ANGOLA SUMMARY PRESENTATION ON THE IMPLEMENTATION OF THE ISTANBUL PROGRAM OF ACTION (2011-2020), FOCAL POINTS MEETING IN BRUSSELS, 7-8 DECEMBER, 2015

Luanda, December 3, 2015
MEMORANDUM
SUMMARY OF THE PROGRESSIV REPORT ON THE
IMPLEMENTATION OF THE ISTANBUL PLAN OF ACTION / REPUBLIC
OF ANGOLA.

I. Overview

1. The Istanbul Programme of Action for the Least Developed Countries (2011-2020) was adopted in May 2011 in Istanbul/Turkey as a common policy framework for this group of countries and the international community, in order to address the particular difficulties of such countries.

2. The main objective of the Program is to support LDC in preserving an adequate level of economic growth, investment in human capital in view of the increase in capital gains and innovation, promote sustainable development and minimize crises negative impact and challenges in the economic structure of these countries, through structural changes that will bring about robust programs to eradicate poverty and achieve the consistent levels of development for the purpose of this class of countries graduation.

3. The program takes into account the degree of vulnerability and access difficulties related to geographical constraints of each LDC, such as Small Island States, landlocked countries with fragile ecosystem, strong dependency on the export of raw materials, poor agricultural productivity and emerging from conflicts. The priority areas of the program are designed to enable the reduction in 50% of countries in this category by the year 2020 and focus particularly on: i) improved production capacity, investment in infrastructure, energy; science, technological innovation and private sector
development; ii) social and human development, gender equality, women’s empowerment including training, education; iii) the emerging challenges of multiple international crises and their economic consequences, peace and security, climate change; iv) the mobilization of financial resources at domestic and foreign; v) international cooperation and Good Governance.

II. Angola and the Istanbul Programme of Action

4. The Republic of Angola, as a member of Least Developed Countries category, is aware of the importance of implementing this program for all and for each of the LDC countries. It is known that, Angola joined this category in 1994, in very specific conditions, as result of an intense period of civil war that left a devastating economic framework.

5. Presently, the country has the aspiration of graduation from the category of Least Developed Country according to the criteria of Gross Domestic Product per capita, Human Capital index and Economic vulnerability. In March 2012 Angola was appointed, as a country eligible for graduation, in light of the content on the report "Smooth transition strategy for counties graduating from the list of Least Developed Countries" prepared by the CPD and the Report on the "Vulnerability Profile Angola" prepared by UNCTAD.

6. It is important to mention that the Istanbul Programme of Action, despite its gradual implementation requires that the LDCs to make efforts, that in some cases, find themselves committed to exogenous and endogenous factors difficult to avoid. Thus, we would like to mention some important elements that in the last 3 to 5 years defined the economy of Angola and that even today reflect the country’s path in the period under consideration.
7. In the last 13 years Angola lives in Peace as a result of political stability, which continues to also allow the consolidation of the democratic process, rule of law and respect for the fundamental freedoms of its citizens. This created ideal conditions for the implementation of economic and social causes of action that have made Angola one of the world’s nations with remarkable macroeconomic performance, which enabled to significantly improve the performance of some socio-economic objectives reflected in the population's well-being.

8. Still in the economic field, the country has adopted the National Development Plan (NDP) for 2013-2017, which started a new cycle in the history of Angola and the planning system. This plan which the main goal was "Stability, Growth and Employment", is the first medium-term plan developed under the new constitution of the country and calls objectives of modernization and sustainability of development centered on stability, growth and promotion and valorization of the Angolan citizen. This is because without stability, not only economic but also political, social and institutional, there will be no sustained economic growth without this, there will be no employment, a sine qua non condition for creating really good living conditions for the national population, particularly the most vulnerable.

9. Among the major national objectives set by the NDP 2013-2017, are: (i) Ensuring the necessary development; (ii) Improvement of quality of life; (iii) Youth Insertion in social life; (iv) Private sector development; (v) competitive insertion of Angola in the international context. In the context of the objective of the Basic Assumptions Required Development Guarantee,
the Government of Angola has implemented a number of structural programs, especially in terms of (i) Preservation of Macroeconomic Stability; (ii) Increased Productivity and transformation, diversification and modernization of the economic structure of the country; (iii) Promotion of a National Population Policy; and (iv) Promotion of Active Employment Policy and Valuation of National Human Resources.

10. The strategic objective of Angola macroeconomic policy, is to create the conditions for stability, effectiveness and efficiency of the economy in order to ensure the sustainability of long-term development. It is based on fundamental action programs, guided by the objectives of sustainability of public finances, exchange rate stability, financial sector regulation and control of inflation.

12. The challenges facing the Angolan fiscal policy are great due to reduced capacity for revenue collection, the inability to broaden the tax base and the significant weight of the informal sector in the national economy. In this sense, there is an ongoing one Programme for Tax Reform - PERT, which has allowed the optimization and modernization of the tax system, the institutional system and the legal framework in the area of taxation in order to transform the tax system in a fundamental and effective tool for economic and social development and equity in the redistribution of national income.

13. For 2015, the latest growth projections point to a significant slowdown in GDP, which should stand at 4.0% compared to the goals of the NDP 2013-2017, in which was expected an average annual growth rate of 7.4 % (data from State Budget 2015). However, given the reduction of oil prices in the international market, an adjustment of data is being made putting 2015 into
perspective, pointing to a sharp contraction of revenues and the need to cut public spending.

14. The recent dynamics of the agricultural sector has been one of the determinants factors of non-oil related GDP performance. Nevertheless, agricultural production constitutes a major inducing factor of GDP growth. The recent dynamic displayed by this sector has marked slowdowns in the rate of non-oil related GDP growth by severe and disturbing fluctuations. In fact, in 2012 the agricultural activity was harmed by the deep drought that affected large areas of our country, which resulted in deficit around the order of 22.5%. In 2013, the agricultural sector saw a significant increase in growth of 42.3% and it is estimated that in 2014 the agricultural production was 11.9%. We expect a moderate growth of 2.5% in 2015.

15. The pillars for the intensification of the process of diversification of the economy were launched with structuring programs and projects in the fields of energy, water, roads, telecommunications, etc., aimed to create a more competitive and productive economy in order to support a successful graduation in the aspect of economic policy, and the creation of a favorable macroeconomic environment for private investment in the non-oil sector (through better coordination between fiscal, monetary and exchange rate policies and a particular credit policy).

15. To continue this effort and the creation of the diversification process, development support policies are also being implemented in the various sectors of the national economy, with hopes these will boost job creation.

16. The national goals of the promotion policy and diversification of economic development for 2013-2017 are as follows: (a) promote balanced
growth of the various sectors of economic activity, focused on economic growth and expansion of employment opportunities; (b) make the natural resources more valuable, enabling the growth of the value chain and building clusters and rows based on endogenous resources; (c) To increase the self-sufficiency of the country through the gradual reduction of imports in a selective and competitive manner.

17. In May 2014, the Republic of Angola held the first General Population and Housing Census since 1975 after its independence. Thus, the country finally has a good reference to formulate the National Policy on Population and the National Planning and Territorial Development Policy, which should be taken into consideration when assessing how the census will improve the economic and social rights of our people. Preliminary results show that the country has 24 million and 300 thousand inhabitants, of which 52 percent are female.

18. Since women constitute the majority of the Angolan population, the Government recognizes that gender equality is an essential issue for the exercise of fundamental values upheld by the Article 23 of the Constitution of the Republic of Angola, which establishes the principle of equality of all citizens.

19. In this chapter, we highlight the adoption of the National Policy for Equality and Gender Equity and the National Implementation Strategy of the Action Plan of the Family, as well as the numerous legislative initiatives that drive the promotion and protection of women's rights with a view to their empowerment.
20. In regards to the participation of women in public life, Law No. 02/05 of Political Parties, sets a minimum of 30% representation of women in positions of leadership and management. In this context, women's participation in political and public life in Angola, currently registers 36.8% of women in parliament and about 29% of women in government, placing Angola in the top 20 countries in the world and as the fifth in the SADC region, with the highest participation rate of women in decision-making bodies.

21. The National Executive branch remains committed to finding solutions to the numerous problems caused by successive economic and/or financial crises that adversely affect all countries. It seeks to increase funding for the social sector, especially health, education and social protection, which have grown consecutively in the National Budget, particularly in the budget for 2015. Due to such concerns, it allocated to these sectors an amount of about 30% of the total expenditures of the 2015 Revised National Budget. This fact, which reflects the interest of the Angolan government in this chapter, has allowed for progress, such as improving the human development index, based on the significant reduction of Angolans that live on less than two dollars/day, 7-year increase of the life expectancy between 2000 and 2013, the reduction of infant mortality rates, among other objectives.

**III. Perspectives and commitment to the IPoA**

22. The Republic of Angola reiterates that, due to many factors it was not possible for the country to submit in a timely manner, the progress report on the implementation of the Istanbul Programme of Action, but reassures its will to make every effort to honor this commitment before March 2016.
23. Angola congratulates and thanks the Office of the High Representative for the Least Developed Countries, Landlocked Countries and Small Island States for the support they have dedicated to all LDC in the implementation of the Istanbul Programme of Action and in overcoming other intrinsic challenges to the development and economic growth process of this group of countries, including the graduation to a Middle Income Country category.

24. The Republic of Angola reaffirms, on the other hand, the commitment to effectively implement in political terms and concrete actions, the global objectives of the 2030 Sustainable Development Agenda in order to achieving in the same period, the national objectives in the field of sustainable development.

Ministry of Foreign Affairs, in Luanda on December 3rd, 2015.