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ORSB Regional Director visits Angola to strengthen cooperation

The Bank’s Regional Director for South Region “B”, Chiji Ojukwu and the ResRep in the Angola Field Office, Septime Martin, were received on the 4th of March, 2013 by the Minister of Planning and Governor of the African Development Bank (AfDB) in Angola, Dr. Job Graça. Mr. Ojukwu and Governor Graça discussed issues related to cooperation between the AfDB and Angola, as well as the macroeconomic and socio-economic situation in the country, in particular, the need to ensure rapid economic diversification in order to promote employment and sustainable inclusive growth. Mr. Ojukwu commended the authorities for the peaceful elections and implementation of sound macroeconomic reforms and informed the Governor on the Bank's new Long-Term Strategy 2013-2022 which focus on inclusive growth and transition to green economy. He also presented the key pillars of the Angola’s 2011-2015 Country Strategy Paper – the promotion of private sector competitiveness, and economic infrastructure - and requested Minister’s support in the approval of outstanding operations, namely, the Artisanal Fisheries Support Project and the Transport Sector Master Plan Update. In addition, the Director invited the Governor to attend the 2013 Annual Meetings to take place in Morocco and requested government support for the upcoming Mid-Term Review of the CSP which will start in April, 2013. In response, the Governor praised the Bank and reassured his commitment to clear all outstanding requests as well as provide support to the CSP process and promised to attend the Annual Meetings.

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AfDB to engage with Angola on Trade Facilitation and Regional Integration

A Regional Integration and Trade (ONRI.2) mission led by Ms. Moono Mupotola, Division Manager, was in Angola from 18-22 February, 2013 to explore areas of engagement with Angola on Trade Facilitation and Regional Integration. The mission held meetings with several entities, including H. E. Minister of Transports, Augusto da Silva Tomás, senior representatives of the Ministry of Trade, Chamber of Commerce, Benguela Railways Company, Lobito Port, SADC National Secretariat, European Union delegation and the Deputy-Governor of Benguela Province.

The mission succeeded in getting the views of high-level authorities within the government of Angola and development partners on potential areas of collaboration. The priorities identified for possible collaboration with the Bank are clustered in three main categories, namely: (i) Trade Facilitation “Soft Infrastructure” along the Lobito Corridor, in Support of Regional Integration; (ii) Capacity Building and Technical Assistance for Ministries, Departments and Agencies as well as Private Sector Bodies involved in Trade and Regional Integration; and (iii) technical studies on sectors with greater exports potential.

SME’s development at the heart of dialogue with Ministry of Economy

In the framework of his official visit to Angola, Bank Group Regional Director for South Region “B”, Chiji Ojukwu paid a courtesy call to the Minister of Economy, Abrahão Gourgel in Luanda. Mr. Ojukwu commended the Minister for the country’s strong macroeconomic performance and urged the authorities to increase investments towards economic diversification and inclusive growth. He also reiterated Bank’s interest to support government’s program for provision of lines of credit to Small and Medium Enterprises (SME’s), initiatives aimed at integrating the informal activities into the formal sector, vocational training and skills development programs, and technical capacity building to agriculture cooperatives in the context of economic diversification. The Minister welcomed the support and expressed interest to collaborate with the Bank in the area of SME’s development.
Angola’s economy has emerged from more than 27 years of civil war to become Africa’s second largest oil exporter. Country’s oil exports have increased sharply leading to a rise in country’s international foreign reserves to reach historical levels of USD 32 billion by end-2012. Nonetheless, the country remains vulnerable to external shocks. Cognizant of the challenges faced by the Government in terms of ensuring economic diversification, the African Development Bank’s Regional Director for South Region “B”, Chiji Ojukwu paid a courtesy call to the Head of the Sovereign Wealth Fund (SWF) in Angola, Dr. Armando Manuel to learn about country’s plans to enhance economic diversification and sustainable growth.

During the meeting, the Head of the Angola SWF informed that the executive has already put in place an integrated long-term national development program for the period 2013-2017 which focus on private sector development, employment creation and economic diversification in the non-oil sector.

Mr. Ojukwu commended the authorities for designing such integrated long-term strategy and offered Bank’s intellectual support to the Government efforts to attain broad-based economic growth. It is important to recall that the Angola’s SWF was created to invest profits from oil sales in business in an effort to diversify the country’s economy and spread prosperity. With start-up capital of USD 5 billion, the fund is the second richest in sub-Saharan Africa after Botswana’s. The Angolan fund, primarily focus its investments in Africa’s booming hotel industry and large infrastructure projects, in order to wean the economy from oil, a finite resource, to a more diversified and sustainable base.

**SOVEREIGN WEALTH FUND HEAD ADVOCATES FOR BANK’S SUPPORT ON ECONOMIC DIVERSIFICATION**

The Regional Director ORSB, Chiji Ojukwu undertook a site visit to a secondary school in Luanda financed from an ADF loan of UA 8.73 million, and ADF grant of UA 900 thousand and OPEC’s loan of USD 9.39 million. The school was part of a program, started in 2001 and completed in 2011, and aimed at building four new schools with a total of 46 classrooms. During the visit, Mr. Ojukwu praised the quality of civil works. He also had an opportunity to interact with the School’s Director and supporting staff to learn about the operational processes. The school comprises 9 classrooms and enrolls about 900 pupils from grade 7 to 9 levels and operates in regime of double-shifts. Average pupil-to-teacher ratio stands at 45 students while the pass rate is estimated at 55% and dropout rates are at less than 10%. The mission was also informed that while the school has made significant strides to achieve gender parity, however, there are still some operational challenges, namely: lack of resources for routine infrastructure maintenance, lack of laboratories and IT labs for vocational subjects.

**ORSB DIRECTOR VISITS BANK’S FUNDED SCHOOL IN LUANDA**
In the context of aid coordination and strategies aimed at building partnerships with development partners operating in Angola, the Bank’s Group Regional Director for South Region “B”, Chiji Ojukwu paid a courtesy call to the Coordinator of the United Nations Agencies in Angola, Mrs. Maria Ribeiro on the 5th of March, 2013. During the meeting, Director Ojukwu discussed the major constraints to aid coordination and harmonization in Angola and ways to improve country dialogue with Government. He also took the opportunity to inform the UN Coordinator about the Bank’s new Long-Term Strategy which focus on inclusive growth and green economy. In addition, he made reference of the Bank’s main areas of intervention which include, support to capacity building activities and provision of lines of credit for SME and economic infrastructure, investments in agriculture, environment, water and sanitation and governance. During her intervention, the UN Coordinator started by highlighting the challenges faced by her agencies in mobilizing resources for Angola as the country is considered resource-rich economy. Nonetheless, she informed that the Angolan Government has approached the UN to seek support on graduation to full Middle-Income Country by 2018. In terms of interventions, the UN has been active in the areas of health, energy, environment and climate change (through UNDP), social protection (in collaboration with the World Bank, UNICEF and the Ministry of Social Welfare) support to value chain in artisanal fisheries, agricultural production and technical assistance to the Coffee Institute. Other areas of intervention include support to private sector development, Corporate Social Responsibility platform (with Chevron, Exxon, Total, Angolan commercial banks and insurance company ENSA) and the collaboration with the UNDP in the evaluation of the post-2015 agenda.

Upcoming missions and events

- EADI Training on project cycle management, April, 2013
- Resident Representative Dialogue Mission in Tunis, April, 2013
**Angola Development Indicators**

**Land area** 1,247,000 Km² of which 58 million hectares is potentially arable land

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