annual Meeting

AOFO held a press conference in Luanda on June, 15, 2012 to share the main findings of the 2012 AfDB’s Annual Meetings. In his intervention, the AOFO Resident Representative, Mr. Septime Martin highlighted the key conclusions of the 2012 Annual Meetings, in particular: the increase by 40% in bank’s financed operations in 2011 as compared to previous year, the approval of the Bank’s 2011 accounts and activities annual report, the official integration of south Sudan as member of the AfDB group, the recommendation, by the Governors Consultative Council, for the design of an action plan for Bank’s return to permanent headquarters in Abidjan, and the approval of the proposal for the 2013 Annual Meetings to be held in Marrakech, Morocco.

Mr. Martin presented the main results of the 2012 African Economic Outlook (AEO) which predicts an economic growth for 2012 of 4.5% for Africa, slightly higher than the 3.4%, registered in 2011. The AEO also forecasts an average economic growth of 7.7% for Angola in 2012/13. This economic performance will be driven by strong domestic demand, sound macroeconomic and management policies, robust growth of the mining, agriculture, construction and manufacturing sectors, favourable prices of raw materials and foreign direct investment (FDI). Meanwhile, the Res. Rep warned about some challenges that may undermine growth in the continent, namely: rising inflationary pressures, rising costs of oil price and exported raw materials, ability to maintain sound macroeconomic policies and sustainable debt levels, the depth of Euro crisis and its impact in African economies.

AOFO office gets IT boost

Bank’s IT and communications department (CIMM) fielded a mission to AOFO in June, 2012 with the objective of installing integrated telecommunication systems in the office. The mission successfully installed the new four-digit telephone system, a modern high-definition (HD) “Polycom” video-conferencing system, including a wireless internet network. In addition, the mission took the opportunity to train field office staff in the management of the sophisticated four-digit telephone equipment. During his mission debrief, Mr. Tresor (CIMM mission leader) said: “now AOFO is no longer an island as it is connected to the rest of FO with one of the best IT systems in the Bank, in particular, and in the world, in general. With this equipment your office will never go offline”, he concluded.

In this context, the Bank recommended its member states to reduce economic infrastructure deficit, promote private sector and economic diversification, and increase mobilization of domestic resources. However, “there is a need to search for new sources of economic growth, such as the green economy, renewable energy, sustainable agriculture and IT technology as these constitute an important sources for creation of employment (in particular for the youth), transformation of African economies, including their positioning in the global value chains”, he added.

Mr. Martin concluded his intervention by informing the media about the process of preparation of the Bank’s Long-term Strategy, 2013-2022, including its main pillars, as well as the prospects for the Angolan economy for medium and long-term.
AOFO participates in the ORSB/SARC Regional Retreat in Maputo

From June, 19-24, AOFO participated in the ORSA/ORSB Regional Retreat in Maputo. Participants in the meetings comprised over 40 persons including the Regional Directors of ORSB and SARC, Resident Representatives, Lead/Regional Economists, and staff from the countries in the Southern African Region. The Mozambique’s Vice-Ministers of Foreign Affairs and Cooperation, and Environment also attended the event.

“The two departments demonstrated the keen interest in making optimal ORSB/SARC resources but the challenge lies on the ability to implement decentralization more effectively

The main issues discussed in the forum included: the structure, strategy and implementation of the collaboration between ORSB/SARC, mainstreaming of knowledge products and funding challenges, the role of CPOs, regional operations and the need to rethink the linkage between the Regional Integration Strategy Papers (RISPs) and Country Strategy Papers (CSPs), portfolio performance experience sharing and the need to ensure effectiveness of country teams, and human resources matters.

Youth unemployment – AfDB calls for action

AOFO Resident Representative, Mr. Septime Martin, on 9th July, 2012 participated in the youth unemployment seminar organized by the AfDB in Lusaka, Zambia. During his debrief to AOFO staff, Mr. Martin highlighted the great importance of the event as evidenced by the heavy presence of Cabinet Ministers of Finance, Labour, Commerce, Education, Youth and Agriculture who effectively participated in the deliberations. Mr. Martin shared his views on the main areas that need action to ensure job creation for desperate thousands of youth in search for employment opportunities. “There is a need to adopt a dual approach for the youth to get theoretical learning and practical experiences. We also need to change the mindset of reliance on public services and general education and engage the youth in the labour market and start exploring technical and vocational educational training including promotion of self-employment”, he added. Mr. Martin indicated that access to finance for development of small businesses remains a problem due to high interest rates.

In conclusion, the discussions at the meeting were frank and the two Departments demonstrated the keen interest in making optimal use of the existing ORSB/SARC structure to advance the Bank’s operations in the region in an efficient and effective manner. The challenge now lies on the department’s ability to implement decentralization more effectively. The ORSB/SARC programming meeting will be an annual event, and the next meeting will be hosted by SARC in South Africa.

He concluded by illustrating some sectors with great potential for job creation, in particular, for the youth, which include: agriculture, rural development, and mining (though this sector requires high level skills to have added-value in its diversification).
AOFO strengthens partnership with Ministry of Planning

A delegation of the Angola Field Office (AOFO) held a dialogue meeting with Honourable Governor of the Bank in Angola and Minister of Planning, Dra. Ana Dias on 5th of July, 2012. The AOFO delegation was led by the Resident Representative, Mr. Septime Martin and was also comprised by Mrs. Nelvina Barreto Gomes, Country Program Officer, Mr. Joel Muzima, Principal Country Economist and Mr. Felisberto Mateus, National Economist. The objective of the meeting was to search for avenues of collaboration in the implementation of the Bank’s work program for 2013-2015, discuss country’s portfolio prospects and the implementation of strategic economic and sector work, and introduce new staff.

During her intervention, Honourable Governor Ana Dias welcomed the delegation and the new staff and encouraged the Bank to align as much as possible its work program to the country’s medium-term strategic program one under preparation for the period 2013-2017.

Key measures taken to improve portfolio performance

- AOFO has provided support to different missions that visited the country during the period: OSAN, OWAS and OITC. The assistance included appointment and attendance of meetings with GoA officials, signing of Aide-Mémoire and follow up of recommendations
- The AOFO CPO, Nelvina Barreto visited the Institutional Capacity Building for Public Investment Project (ICBPIP) which has been experiencing delays in its implementation and provided technical support and advice to the Project Coordinator in order to speed up the goods and services bidding process
- AOFO set up a team to work for the preparation of a joint EADI-ORPF-AOFO training aiming to strengthen the PIUs and the Executing Agencies capacity in project cycle management including Bank’s procedures in disbursement and procurement

Upcoming missions and events

- Workshop on project planning and bank’s rules – 23-28 September, 2012
- High-level visit of the Regional Director ORSB and VP Finance – TBC
- Launching of the “Angola Private Sector Country Profile” and “Microfinance Brochure” – September, 2012