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Photography: Cover UNDP/Laura Fantozzi, inside cover UNDP/Laura Fantozzi, 2 FAS, 3 UNDP, 8 FAS, 9 UNDP/Laura Fantozzi, 11 UNDP/Laura Fantozzi, 12 FAS, 13 UNICEF/Cristina Brugiolo, 14 UNDP/Laura Fantozzi, 16 FAS, 17 UNDP/Laura Fantozzi, 18 FAS, 19 UNDP/Laura Fantozzi, 20 UNDP/Laura Fantozzi, 23 UNDP/Laura Fantozzi, 24 WHO, 25 UNDP/Laura Fantozzi, 29 UNDP/Laura Fantozzi, 31 UNDP/Laura Fantozzi, 32 UNDP/Laura Fantozzi, 35 FAS

September 2005

ANGOLA MILLENNIUM GOALS REPORT SUMMARY 2005

⇔ CONTENT ⇒

Acronyms	2
Preface	3
Introduction	5
MDG STATUS (2005)	7
GOAL I	8
GOAL 2	12
GOAL 3	14
GOAL 4	16
GOAL 5	18
Goal 6	20
GOAL 7	25
GOAL 8	29

Note to the reader: Although it is as accurate as possible, this translation was not produced by a sworn translator. The official, approved version is in Portuguese on the reverse.

→ACRONYMS



CNUCED United Nations Conference for Commerce and Development

DOTS Directly Observed Treatment Short-Course

ECP Poverty Reduction Strategy

FAO Food and Agriculture Organization

GDP Gross Domestic Product

HAMSET HIV/AIDS, Malaria and TB Control HIPC Highly Indebted Poor Countries

IEC Information, Education and Communication

IMF International Monetary FundMDGs Millennium Development Goals

MINFAMU Ministry for Families and the Promotion of Women

NGO Non-Governmental Organization
PAV Extended Vaccination Program

SADC Southern African Development Community

AIDS Acute Immune Deficiency Syndrome
UNPF United Nations Population Fund
UNDP United Nations Development Program
UNFPA United Nations Population Fund
UNICEF United Nations Children's Fund

USAID United States Agency for International Development

USD United States Dollar

WHO World Health Organization

**PREFACE

At the Millennium Summit in 2000, Angola was among the 191 countries that adopted the Millennium Declaration as a solemn and global commitment for the promotion of peace and development. The Millennium Declaration produced a set of time-bound targets, the Millennium Development Goals (MDGs), which aim, by 2015, to cut poverty by half, provide food to all families, send all children to school, reverse the spread of HIV/AIDS, etc.

The global partnership was soon followed by important initiatives at a regional level under the auspices of the African Union.

Angola joined the New Partnership for Africa's Development (NEPAD) and the African Peer Review Mechanism (APRM). These processes complement

the Millennium Declaration with regard to improved political governance, human rights and increased accountability of all state and non-state actors.

The 2005 MDG Progress Report is the second in a series of MDG reporting in Angola. The 2003 publication provided baseline statistical information for indicators and target tracking and revealed a weak statistical apparatus for monitoring MDGs, which has not improved greatly over the last few years.

It should also be noted that the official statistics, due to various constraints with data collection, do not cover all the areas to be monitored and assessed in the MDG context.

The 2005 report has more features than the 2003 report. Besides the assessment on the progress of the



Members of UN agencies, Government and Consultants at an MDG reporting workshop held at the Tropico Hotel, Luanda, 11 August 2005

MDGs, the report sets out the main challenges and policies to adopt, as well as priorities for Angola so that by 2015 most of the MDGs are achieved.

However, to adopt the right policies is not the same as implementing them. The report assesses the commitment of the Government and donors. A fundamental need is to assess national resources allocated to achieve the combined targets, and to assess the degree of financial support of donors. Evaluating the degree of resource mobilization for the achievement of the targets is therefore an important feature of the 2005 report. Tracking financial resources for the MDGs is expected to be a major concern in the next MDG report.

Overall, the report provides an indication of the probability of meeting the agreed goals by the 2015 deadline.

The report suggests where to apply effort in policy formulation, program implementation or resource mobilization, or a combination of all three factors.

The report reinforces the need to strengthen policies in all the MDG areas and ensure the convergence of sectoral policies.

With peace having been achieved in April 2002, there are visible improvements in the political, economical and social environment.

In the political arena, a climate of détente between the different parties is now a reality. The various political parties can now carry out their political activities throughout the entire territory. This is a major breakthrough, which would not have been possible without peace.

Having achieved peace, the country is now preparing for free and democratic elections. The National Assembly has approved the necessary legislative package: political party law, electoral registry law, electoral observation law, electoral law and an electoral code of conduct. The Electoral Commission has been established and is functioning.

On an economic level, the past few years have revealed significant improvements, reflecting the actions taken towards national reconstruction and financial stabilization. In the period between 2002 and 2004 the

average annual growth rate was 10% and it is predicted that it will to rise to 16% in the next few years. This success is less apparent in the farming sector as the resettlement of four million displaced people was only concluded last year, and the process of reintegrating of nearly half a million refugees and more than 100,000 ex-combatants is still ongoing. In addition, yet to be concluded are de-mining and the rehabilitation and construction of infrastructure, activities that will allow resumption of normal agricultural activity.

Inflation has dropped from more than 100% in 2002 to 31% in 2004. The national currency has remained stable against the US dollar since 2003. The fiscal balance was restored, moving from a deficit of 7,8% in 2003 to a surplus of 0,6% in 2004. The country's reserves grew from one month of imports in 2003 to 2,4 months in 2004.

On a social level, and specifically in the areas directly related to the MDGs, rapid gains are observed in sectors like education, in comparison to sectors like health, where projects take a longer time to mature and produce the desired effects.

The reintegration of nearly 4,5 million inhabitants, a third of the country's population, places pressure on the local social systems, which need time to adjust. Two to three years is a very short period. Angola expects the international community to recognize these efforts, which are being made mainly from its own resources.

Only with a significant increase in aid can Angola accelerate the achievement of the MDGs, both in the reduction of poverty and the satisfaction of basic social needs. It is also necessary to intensify public investment in the social sector and in activities that will provide jobs for the poor. Only this way can the goals for the reduction of poverty be achieved.

On the other hand, the Government has taken steps to extend state administration to all areas of the territory. The presence of effective state institutions will help organize the provision of basic social services, such as schools, health centers and security, and the provision of public utilities such as water and electricity.

Ana Dias Lourenço Minister of Planning

PIERRE FRANÇOIS PIRLOT Resident Coordinator of the UN in Angola and Resident Representative of the UNDP

⇒INTRODUCTION ⇒

Located on the west coast of Southern Africa, Angola encompasses an area of 1,246,700 square kilometers. Sixty percent of the territory is a plateau, with an altitude that ranges from 1,000 to 2,000 metres above sea level. It is rich in water resources and has a 1,650 kilometer-long coast on the Atlantic. It has 4,837 kilometers of borders with other countries, which are the Republic of Congo, the Democratic Republic of the Congo, Zambia and Namibia.

The climate is tropical, with two seasons: *cacimbo* (the dry season) from May to September and the rainy season, which is hotter, from October to April, with temperatures ranging between 27°C and 17°C.

In constitutional terms, the Angolan Republic is a democratic state, based on national unity, individual dignity, multiple political expression and organizations and the respect and guarantee of fundamental human rights.

The administrative organization of Angola is on three levels: the provinces (18 in total, which provide the base for planning and budgeting), the municipalities (of which there are more than 150) and the communes.

As well as its important natural heritage, Angola has varied and abundant resources. Its mineral resources include oil and diamonds, of which Angola is one of Africa's top producers. Its water resources give the country potential for the production of hydroelectricity, placing Angola in a very favorable situation in its Southern African context. It also has abundant sea resources, particularly fish. Angola enjoys fertile soils that adapt to normal or irrigated agriculture. Angola has high potential to produce electricity.

Angola's more than 30 years of internal conflict had devastating effects and has left the country in a difficult and complex social and economic situation.

The country's economic structure has evolved into

an enclave economy. Oil represents 55% of GDP and 90% of exports, 66% of the population lives below the poverty line and 26% lives in extreme poverty. The social situation, particularly in relation to health and education, is a concern. Life expectancy at birth is 42,4 years, one in every four children dies before the age of five and only 33% of the adult population is literate.

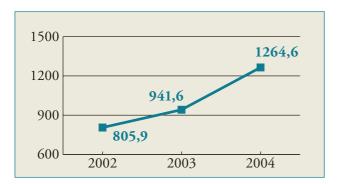
Angola's social development indicator, based on the UNDP's Human Development Index (HDI), published in 2005, has improved from 0,381 in 2004 to 0,445 in 2005. Despite this improvement, Angola ranks 160th out of 177 nations on the index.

Since April 2002, the date that marks the end of the war, more than four million displaced Angolans have returned to their communities, supported by Government-led initiatives to provide emergency food aid and humanitarian assistance. Much remains to be done, however, to fully implement the strategies adopted for resettlement and return, as well as to reintegrate ex-soldiers into civilian life.

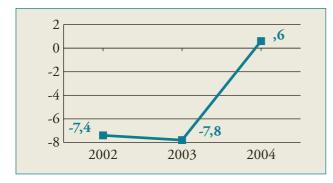
The Government has embarked on several projects simultaneously in the energy and transport infrastructure sectors. The completion of the Kapanda Hydroelectric Dam and the rehabilitation of various fuel-fired power plants around the country have been assigned high priority. Vital roads, bridges, ports, and airport facilities have been upgraded, allowing access to large tracts of the territory and the provision of state administration and basic social services.

These developments, which occurred in the last three years, the period that this report covers, reflect great strides in recovery. However, they have been insufficient to have a significant impact on the achievement of the Millennium Development Goals.

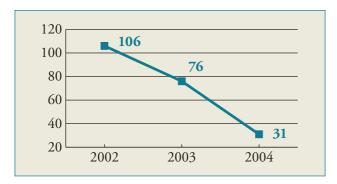
In the last three years, GDP grew more than 10%, which allowed GDP per capita to reach USD 1,247 in 2004, overtaking the USD 1,000 limit that al-



GDP PER CAPITA USD



FISCAL BALANCE, IN PERCENT OF GDP



Inflation Rate, Annual Percentage Change

lows qualifying for Highly Indebted Poor Countries (HIPC) status. Basically this reflects the increase in oil production and the oil barrel price. Inflation has decreased from 106% in 2002 to 31% in 2004.

The current account of the balance of payments changed from a deficit of 6,4% in 2003 to a surplus of 4,5% in 2004. Fiscal balance evolved into positive figures, from -7,4% of the GDP in 2004 to a surplus 0,6% in 2004. The national currency has remained stable, in relation to the dollar, for more than two years, reflecting bold, far-reaching macroeconomic stabilization measures.

In 2003 around one million children went back to school. More than 29,000 teachers were recruited. In the same year 5,2 million people were vaccinated against polio (though this unfortunately did not stop new cases which have been reported recently, which originated from abroad).

SUMMARY OF STATISTICAL INFORMATION

Population	
Population (estimated in 2004), million	16,5
Population density: inhabitants per sq km (2004)	13,2
Young population index (2004), % of population ≤ 20 years old	60
Overall Level of Development	
GDP per capita (2004), USD	1264,6
Human Development Index (2005)	0,445
Population living below the poverty line (2001), %	68
Population living in extreme poverty (2001), %	26
ECONOMIC INDICATORS	
GDP (2004), thousands of millions USD	18,5
Average inflation rate (2004), %	31
Exports (2004), thousands of millions USD	12,2
Public investment per capita (2004), USD	26,25
Foreign debt (2004), thousands of millions USD	7,9
Fiscal balance (2004), % of GDP	0,6
Social Indicators	
Life expectancy at birth (2004), number of years	42,4
Gross schooling rate in primary education (2003), %	91,1
Average rate of growth, children enrolled in primary school (2000-03)	24,3
Mortality rate of children under the age of 5 (2003), deaths of children under 5 per 1,000 live births	260
Maternal mortality rate (2003), death of mothers per 100,000 live births	1400 to 1700
Population with access to a safe water source (2003), %	68,5

→ MDG STATUS (2005)

Goals/Targets	ACTUAL LEVEL OF ACHIEVEMENT OF GOAL			Probability of Goal/ Target achievement			Adequacy of Policies		
	High	Moderate	Low	High	Moderate	Low	High	Moderate	Low
Goal 1 Eradicate Extreme Poverty and Hunger			U		>			•	
Goal 2 Achieve Universal Primary Education	0			0			0		
Goal 3 Promote Gender Equality and Empowerment of Women			U		•			•	
Goal 4 Reduce Infant Mortality			U		-			•	
Goal 5 Improve Maternal Health Care			U		•			•	
Goal 6 Fight HIV/AIDS, Malaria and Other Diseases			U		-			•	
Goal 7 Ensure Environmental Sustainability			U		•				U
Goal 8 Develop a Global Partnership for Development		-			•				U

⇔GOAL 1⇔

ERADICATE EXTREME POVERTY AND HUNGER



A resident transporting firewood, one of the main cooking fuels used in many rural areas of Angola

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

Analysis and Trends

When it comes to human development, Angola's very low social indicators place it amongst the least developed countries in the world.

In 2000-1, it was estimated that around 68% of the Angolan population lived below the poverty line (which corresponds to USD 1,70 per day), 26% of which lived in a situation of extreme poverty (less than USD 0,75 per day).

Another indicator that clearly illustrates the level of poverty is the measure of inequality in the distribution of wealth. While the GDP per capita more than doubled (around 132,7%) in the period between 2000 and 2004, the Gini coefficient, the indicator of the level of inequality in income distribution, rose from 0,52 to 0,62 in the period between 1994-5 and 2000-1.

In the period between 2001 and 2004 and with the end of the war in April 2002, Angolan state administration was extended to all areas of the territory. The majority of internally displaced Angolans have returned and it was estimated that 98% of the 4,4 million internally displaced Angolans had been resettled by May 2005. Around 314,000 refugees returned (corresponding to 68,7% of the total), of whom 98,000 have been resettled in an organized way.

However, the process of de-mining farming areas and rehabilitating infrastructure that was destroyed during the war is slow.

This vast demographic movement will take some time to have a positive impact on the production of food, which is also dependant on the rehabilitation of infrastructure. This requires a long period of social and productive reintegration. The impact on employment and on the fight against poverty and hunger will take

some years to materialize, which will determine the level of progress in achieving Target 1 or 'Eradicate Extreme Poverty', by 2015.

CHALLENGES AND POLICY RESPONSE

The main challenge for Angola is to mobilize, in an efficient manner, the necessary resources for the reduction of poverty in the country. The cost of the implementation of the present Poverty Reduction Strategy (ECP) is estimated to be around USD 3,15 thousand million for the period between 2003 and 2006. This represents an average of just more than USD 790 million in each year of implementation. The level of public investment declined from 7,2% of the GDP in 2002 to about 4,4% of the GDP in 2004.

It is necessary to ensure an adequate level of public investment. Only with this can there be real impact on the level of employment and on the needs of the poorest of the population. It is important to note that the efforts made by the Angolan Government (after the war) are mostly supported by national resources.

It is important that both the Angolan Government



The Humpata irrigation canal in Huila, recently rehabilitated by the Government, aiming to revitalize the agricultural sector

and the international community focus their attention on the relevance of employment and professional training, both of which are central to the decrease of the poverty index.

The Angolan Government has been investing in public services that will have an impact on poverty reduction. These include the rehabilitation and modernization of transport infrastructure, water resources and electricity.

The Government program on poverty reduction includes many important projects (directed specifically to the poorer of the population).

These, amongst others, include the Microcredit Program, coordinated by the Ministry of Family and Promotion of Women (MINFAMU). This program, which has been operational since 1999, is directed mainly at women who reside in urban and rural areas in the provinces of Luanda, Bengo, Cabinda, Bié, Malange, Benguela, Huambo, Huila and Namibe.

Another example is the Social Support Fund (FAS). These social funds are targeted mainly at vulnerable and poor groups through a quick intervention model which creates employment opportunities (low paid non-skilled employment) through the financing of public infrastructure projects, such as roads, bridges, health centers and schools.

Demobilized soldiers and their dependents are the beneficiaries of the General Program of Demobilization and Social and Work Reintegration, which originated from the Bicesse and Lusaka Agreements, and later the Memorandum of Understanding of Lwena. Yet another example is the Program for the Resettlement of Internally Displaced Persons.

Priorities for Assisting Development: How To Accelerate the MDGs?

The main priorities in the fight against poverty in Angola are the creation of jobs, training of the labor force, the development of private initiatives, a significant increase of public investment, particularly in the social sector, and rehabilitation of infrastructure. This will contribute to the reduction of poverty amongst the most vulnerable groups of the population, mainly refugees and the displaced.

The state budget for 2005 allocates 8,2% to subsidies and 5,3% to social transfers. It is necessary to boost public expenditure in projects directly linked to poverty reduction.

There is a need to implement a plan fostering growth and employment in order to mobilize the country's potential for the creation of added value in traditional agriculture and industry. For this to happen it is necessary to progressively increase investment in basic economic infrastructure (energy, roads, etc.) through the development of projects that create synergies and connections with similar efforts in neighboring countries. Economic infrastructure projects will have to guarantee balanced benefits to all the provinces of the country. At the same time, training and capacity building will have to be intensified. Micro-financing strategies and those aimed at the development of small enterprises need to be reviewed and strengthened.

Empowerment of local communities is also a requirement for long-term development. The people must be trained so that they can take responsibility for their own future. Only after acquiring the necessary skills can they build sustainable livelihoods.

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Analysis and Trends

Food vulnerability is a common concern shared by several Southern African countries, including Angola. Due to irregular climate change and natural disasters, food vulnerability continues to affect an estimated 1,1 million people but this number is down from a peak of over 3,5 million in 2002, a figure that was registered immediately after the cease-fire in February of that year. Since 2003, the resurgence of traditional agriculture is gradually lessening the need to resort to imported foodstuffs. Seeds, farming implements and other agricultural inputs were distributed to around 600,000 farmers through state programs, supported by several donors, led by the FAO. The total farmed area increased by 15% over the 2004-05 farming season with the additional workforce provided by the return and resettlement of the population.

There are, however, some factors which limit production growth, in particular, the poor state of communication systems, the difficulty in shipping goods (as a consequence of the slow rehabilitation of roads and bridges), the undeveloped system of food conservation and rudimentary livestock and farming methods. These factors limit the normal flow of farming products to the big urban centers and hold back the growth of production in the rural areas.

The proportion of underweight children is extremely high (45% in 2001). The high rates of malnutrition and the prevalence of underweight children is a legacy of war but it is also the result of widespread poverty.

CHALLENGES AND RESPONSE POLICIES

The Government has worked closely with partner agencies operating in the country to ensure a transition from dependency on food aid towards the eventual creation of food security, by way of helping the rural poor resume normal farming and achieve sustainable livelihoods.

A new land tenure law was adopted in 2004 with the dual objectives of providing farmland to small farmers as well as granting concessions to investors requesting medium to large-sized land to develop.

Irrigation remains a valid strategy to reduce food insecurity where this technique is feasible. The Ministry of Agriculture now has a Department of Irrigated Agriculture.

The state budget for 2005 allocates about 3,06% of public expenses to farming, fishing and the environment. Considering the magnitude of the problem of food security, this percentage should be increased, so as to sustain hopes of achieving the MDGs, particularly with respect to improving nutrition.

Priorities for Assisting Development: How to Accelerate the MDGs?

The attainment of food security and rural development are two main objectives of the Government's ECP program that aims to respond to national food needs and revive the rural economy, a vital area for the sustainable development of Angola. Activities such as the development of the traditional farming sector and development of the livestock business sector, both included in the ECP program, are main priorities for 2005-06. In addition, there is an urgent need to accelerate the de-mining process.

In order to achieve these objectives, the Government is developing the agricultural sector, focusing on cereals, vegetables, roots and tubers, coffee, fishing, and breeding of livestock, which are traditional basic components of the Angolan rural diet.

Participatory development of the rural population is a key component in the food security strategy. Policies and programs to fight poverty and hunger include credit schemes, capacity building and the extension of institutional approaches (through public bodies, community groups and participatory organizations), thus creating synergies with public sector reforms and decentralization support.

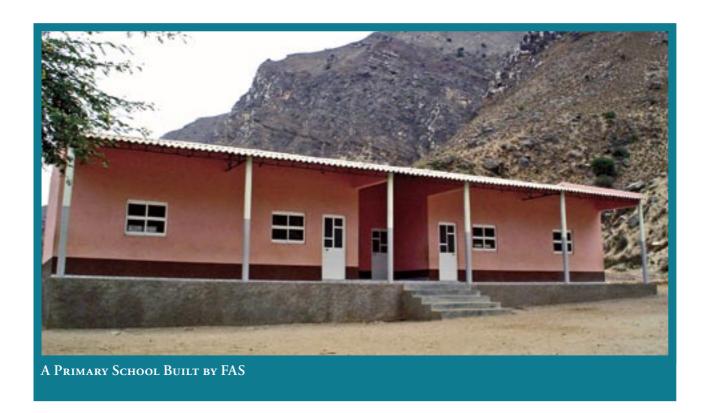
Also envisaged is the promotion of the development of local skills, involving links between community groups, NGO's and companies, through the financing of small development projects.



Northern Angola

⇔GOAL 2⇔

ACHIEVE UNIVERSAL PRIMARY EDUCATION

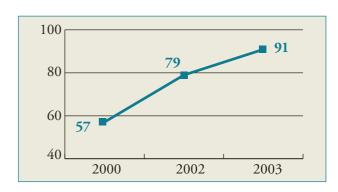


Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Analysis and Trends

The recent developments that occurred in the Angolan educational system must be reviewed both in quantitative and in qualitative terms. Quantitatively, the system has enjoyed a very rapid and satisfactory rise, while qualitative deficiencies in the system keep performance at a low level.

Angola has made considerable strides towards full primary education in the past three years. The efforts made by the Government, through its Program of Public Investments (with support from churches, NGO's and other civil society organizations) in the construction and rehabilitation of school infrastruc-



GROSS SCHOOL ENROLMENT RATE

ture, as well as the initiative of recruiting about 30,000 new teachers, contributed to a remarkable expansion of educational services. The result was a rise in school attendance rates. The gross rate has increased from 56,7% to 91,1% in 2003, and the net rate has grown from 38,2% to 49,1% in the period 2000-02.

These are encouraging results but there are obstacles in terms of performance levels and efficiency. The fact is that many families cannot afford school materials. Many children enter school late (only 22% start school in the year they turn six) and there are high rates of failure and many dropouts. According to available data from 2003, only 30,6% of children who started primary school completed their primary school education.

The negative results in terms of completion rate observed between 2000 and 2003 strongly suggest that the achievement of universal primary education will depend on performance and efficiency factors that can cause a set-back in an otherwise dynamic process.

CHALLENGES AND POLICY RESPONSE

Besides investment in the rehabilitation and implementation of infrastructure, one of the main challenges facing the Angolan Government is that of improving the performance standards, which should result in a reduction in the dropout and repeat rates (13,9% and 26,3% in 2003 to 6,9% and 7,9% in 2015 respectively) and in an increase in pass and completion rates (59,8% and 36% in 2003 to 79% and 80% in 2015 respectively).

In order to achieve these results, new measures need to be taken. It is necessary to reinforce management, planning and supervision capacity; to identify, train and recruit educational staff and to refocus the curriculum on basic learning skills.

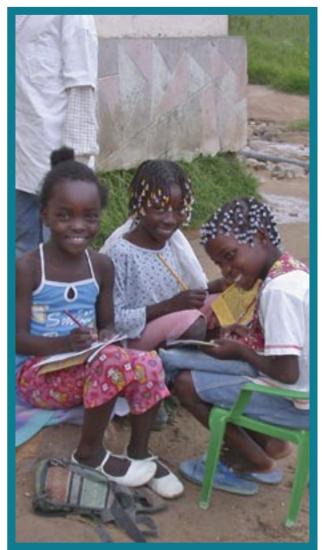
Some of the measures which are already in progress, but need to be reinforced, are: the implementation of a new model of decentralized management, by 2010; the introduction of a qualitative assessment system, based on a previously agreed set of basic indicators for each subject, by 2015; the improvement of the management of the system; the reinforcement of partnerships involving national and international organizations; and the improvement of the information system.

In pursuit of improved qualitative performance in reforming the educational system, new textbooks for primary schools have been released. The national policy on the prevention and fight against sexually transmitted diseases and HIV/AIDS should be implemented in the education system.

Priorities for Assisting Development: How to Accelerate the MDGs?

It is predicted that the number of partners supporting the education sector will increase as the sector moves from emergency to development status.

The United Nations Children's Fund (UNICEF) is supporting the Ministry of Education in the implementation of its integrated program to improve the quality of education, by way of training teachers, distributing school materials and mapping of schools (*carta escolar*). The World Bank and the African Development Bank programs will concentrate activities on school construction and rehabilitation, training of teachers and distribution of textbooks. The European Union will support institutional activities in planning, management and assessment.



CHILDREN STUDYING IN THE OPEN AIR

⇔GOAL 3 ⇔

PROMOTE GENDER EQUALITY AND EMPOWER WOMEN



A gathering of children dressed up for a dancing show

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015

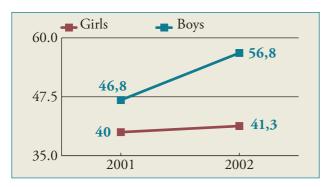
Analysis and Trends

Even though data from 2000 to 2002 indicates improvement in gender equality in the education sector,

the same data reveals how far Angola is from the target proposed.

The primary school net enrolment rates for boys and girls for 2002 were 56,8% and 41,3% respectively, clearly indicating the gender inequalities within the Angolan education sector.

The increase of primary school net enrolment rate (from 38,2% to 49,1%) in the same period included an



NET ENROLMENT IN PRIMARY SCHOOL BY SEX (%)

increase from 40% to 41,3% for girls and from 46,8% to 56,8% for boys.

The gross enrolment rates show the same tendency, with different rates for boys and girls. This rate increased dramatically, in the period between 2000 and 2003, from 56,7% to 91,1%. It should be noted here that girls' rates have increased from 52% to 76,6% and boys' from 60,3% to 123,3%.

The biggest disparity occurs at higher levels of schooling. In secondary schools girls were still in the minority at 48% in 2002.

However, education ratios alone do not fully reflect the degree of gender inequality. Women continue to be under-represented in national decision-making bodies. According to 2005 data, women comprise only 15% of the National Assembly. With regard to labor, women constitute 70% of the informal sector labor force but are still a minority in public offices.

This is understandable when one looks at the inequalities in literacy rates of people over 15: 82,2% for men and 53,8% for women.

CHALLENGES AND POLICY RESPONSE

More needs to be done towards the achievement of gender equality in education and at work.

The equal participation of men and women in primary and secondary school teaching, by 2015, is one of the main challenges the Angolan Government has

The end of the war in Angola opened new avenues for extending school services to the rural areas where improved security and mobility are now a reality, and will eventually contribute to a reduction in gender differences between the rural and urban areas.

The Ministry of Education is committed to the reduction of gender inequality in primary and secondary schools, in the promotion of gender equality in education and ensuring equal access to a

basic education for boys and girls. The Action Plan for Education for All 2001-15, and the National Program on Gender, 2001-05, both implemented by the Ministry of Education and on-going, have recorded positive results.

The Action Plan for 2005-06 of the Ministry of Family and Promotion of Women proposes the creation of vocational training centers for women in 10 provinces and the setting up of a database on gender, with the dual objective of monitoring women's participation in the social, economic and political development process, and contributing to better and more grounded planning and political decision making.

Angola has ratified international gender-related regulations, including the 1984 Convention on the Elimination of all Forms of Discrimination Against Women and the 1997 Southern African Development Community (SADC) Protocol on Gender and Development.

Moreover, the country's participation in world and regional events focusing on the promotion of women has been intensified. This has resulted in Angola's keen interest in implementing the Beijing Platform for Action as well as in the submission of the Beijing+ 10 progress evaluation report.

Priorities for Assisting Development: How to Accelerate the MDGs?

With the main objective of increasing the number of professional women in charge of different social and economic areas, the Angolan Government will continue to strengthen its agreements with bilateral and multilateral organizations such as UNDP, the United Nations Development Fund for Women (UNIFEM), UNICEF and the United Nations Population Fund (UNFPA) for assistance with the primary concerns of the Ministry of Family and Promotion of Women (MINFAMU).

The promotion of the strong involvement of communities and women's groups is an efficient way to stimulate training and information initiatives on issues such as HIV/AIDS, school registration, sexual education, etc. and to encourage participation in initiatives from which such groups benefit.

≈GOAL 4 = ×

REDUCE CHILD MORTALITY

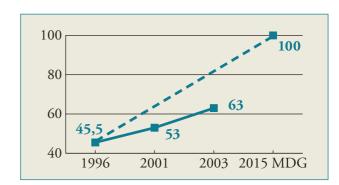


TARGET 5: REDUCE BY TWO-THIRDS, BETWEEN 1990 AND 2015, THE UNDER-FIVE MORTALITY RATE

Analysis and Trends

The child mortality rate in Angola is still one of the highest in the world. Malaria is the main cause of morbidity of children under the age of five. Data from 2001 and 2003 reveal that there has been no improvement in this goal's indicators. However, there has been some progress in the number of children immunized against measles. Although this number has risen from 53,4% in 2001 to 62% in 2004, it is still inadequate.

The resurgence of polio at the beginning of this year ended previous hopes of its eradication. The authorities are aware of this and are preparing information and



Percentage of One-year-old Children Vaccinated Against Measles

education campaigns and are intensifying immunization campaigns.

In order for Angola to reduce its high infant mortality rate, and so attain its commitment to the Millennium

Development Goals, it is crucial that there should be more investment in construction and provision of necessary equipment in the health sector, particularly in pediatric and maternity units in all the provinces.

CHALLENGES AND POLICY RESPONSE

The strategic plan for the Accelerated Reduction of Infant and Mother Mortality in Angola (2004-08) lays out the challenges outlined by the Ministry of Health. The plan aims at a reduction of the infant mortality rate to 104 per 1,000 births by 2015.

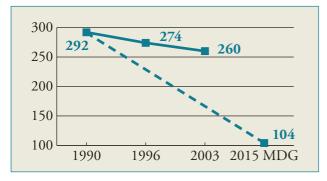
Its intermediate objectives are the reinforcement of the immunization campaign against pre-natal and neonatal tetanus and the control, or eradication, through vaccination, of diseases such as measles, polio and yellow fever.

The quality of nutrition is another cause of infant mortality and intensive campaigns for the prevention of deficiency of vitamins and iodine are under way.

The PAV (*Programa Alargado de Vacinação*, or Expanded Vaccination Program) sets specific and ambitious targets for 2005-06 that aim at the extension of primary health care; capacity building of health workers in pediatric and maternity units; implementation of a system of integrated monitoring of epidemics of all resistant and predictable diseases and those that are potentially epidemic; and purchasing of routine vaccines.

Priorities for Assisting Development: How to Accelerate the MDGs?

The Government needs accrued financial resources for the improvement of the quality of child health services, to support routine vaccination campaigns and for expansion of the sanitation system. A cooperative effort between the Angolan Government and the international community should overcome the difficulties faced in integrating actions aimed at improving primary health care.



Number of Deaths Before Age Five, Per 1,000 Births

The importance of partnerships with NGOs, churches and donors cannot be ignored. The power of Information, Education and Communication (IEC) strategies is recognized: when directed at the community, they raise the efficiency of vaccination campaigns and increase knowledge of methods of childcare.



A child playing near an agricultural plot while his/her mother works, Pomba Nova, Sumbe

⇒GOAL 5 ⇒

IMPROVE MATERNAL HEALTH



Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Analysis and Trends

Population displacement and poverty caused an increase in the maternal mortality ratio (the number of deaths per 100,000 live births) from 1,400 in 1990 to 1,800 in 2000. A nationwide data collection exercise, conducted in 2003, reported the maternal mortality ratio to be 1,400. Considering the country's high fertility rate (on average, an Angolan woman has seven pregnancies in her lifetime), pregnancy is still very risky for Angolan women. The latest figures indicate

the maternal mortality ratio to be 560 in Southern African Developing Countries (SADC) and 920 in sub-Saharan Africa.

The proportion of births attended by skilled health staff was only 22,5% in 2003; this compares very unfavorably with the sub-Saharan African average of 41%.

The main challenges are the poor access to health services in general, because of the limited territorial coverage of health facilities, and the lack of trained personnel to assist during pregnancy and birth.

The Ministry of Health is implementing the National Strategic Plan for Reproductive Health 2002-06, with the key objective of cutting the maternal mortality ratio

down to 350. This is an ambitious target. UNFPA and UNICEF are providing strong support to the National Strategic Plan for Reproductive Health 2002-06. Several bilateral donors are providing strong support to rehabilitation of physical infrastructure.

With regard to family planning, data show low use of contraception, with only an estimated 2,8% of the population practicing family planning (DNSP, *Plano Estratégico Nacional* 2002-07). Overall, there has been progress in family planning, particularly in the use of available services. In spite of this progress, however, more work needs to be done with respect to promoting the use of contraception and improving the quality of consultations.

CHALLENGES AND POLICY RESPONSE

Under the National Strategic Plan for Reproductive Health 2002-06, the following actions have been planned: to assist with obstetric care before, during and after childbirth, to treat sexually transmitted diseases (STDs) and AIDS and to promote adolescents' reproductive health. The female condom has been introduced, but it must be promoted and distributed at a national level.

Priorities for Assisting Development: How to Accelerate the MDGs?

The MDG target, using the 1990 baseline, is to reduce the maternal mortality ratio by three quarters to reach 350 by 2015. Considering the current trends and policies, Angola is unlikely to meet the target. The SADC average of 560 is a more realistic target, providing the Government and its partners can scale up investment in both physical infrastructure and training of personnel for accelerated implementation of the above-mentioned national plan.

With respect to the development of physical infrastructure, priority should be given to small-scale facilities that can be set up quickly in many areas to minimize walking distances and improve access to health services for the majority of the population.

It is also necessary to invest in community empowerment through IEC (Information, Education and Communication) and other forms of social education that could have a positive impact on maternal health.

For more efficient monitoring in the future, both the Government and donors must intensify efforts to improve the collection of data. Resource mobilization must be intensified. Resource allocation and setting of priorities must be directed towards improving primary and reproductive health care.



A mother and child during a women's meeting in celebration of 31 July, African Women's day, in Benfica, Luanda

⇔GOAL 6 ⇔

COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES



THE NATIONAL INSTITUTE FOR THE FIGHT AGAINST HIV/AIDS HEADQUARTERS IN LUANDA

Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS

Analysis and Trends

The HIV prevalence rate in adults is 2,8%. This value was obtained from a population of pregnant women (aged between 15 and 49) who had pre-natal consultations in 25 health centers in the country, through a national study conducted by the Ministry of Health. The information obtained may not reflect the country's overall reality since it is obtained from a very specific sample but it is the best source at this date.

Other sources of information exist but they are calculated using different methodologies, which makes it difficult to obtain a nationwide baseline, and to execute a trend analysis. However, available information suggests that there is stabilization, but it is too early to consider a reduction of incidence and the rate of transmission.

CHALLENGES AND POLICY RESPONSE

Three decades of war resulted in obvious factors that promoted the spread of the disease. Some examples of these factors are: rapid urbanization, migration, forced movement of people, high rates of illiteracy, polygamy, unprotected sex, high incidence of sexually transmitted diseases (STDs), the destruction of health systems which led to poor health care, as well as the

intensification of cross-border trade in the south of the country, which increased prostitution.

The main challenge in the fight against HIV is to increase awareness, and at the same time to ensure that anti-retroviral medication is available at an affordable price to those who are infected. With regard to the mobilization of resources for the fight against HIV/AIDS, the response from donors reached new highs as Angola became eligible for global health partnerships. The Global Fund for AIDS, TB and Malaria, through its HIV/AIDS component, will contribute USD 90 million within a period of five years. The World Bank will contribute through its assistance framework to the HIV/AIDS, TB and Malaria fund, known as HAMSET.

In 2003, the National Commission Against HIV/ AIDS and Epidemics was created by law (No 1/03 of January 10). In that same year, the Council of Ministers ratified new regulations on HIV/AIDS, employment and vocational training (No 43/03 of July 4). In 2004, a law on HIV and AIDS was approved (No 8/04 of November 1). This year, through Law 7/05 of March 9, the National Institute for Aids was created. Detailed regulations are being prepared with the view to empowering the National Commission Against HIV/AIDS and the National Institute for AIDS, and to enforcing the law on HIV/AIDS. In addition, other programs are being implemented, such as strengthening of the information, education and communication strategy; transmission prevention; diagnosis support; availability of medication for treatment; reduction of individual and social impact; and strengthening of the epidemic monitoring system.

Priorities for Assisting Development: How to Accelerate the MDGs?

In the fight against HIV/AIDS, greater support by the international community to the efforts being made by the Government remains a priority for the implementation of a multi-sector action plan. This action plan aims at achieving a complete diagnosis, programming and adaptation and development of projects that are suitable within the Angolan context.

The main priorities are the extension of CATV (Volunteer Counseling and Trial Centers), the acquisition and distribution of laboratory equipment and materials, the production and distribution of information and educational brochures (including materials to be used in the school curriculum), coordination of and/or training of doctors, lab technicians, nurses, psychologists and social workers, a continuous supply

of anti-retrovirals and purchase and distribution of condoms nationwide.

Target 8.1: Have halted by 2015, and begun to reverse, the incidence of malaria

Analysis and Trends

Malaria continues to be the principal cause of overall morbidity. In recent years the incidence of malaria increased from 16% in 2001 to 22% in 2003. In 2003, the morbidity rate associated with malaria was 35% for children under the age of five and 25% for maternal deaths; yet only 10% of pregnant women are reported to sleep under insecticide-treated bed nets.

CHALLENGES AND POLICY RESPONSE

The Roll Back Malaria campaign continues to play a significant role in the increase of access to primary care and the reinforcement of preventive actions, diagnosis, and treatment of cases. The aim is to reduce the prevalence of malaria in Angola from 3 million clinical cases to 900,000 over the next four years. A priority is to reduce the mortality rate associated with malaria and the impact of the disease on the country's social and economic development.

To achieve these goals, the Government needs, with support from the international community, to prioritize the diagnosis and treatment of malaria, to rebuild health units and to organize massive campaigns on prevention of malaria. Also, the reinforcement of epidemiological surveillance and epidemic control measures and the establishment of a strong response capacity should be prioritized.

Support from the international community in the fight against malaria is increasing, particularly with the intervention of the Global Fund, the World Bank and other bilateral donors. The malaria component of the Global Fund will amount to USD 29 million over five years.

Priorities for Assisting Development: How to Accelerate the MDGs?

Current realities make it difficult for the country to achieve the target before 2015. To make an impact on the disease and accelerate the achievement of the goal, significant resources have to be mobilized and channeled to the priorities mentioned above. Also, the issues of resistance to drugs and availability of affordable generic drugs must be addressed.

To achieve the Millennium targets, it is necessary to

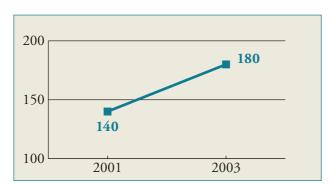
prioritize the following areas of action: correct diagnosis and treatment of malaria; rehabilitation of sanitation units and mainstream prevention; anti-vectoral combat and operational research for efficient preventive measures; reinforcement of epidemiological surveillance and epidemic control; implementation of various projects financed by the World Health Organization (WHO), UNICEF and the United States Agency for International Development (USAID); financial and technical efforts for capacity building of national health staff; real capacity for taking action against the epidemic; acceleration of the reconstruction process and restoration of the basic sanitation infrastructure, as a way of raising the general levels of health and hygiene; and promotion, in partnership with bilateral and multilateral partners, of the free distribution of impregnated mosquito nets in areas where malaria is prevalent.

Target 8.2: Have halted by 2015, and begun to reverse, the incidence of Tuberculosis

Analysis and Trends

The information system for the detection and treatment of tuberculosis (DOTS) has shown a steady improvement. The proportion of municipalities to which the system has been successfully extended has increased from 44% in 2001 to 67% in 2004. The number of new TB cases detected per 100,000 inhabitants has increased from 140 in 2001 to 180 in 2003, indicating better detection. The case fatality rate by TB is around 23%. By comparison, the sub-Saharan and north African averages in 2003 were 272 and 50 respectively.

Forty percent of tuberculosis cases are detected and treated through DOTS. The age group most affected is the 15-54 age group. The rate of cure has improved from 46,6% in 2001 to 70% in 2004, but this number



Number of New Tuberculosis Cases Per 100,000

still falls short of the 85% target aimed by the World Health Organization.

CHALLENGES AND POLICY RESPONSE

Angola has to face challenges such as the surge in the number of cases co-infected with TB and HIV and increased complications resulting from inadequate or incomplete treatment. More financial resources are needed for the training of new technicians and the construction of health units, particularly in the municipalities, to provide for the expansion of treatment via DOTS to the entire country by 2007, to ensure that 70% of cases are notified and 85% cured.

Priorities for Assisting Development: How to Accelerate the MDGs?

The TB Strategic Plan for 2003-07 establishes as priorities: the expansion of the present strategy and DOTS so that patients infected with TB have access to efficient diagnosis and treatment; the adaptation of this strategy to face new challenges related to HIV and resistance to drugs; the improvement of assessment and monitoring by means of a standard information system for detection and treatment; the encouragement of community involvement in social education activities; and the reinforcement of partnerships so that TB control strategies are adequate and effectively implemented.

The results obtained, specifically, in the increase in the number of new cases detected and treated under the DOTS protocol indicates that it is possible to reduce the incidence of the disease by 2015. It is necessary to allocate adequate resources so that this protocol can be extended to the entire country. The tuberculosis component within the framework of the Global Fund's intervention in Angola will amount to USD 9 million over five years. Other donors also support tuberculosis treatment and cure, including USAID and the World Bank, through HAMSET.

Target 8.3: Have halted by 2015, and begun to reverse, the incidence of Trypanosomiasis

Analysis and Trends

The number of provinces where the presence of the vector of trypanosomiasis (the tsetse fly) was reported rose from 13 to 14 since the last report.

No significant progress in the control of the disease has been registered, due to financial and operational difficulties. Poor access to prevention measures and treatment were not only caused by the war, but also by the low mobility of detection teams to all of the provinces where the fly is endemic.

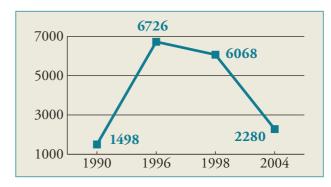
In 2004, the number of new cases was 2,280. During the period 1996 to 1998 the number of registered cases was between 6,000 and 8,000 per year.

Trypanosomiasis, also known as sleeping sickness, had almost been eradicated in 1960, but the war made it difficult to maintain this success. Consequently, during the seventies and up to the beginning of the nineties the number of new cases was in the range of 1,200 and 2,400.

CHALLENGES AND POLICY RESPONSE

The Government, with support from the international community, needs resources so it can control the disease, to avoid its spread beyond the 14 provinces where it already exists and preventing the appearance of new cases.

The main challenges are: diagnosis and treatment of new cases; epidemic surveillance; training of technicians at all levels; anti-vector fight and implementation of prevention measures; reinforcement of the acquisition and distribution of insect traps in provinces where trypanosomiasis is endemic and in neighboring



New cases of trypanosomiasis

provinces; and the construction of more hospitals and specialized treatment centers.

ICCT, the national institute responsible for the fight and control of trypanosomiasis, is operating with many difficulties, thus impeding a vertical intervention approach, mainly in the mobile units, which leaves preventive activities inoperative.

The Strategic Plan for the period of 2002-05 has not been adequately implemented for the eradication of the disease, which constitutes a serious public health problem.

A significant increase in the assistance provided by Belgium, France and WHO is needed to improve the situation. ICCT should be granted technical, material



Josina Machel - Maria Pia hospital in Luanda



Health personnel during the campaign against the Marburg epidemic in Uíge

and human resources so that its intervention in the fight against trypanosomiasis can be considered to be successful.

Priorities for Assisting Development: How to Accelerate the MDGs?

Trypanosomiasis is a public health problem which requires regular action to avoid its spread. The strategic plan for the fight against this disease, in the period of 2002-05, is to eradicate the disease.

Priorities have been identified as follows: the expansion of the present strategy of active searching for the tsetse fly, particularly in endemic and neighboring provinces; the improvement of Information, Education and Communication in rural areas (where health care was not provided for many years); the provision of support to technical capacity building in the implementation of the plan and management of the ICCT; encouragement of community involvement in the active search for the fly and in the prevention and combat of the disease; strengthening of cooperation with WHO and countries that have supported public health programs; and speeding up the reconstruction and rehabilitation of the basic sanitation infrastructure, as a means of raising general health levels.

The fight against trypanosomiasis in most of the African continent has been relegated to a lower priority level because of the massive resources spent on HIV/AIDS and malaria campaigns and programs.

The Angolan Government, on its own, does not have the resources to fight, simultaneously and efficiently, all the epidemics it faces. Therefore, broader involvement by the international community is vital. It is also essential to coordinate actions, on a sub-regional level, with countries equally affected.

Target 8.4: Have halted by 2015, and begun to reverse, the incidence of other diseases

During the past years outbreaks of a number of endemic diseases have occurred in the country. Such occurrences place a serious strain on the already weak capacity of the national health system, and therefore the country has appealed, through the UN system, to the international community to assist in the control of such outbreaks.

Following several years of strong support in the fight against polio, the disease was close to being eradicated. However, new cases have been reported recently, leading to the necessity for new vaccination campaigns.

In October 2004 a new hemorrhagic disease, known as Marburg, emerged, causing serious challenges for the health sector, particularly in the province of Uíge. The outbreak of the disease led to rapid and strong international mobilization and the concrete measures adopted avoided its spread to the rest of the country.

The cholera epidemic is not receiving sufficient attention. The Government needs additional funds to improve the quality of services, provide support to routine vaccination campaigns and expand access to the health infrastructure.

⇒GOAL 7≈

Ensure Environmental Sustainability



A view of the river feeding the Pomba Nova irrigation canal in Sumbe

Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources

Analysis and Trends

Angola's biodiversity is remarkable. Forest occupies about 35% of the country's territory while the coastline of over 1,600 km is rich in fish species. However, the recent trend of environmental loss and the threat it poses to fish resources raises awareness of the risk to environmental sustainability.

Studies carried out by the Ministry of Urban Planning and Environment and UNDP, in 2005, through the project on biodiversity, indicate that the over-exploitation of plant species, pollution of soil, water and the atmosphere, erratic climate changes, the forestry industry and farming and social habits are the main causes of environmental degradation and loss of biological diversity.

Industrial and mining activity and offshore exploration of oil cause significant degradation to the country's coastal habitat. Diamond mining, on the other hand, has been a major cause of widespread excavation.

Environmental degradation in rural areas is often associated with poverty. The high price of fuel, the interruption of road networks, and the consequent incapacity to distribute farming production inputs to improve arable land yields, determine how environmental resources are used and the unregulated use of land.

The massive population influx to urban centers has contributed to localized environmental degradation. The problem of solid waste removal in the capital and other cities, as well as its treatment, is an issue that has yet to have a satisfactory and definitive answer.

National civil organizations campaigning for the protection of the environment have played a significant role in environmental protection and raising awareness among the population. However, the results are still not satisfactory due to the lack of a regular enforcement that would ensure compliance with environmental legislation.

CHALLENGES AND POLICY RESPONSE

Improvement of the regulatory framework and dissemination and implementation of environmental laws and regulations are the main challenges faced by the Angola's Government.

The private sector should be made responsible for the preservation of the environment in the areas where they operate, in particular the oil and diamond companies, who should be made responsible for the preservation of the areas of exploration. Oil exploration should not jeopardize Angolan coastline fishing.

In order to avoid environmental degradation caused by the irresponsible cutting down of trees and illegal hunting, urgent measures need to be taken. Such measures should aim at putting in place sustainable forestry exploration policies, and facilitating access of inhabitants of peri-urban and rural areas to affordable kerosene, as a substitute for timber and coal.

The application of the Montreal Protocol on pollution and chemical safety which addresses the gradual elimination of the substances that deplete the ozone layer, by 2010, are amongst the environmental sustainability challenges that the Government has to tackle.

Current initiatives and programs under implementation seek to define ways and means such as planning and environmental management, a national strategy for biodiversity conservation and the fight against desertification. In partnership with NGOs, there is an ongoing program with the objective of introducing environmental education and awareness.

The Ministry of Agriculture and Rural Development,

through the Institutes for Agrarian and Forestry Development, is running programs and actions promoting the environmental issues of reforestation, combating desertification and soil erosion, and improvement of traditional farming methods.

Priorities for Assisting Development: How to Accelerate the MDGs?

Creating an enabling environment for improving the population's welfare remains a priority for development assistance. The elaboration of territorial plans at the municipal and provincial levels constitutes a first step in this direction. The monitoring and evaluating of projects aimed at promoting sustainable development has not been effective. Studies of environmental impact of such projects should be considered a requirement in the future.

Capacity building of the Ministry of Urban Planning and Environment, on an institutional, functional and programmatic level, is an urgent task, which potentially can encourage partnerships for the development and improvement of actions in an environmental management context.

Human resources are a key factor. Capacity building of staff, with support from the international community, will ensure better management of environmental resources. Partners for development should put pressure on multinational companies to actively and significantly deliver on their corporate social responsibilities with regard to the environment.

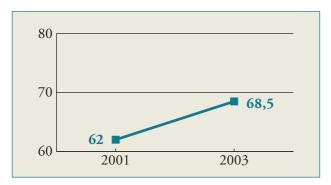
The approval of major policy documents, such as the Environmental Management Program and the National Strategy on Biodiversity, the enforcement of the law governing the environment and the approval of other legal instruments are priorities for ensuring environmental sustainability.

Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water

Analysis and Trends

While some progress cannot be denied, the current levels of provision and quality of water and basic sanitation are extremely low, when compared with other countries and African averages. The limited number of the population with access to safe drinking water and the insufficient and inefficient maintenance of the sewage network are sources of disease.

In the period 2001 to 2003 the percentage of the population with access to drinking water increased



PROPORTION OF POPULATION WITH SUSTAINABLE ACCESS TO AN IMPROVED WATER SOURCE

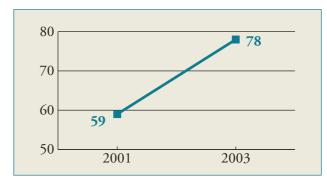
from 62% to 68,5%. In the same period the percentage of the population with access to improved sanitation rose from 59% to 78%. In 2001, the Multiple Indicator Cluster Survey (MICS) published by UNICEF registered that only a small percentage of the population with access to drinking water had access to piped water (11% and 13% in urban and rural areas, respectively) while around 17% of the population used unprotected watering holes, natural springs or purchased water from water trucks. Of those who have access to sanitation in rural areas, 19% are on an adequate sewage network. The rest of the population uses latrines or septic tanks.

Due to the saturation of water supply systems in urban centers, the level of supply of potable water is still very low. Data from the Ministry of Energy and Water in 2004 revealed that half the cost for treating and distributing water in Luanda is not recovered by the Water Services Company. The state of degradation of the water network and the constant vandalism the company faces (by people trying to divert water) results in poor efficiency and explains the high losses (about 40 to 60%).

CHALLENGES AND POLICY RESPONSE

The target for the Angolan Government's Strategy for Water and Sanitation and the challenges it defines with regard to water and sanitation standards (including the urban network, septic tanks and latrines) is to increase current levels from 57% in urban areas in 2003 to 85% in 2016, from 61% to 86% in the suburbs and from 26% to 65% in rural areas.

The development of adequate regulations is crucial for improved management of water resources. In this respect, the approval, by the National Assembly, of the General Water Law (No 6/02), and its publication is a significant step towards the reform and development of the water sector. At the same time, there are certain tasks that still must be accomplished in order to provide this law with the necessary strength for it to work



Proportion of population with access to improved sanitation

effectively. Namely, these are the approval of regulations concerning public water supply, residual water sanitation and urban rain water drainage; approval by the Council of Ministers of the Regulation on the General Use of Water Resources; and the creation of institutions such as the National Institute of Water Resources.

A huge investment is required for the rehabilitation of the mains water supply system and sanitation systems in cities. The State budget has allocated 1,33% of its resources for intervention in the mains water supply system and the same percentage for basic sanitation. A package of USD 240 million from China Credit was, additionally, earmarked for water projects in four cities. However, the amount needed is significantly greater.

Angola's Government must also address the issue of the financial sustainability of its loss-making public utilities that are providing water, electricity and waste management.

Intensive work is being carried out by the Ministry of Energy and Water, which hopefully will mobilize the population and make them aware of the need for the judicious use of water, how to make it of potable quality, and deal with sanitation and liquid waste.

PRIORITIES FOR ASSISTING DEVELOPMENT: How TO ACCELERATE THE MDGs?

Considerable financial investment is needed too restore and extend water supply systems, to install water treatment stations (ETA) and to increase the number of boreholes (thus providing greater access to potable water in the rural areas).

For the development of Municipal Master Plans, in the framework of strengthening of institutional capacity, as well as the implementation of some vital projects, the support and assistance provided by specific United Nations agencies, the international community, private initiatives and local communities are of great importance. The international community is urged to undertake the necessary studies with a view to ensuring the development of public-private partnerships, guided by principles of the protection of the poor.

TARGET 11: By 2020, TO HAVE ACHIEVED A SIGNIFICANT IMPROVEMENT IN THE LIVES OF AT LEAST 100 MILLION SLUM DWELLERS

Analysis and Trends

The majority of households in Angola, both in the urban and rural areas, continue to lack adequate housing. The high costs of construction materials as well as clandestine transactions of houses and rented accommodation are amongst the main problems in the housing sector. While the supply of new houses has not changed and existing houses have not received adequate maintenance, the urban population and the average number of individuals per room has been growing. Data on Luanda indicates that, in 2000, one would find more than four individuals per bedroom in 43% of the conventional and traditional houses, mostly inhabited by lower income families.

The resort to the building of shacks in suburban areas, or even in urban ones, as a consequence of the migration process, created unsustainable conditions with regard to urban standards, and resulted in the impoverishment of the population, deterioration of hygiene and sanitation, accumulation of waste, and a lack of potable water, electricity and sanitation services.

CHALLENGES AND POLICY RESPONSE

Though efforts in resettling the displaced population have contributed to alleviating the congestion in the urban areas, a large proportion of the population that migrated to these areas, in particular to Luanda, have remained there. This population growth raises the challenges posed to housing policy.

The reinforcement of the institutional capacity of the Ministry of Urban Planning and Environment, through the National Housing Institute, with regard to control and coordination of housing projects, should be given special attention. The elaboration of a housing plan is absolutely essential.

The reinforcement of the legal framework and the implementation of adequate planning and management in the housing sector are also essential. These should introduce measures such as promoting the construction of low cost houses or providing incentives to that end; encouraging people to build their own homes, as a way of allowing civil society to take part in the solution of its own housing problems; making the Housing

Fund operational so as to facilitate access to credit for the needy; supporting the construction material industry, with emphasis on the rehabilitation of brick and cement factories; and encouraging the up-grading of suburban areas and degraded dwellings.

In the context of the National Decentralization Strategy, urban planning should play a key role in creating a growth dynamic in provincial cities.

The housing sector has potential to create value-added and employment opportunities, and in that respect the country needs a strong construction drive. Financing will be a constraint due to the magnitude of the need to rebuild the basic infrastructure of a properly planned urban settlement, with appropriate water, electricity, sanitation networks and other social services.

Priorities for Assisting Development: How to Accelerate the MDGs?

Government resources will never be sufficient to meet the demand throughout the territory. It is necessary to reduce or remove the burden of individual housing development from the State's responsibility and leave the Government responsible only for urban infrastructure.

Ambitious financing strategies must be considered, including public-private partnerships. In this respect, an agreement has been signed with Odebrecht, BCI (a local commercial bank), and the International Financial Corporation, in which the IFC availed hard currency to the housing project. In turn the local commercial bank will ensure the delivery of houses to their owners.

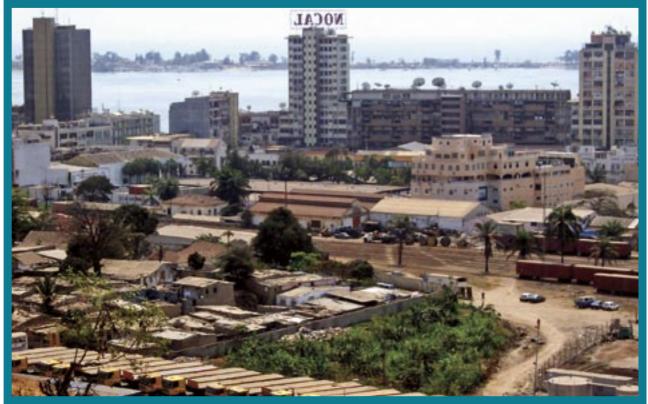
The measures that, at the macro-economic policy level, focus on a reduction in the level of interest rates, are a fundamental requirement to promote housing, since they create better accessibility to credit.

International assistance should be focused on the gathering of statistics, which will allow reliable and ongoing assessment of the evolution of the housing market and therefore contribute to the formulation and adoption of consistent housing policies. This sector is not ready to present a specific program because responsibilities for the execution of housing projects are currently spread amongst different State departments. For this reason it is necessary to reinforce and clarify the institutional role of MINUA in this sector.

The system of land registration (*cadastro*) must be reviewed and the current law regarding land tenure must be complemented by specific legislation that will organize urban property rights and the condominiums and help secure mortgage loans.

⇔GOAL 8 ⇔

DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT



A partial view of downtown Luanda

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes a commitment to good governance, development, and poverty reduction – both nationally and internationally

Analysis and Trends

Angola has been able to comply with various legal, trading and financial system requirements in the process of joining the World Trade Organization as well as other bodies for sub-regional integration. The Government has been able to improve economic governance in several policy areas reviewed under the Poverty Reduction Strategy process. All of these processes have resulted in the preparation and adoption of a policy framework that is more open and non-discriminatory. The transition has moved the country from a centrally planned and socialist type economy to an open economy seeking full integration with the global and regional economic system. Far-reaching liberalization reforms have improved the financial and banking system and the external trade

sector. Import and exchange rate constraints have been largely removed. The banking and financial systems are experiencing rapid expansion. The amount of deposits in national currency doubled in 2003, from 15% to 30% of the total resources, and at the same time the amount of deposits in US dollars has decreased from 85% to 70%. Another indicator of the consolidation of the banking and financial systems is the successful launching of securities by the Central Bank and the treasury. Another sign of the liberalization of the financial system is the opening of new foreign banks.

The commitment to good governance is the most important target for the establishment of a global partnership for Angola's development. In this regard, the existence of conditions for free elections is fundamental in the normalization of the post-war process. With this goal in mind, the National Assembly approved the election regulation package promulgated by the President of the Republic.

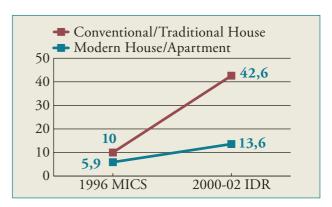
The international community's contribution to the reconstruction process in Angola is being affected by the general tendency towards a decline in development aid. In effect, even though international aid to Angola has increased in absolute terms, it is nevertheless true that the aid provided is below what is required to meet the national reconstruction challenge.

CHALLENGES AND POLICY RESPONSE

The challenge for development partners is to shift their assistance frameworks from humanitarian and emergency aid assistance to development-focused assistance in the social and economic areas. The challenge is therefore both quantitative and qualitative.

In May 2005 the Angolan Council of Ministers approved various protocols seeking to stimulate economic and social development. These are, in particular, the protocol on judiciary affairs that allows for the enforcement and interpretation of the various legal instruments, in compliance with SADC Institutions; and the protocol against corruption which, on a regional level, is a measure that member states have adopted in their fight against corruption. In its May 31, 2005 plenary session, the National Assembly approved a draft law on the payments system of Angola, a necessary instrument in the management of commercial risk. This law will regulate the rights and guarantees of commercial operators in processing debt instruments.

On the commercial level, Angola's access to WTO membership was followed by greater liberalization of external commerce. The customs tariff code was simplified and duties reduced. At the sub-regional



Households in Urban Luanda with Four or More People Per Sleeping Room (%)

level, Angola is preparing for the implementation of the SADC Trade Protocol, which specifies that 85% of the total volume of trade between SADC countries should be tariff free.

Meanwhile, Angola has formed a multi-sector group with a view to enhancing preparedness for conducting negotiations on the Economic Partnership Agreement between the European Union and SADC, under the reviewed agreements of Cotonou (EU/ACP).

In 2004, the Government joined EITI (Extractive Industries Transparency Initiative). As a strong indication of its engagement with this initiative, the Government regularly publishes, on the Ministry of Finance's web site, a report listing its oil income.

Priorities for Assisting Development: How to Accelerate the MDGs?

Two types of priorities can be identified. The first is scaling up international aid in support of Angola's development effort. In this respect, 'good governance', is a *sine qua non* condition. The second is related to the expectation that the international community, on its part, should show adequate commitment, in quantity and in quality, to scale up the level of national reconstruction efforts, in order to facilitate Angola's fair integration into the world commercial and financial systems. For this to happen, a lot more needs to be done.

Material support and international technical assistance to Angolan companies is almost non-existent, outside the extractive sector.

The international community can support the reconstruction effort towards 'economic competitiveness' and capacity building of Angolan companies, which is a prerequisite for the attainment of the goal of sustainable development. Such assistance will help create a dynamic private sector capable of stimulating job creation and ultimately taking charge of the economy.



Target 13: address the special needs of the least developed countries. Includes tariff and quota free access for LDC exports; enhanced program of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction

Analysis and Trends

The diversification of the Angolan economy is fundamental to the fight against poverty and job creation. The oil sector alone cannot contribute greatly to the creation of jobs for the poor. In order to revive the non-oil economy, the Government is intervening with actions that seek to promote and stimulate business activity through institutions such as the National Institute of Support to Small and Medium Enterprises (INAPEM), the Social and Economic Development Fund (FDES) and the National Private Investment Agency (ANIP).

International aid and direct foreign investment (DFI) are important contributors to the process of diversification of Angolan products and exports. According to data provided by the United Nations Conference for Commerce and Development (CNUCED), direct foreign investment flows to Angola were USD 3,505 million in 2003 and 2,084 million in 2004. There are expectations of higher levels of direct foreign invest-

ment in the coming years, both in the oil sector (the exploitation of recently discovered oil fields) as well as more traditional projects in agriculture and industry. Direct foreign investment amounted to USD 250 *per capita* in 2003 and USD 146 *per capita* in 2004.

During 2003, Official Development Aid (ODA) amounted to USD 499 million, of which 48% was awarded to humanitarian assistance and emergency post-war relief for demobilization, reintegration and resettlement of the population. Donor support was immediate and decisive. ODA amounted to USD 35 per capita in 2003.

In 2005, up until July, the total amount of humanitarian aid was USD 25,5 million, of which USD 5,9 million was devoted to combating the Marburg hemorrhagic fever outbreak. With the end of the emergency, the natural tendency will be for a reduction in the volume of ODA reflecting the reduction in humanitarian aid.

In 2003 the World Bank resumed its activities in Angola, through an interim strategy framework in an attempt to support the Government in establishing an enabling environment for absorbing aid and promoting sustainable development.

With the exception of its Economic Management Technical Assistance project, a program directed towards the reinforcement of the macro-economic management capability of the State, World Bank initiatives in Angola continue to deliver emergency and/or humanitarian aid. However, a new project, the Multi-sector Economic Recuperation Program, is in the process of being launched.

Failure to reach an agreement in the negotiations between the International Monetary Fund (IMF) and the Angolan Government has impacted somewhat on the pace of progress towards the Millennium Development Goals in the country. The absence of an agreement between the IMF and Angola has led to an increase of the country's foreign debt, acquired on the international market, and has jeopardized the realization of the Donors Conference, as well as the request for 'The Paris Club' meeting to negotiate Angola's foreign debt.

During the war, UNDP efficiently coordinated humanitarian aid donated to Angola. Soon after the signing of the Peace Agreement in 2002, tremendous effort made possible the resettlement of the population and the gradual return to normal life in rural areas.

In the post-war period, UNDP has supported the Government's efforts in improving governance and management of the country's natural resources, with particular emphasis on oil, effectively directing the use of such resources to obtain economic development goals and improve the quality of social services.

The United Nations World Food Program (WFP), has received a donation of USD 1 million from the Japanese Government to finance the school feeding program (school snack) which reaches 130,000 children, and to conduct HIV/AIDS awareness campaigns. By the end of 2005 WFP expects to reach 200,000 children. WFP is supporting 120,000 adults in work for food programs.

In order to attend to children's needs in Angola, UNICEF will invest, this year, about USD 25 million, against the USD 30 million invested last year.

FAO program activities in Angola, in the period in analysis, are being carried out in two main areas: emergency and transition to development activities, and activities linked to institutional capacity building and production support, a development approach.

The African Development Bank signed, in August 2005, with the Government, an assistance framework budgeted at USD 47 million for the period 2005-08.

For the period 2002-07, the European Commission budgeted an amount of EUR 210 million, of which EUR 146 million is destined for emergency and disaster situations.

The FED (European Development Fund) has allocated a total of EUR 64 million.



Luanda Port. Angola remains highly dependent on imports

CHALLENGES AND POLICY RESPONSE

The big challenge is to increase production in non-extractive industries with the aim of generating employment and reducing dependence on oil and diamonds. Considering the magnitude of the required investments, international aid and cooperation are crucial for developing a competitive Angolan economy, in general, and its indispensable social capital, in particular.

The country does not yet offer a favorable environment for national and international private investment. Indeed, the time required to start-up a new business, to draw up a new contract and to register an enterprise continues to be long. However, the private investment law, besides intending to reduce bureaucracy, also facilitates legal processes as well as offering a series of guarantees to the private investor, such as the repatriation of capital.

The legislation in the private sector, which provides a level playing field for national and foreign investors, demonstrates a serious and determined effort by the Government to develop an open and dynamic economy.

ANIP (the National Agency for Private Investment) and GUE (the *Guichet Único da Empresa*), structures which provide a 'one-stop shop', have been created with the aim of accelerating procedures related to the establishment and financing of businesses.

The Regional Indicative Strategic Development Plan (RISDP), approved in August 2003, at the SADC Heads of State and Government Summit in Dar-es-Salaam (Tanzania), represents a platform under which the countries of this region carry out plans to enhance their economic integration with a view to establishing sustainable development. This plan lays down goals and targets to be achieved in the next 15 years, and these are in line with the MDGs.

Priorities for Assisting Development: How to Accelerate the MDGs?

The priority action for the Government and the international community, in the first stage, should be economic reconstruction (structural and infrastructural). In the second stage it should work at enhancing the national economy's competitiveness, a fundamental prerequisite for the sustainability of economic and human development in the country. The development of social capital as a way of improving the business climate should be an equal priority.

Further ensuring that Angola belongs to the mainstream of nations, both at a regional level and with bilateral and multilateral agencies (particularly the normalization and development of relationships with the Bretton Woods Institutions) constitutes an essential factor for economic and social development.

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Analysis and Trends

The Government has benefited from the support of international institutions (CNUCED, the IMF) for capacity building in external debt management.

In 2004, foreign debt amounted to USD 7,9 thousand million. USD 4,199 thousand million of this was loaned by banks and companies and USD 4,324 thousand million was official bilateral debt. Multilateral debt is just USD 365 million. The debt/GDP ratio decreased from 66,7% in 2003 to 48,1 % in 2004, according to recent estimates.

CHALLENGES AND POLICY RESPONSE

There is a trend towards the sustainability of debt in the medium to long-term. Compared to exports, debt service represented 21% in 2004, down from 41% in 2001. However, this level is still high as it diverts significant resources from development priorities. Further effort and negotiation is needed to attain a level of debt compatible with the pursuit of the MDGs.

The main challenge presented by this target is to negotiate more favorable conditions for the repayment of debt incurred during the war. For this to be possible, the organization of the Donors Conference and a Paris Club creditors meeting is vital.

The growth and diversification of exports, as well as adequate management of resources, will be decisive factors for a sustained reduction of foreign debt.

Since 2000, under its reform program, the Angolan Government has been trying to negotiate, with no success, a global agreement with international organizations regarding its debt. The Government opted for negotiating directly with creditor countries. As a result, a reduction of its debt to Russia, Portugal, Poland, Hungary and Germany of a total of KZ 107 billion, equivalent to USD 1,3 billion, was accomplished.

It is clear that, in contrast to the period 2002 to 2003 when debt was contracted to finance the fiscal deficit, in 2004, the main reason for contracting new debt was fresh investment in infrastructure and reconstruction. This is a positive indication, a direct consequence of

the political and military peace, and it signals a new realignment of Government action.

PRIORITIES FOR ASSISTING DEVELOPMENT: How TO ACCELERATE THE MDGs?

Besides gaining access to external financial resources, another priority is to obtain assistance for strengthening the country's capacity to negotiate foreign debt with its different creditors. In addition, national and international measures will have to be implemented to make the debt sustainable in the longer term. At national level, measures will include the strengthening of the Government's team, especially at the BNA level, when negotiating with creditors. The Paris Club meeting for debt renegotiation cannot be delayed any longer, and nor can the proposed Donors' Conference.

Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

Analysis and Trends

The unemployment rate amongst young people aged 15 to 24 years is estimated at 37%. It is therefore essential to invest in the training of young Angolans, to ensure an adequate labor force and to increase the structural competitiveness and productivity of the Angolan economy. Efforts at reconstructing the Angolan economy will, in its first stages, be highly labor-intensive, so that a reduction of unemployment will be attained. However, this fact should not compromise the country's future challenges, by deviating youngsters of school-going age from acquiring an educational background suited for meeting these challenges.

CHALLENGES AND POLICY RESPONSE

The challenges the Angolan Government has to face in the creation of productive jobs are enormous, considering the very high percentage of young people in the country.

At present, of the estimated population of about 16,5 million inhabitants, 60% are under 20 years old.

In the next decades the number of youths will double. The Government and its partners should work actively to ensure that Angolan youths are educated. This means conditions must be created for each and every young Angolan to have access to education, so that they can competently contribute to the structural competitiveness of the future Angolan economy.

The Government has signed a Financial Convention with the commercial banks BPC and Banco Sol to finance microcredit operations and provide credit, totaling USD 10 million. The goal is to promote employment and develop income-generating models, particularly for young and female heads of households. Professions contemplated are teaching, nursing, farming and other equally important occupations. Mortgages will be provided at a preferential rate of interest. Also important is the expansion of vocational training centers and science and technology schools, which will provide youngsters with vocational training that will allow them to acquire more relevant skills and so be better prepared for the employment market.

Priorities for Assisting Development: How to Accelerate the MDGs?

The priority will be the definition and implementation of a youth policy. It will also be necessary to regulate activities relating to higher education. It is critical to institute technological training, which is not currently available. It is imperative to develop an active policy of building competencies for the future, and ensuring access to education and training, which are indispensable for a qualified and adequate labor force.

Target 17: In cooperation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries

Analysis and Trends

The percentage of the population with access to essential medication, on a sustainable basis, is extremely small. Presently, according to WHO, only a small section of the population has access to essential medicines.

In the nineties, a project was created with the support of the African Development Bank to produce essential medication in three production units located in Malange, Luanda and Benguela but their operations have since been discontinued. The total investment was USD 32 million.

CHALLENGES AND POLICY RESPONSE

The aim is to make affordable, quality medication available. This will involve rehabilitating the above-mentioned facilities and making them operational. Presently, the Government is restructuring pharmaceutical units and planning the publication

of new legislation on trading and distribution of medicines.

PRIORITIES FOR ASSISTING DEVELOPMENT: How TO ACCELERATE THE MDGs?

There is a need to reinforce awareness campaigns on the acquisition, use and preservation of medicines. The international community should supplement aid for the purchase of essential medication for the fight against the main diseases in Angola, such as malaria and HIV/AIDS.

TARGET 18: IN COOPERATION WITH THE PRIVATE SECTOR, MAKE AVAILABLE THE BENEFITS OF NEW TECHNOLOGIES, ESPECIALLY INFORMATION AND COMMUNICATIONS

Analysis and Trends

The Government, in August 2005, signed a law that establishes conditions for the improvement of the information sector in Angola.

In 2001, as a result of an analysis which revealed as main causes for the slow development of the country's communications the lack of financial resources for the modernization and reinstallation of infrastructure, the low numbers of qualified staff, and serious

obstacles resulting from external factors to the sector, the Government elaborated 'The White Book of the Development of Telecommunications', to be implemented within a four year period, with a view to enhancing universal access for citizens.

CHALLENGES AND POLICY RESPONSE

The great challenge is the consolidation of the communications liberalization process, under the new legislation for the sector, allowing many more operators to enter the market.

Another challenge is the creation of a Master Plan for the use of new technologies in Angola with the goal of improving the level of communication and information in the country.

Modernizing communications in Angola is an urgent priority.

Priorities for Assisting Development: How to Accelerate the MDGs?

The process of modernization and liberalization of the information technology sector, and the development of telecommunications in particular, will be essential to having a knowledgeable and informed society. The mobilization of foreign investment in this sector will be vital.



A public administration office equipped with computers