The Angola Monitor covers the politics, economics, development, democracy and human rights of Angola. It is published quarterly by Action for Southern Africa (ACTSA).

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This issue is also available in Portuguese.

We welcome readers’ responses to the Angola Monitor. Please send your comments to info@actsa.org. For more news and information on Angola and southern Africa visit the ACTSA website www.actsa.org.

### State of the Nation

President dos Santos gave his annual State of the Nation address to the House of Assembly on 15 October. His main focus was on the democratic institutions, the recent census, the strength of the economy and need for diversification, poverty eradication and the long awaited local elections.

He said that Angola is a peaceful and stable country and spoke of progress in parliament, pointing to more frequent political debate and more legislation as evidence of stronger political institutions. Whilst debate has become more frequent, this can probably be attributed to closer collaboration between previously fractured opposition parties, which occupy 45 of the 220 seats in the Assembly.

### Census figures announced

A large part of the speech was dedicated to the census, which took place in May. The results indicate that the population has grown from 6 million, when the last census was taken in 1970, to 24.3 million today; significantly higher than the World Bank estimate of 21 million. Luanda, as expected, is by far the most populous province with 26.7 per cent of the population (6.5 million). Many moved to the capital during the war to seek safety and have remained there, and it has continued to grow dramatically. Huila Province has 10 per cent of the population, Huambo and Benguela each have 8 per cent, Kwanza Sul 7 per cent and Uige and Bie have 6 per cent. The least populous provinces of Bengo, Kwanza Norte, Namibe, Zaire, Cuando Cubango and Lunda-Sul share 6 per cent of the population between them. 52 per cent of the population are female.

The President did not say when the full results would be available, but the National Statistics Agency (INE) have previously said they would be released within 18 months of the census.
Local government elections delayed
The President also spoke at length about the long awaited local government elections. Originally expected in 2013/14, they have been subject to numerous delays. For some time the government argued that local elections could not take place without adequate census data. Following the census Adão de Almeida, vice minister for institutional and electoral affairs, said that clear and robust systems would need to be put in place before local elections were held, and that government was following a gradual approach. This was reaffirmed in the State of the Nation address.

The President said seven steps would need to take place before local elections can be held. These include the allocation of financial and technical resources, including a new funding model, drawing of boundaries, establishing new bodies responsible for local government, a new system of elections and legislative reform. His main message was that this will take a long time.

It is now unlikely that local government elections will take place until some time after the next general election, expected in 2017. Opposition parties are concerned that the local elections are being delayed as the MPLA is worried about losing power, particularly in a number of urban areas, where its share of the vote decreased in the 2012 elections.

Falling oil prices reduce public spending
President dos Santos also used his speech to warn that new measures were needed to cut public expenditure. The global decrease in oil prices has hit Angola particularly hard, as oil accounts for more than 90 per cent of total exports. The budget assumed that oil would sell for $98 per barrel. In reality this has declined to $80 per barrel.

This reduction in income will affect the 2015 budget as well as the implementation of the National Development Plan (PND). Although most major infrastructure projects remain on track, the President said that the plan to build 63,000 classrooms and train more than 126,000 teachers will now be implemented over 5-10 years, instead of three.

The government does expect to offset a small proportion of the budget deficit through its plans to diversify the economy and reduce its reliance on oil. The President restated his plans to improve trade routes, telecommunications, power and access to water. He also spoke about the reduction in poverty, increase in life expectancy and improvements in education since the war ended in 2002.

Angola elected to UN Security Council
The United Nations General Assembly has elected Angola as a non-permanent member of its Security Council. Angola will begin its two year term beginning on 1 January 2015, occupying the only seat on the Council reserved for the African continent (currently held by Rwanda).

Despite being uncontested, the Angolan government ran a high profile campaign to seek election. It very publicly sought the support of visiting officials and ambassadors and promoted each endorsement in the Angolan media.

Angola has been keen to raise its global profile, and that of President dos Santos. In addition to conducting numerous international visits, Angola currently holds the chair of the Conference of the Great Lakes and is vice chair of the Kimberley Process (international diamond certification scheme).

Philippe Bolopion, Human Rights Watch’s UN Director said "The Security Council's new membership could prove more problematic on human rights issues, with several generally rights-friendly countries leaving and others coming on board with poor voting records…This is particularly true of Venezuela, which has consistently challenged protection efforts at the Human Rights Council, but also of Angola and Malaysia."
Luanda gets new governor
Graciano Francisco Domingos has been appointed as Luanda’s latest governor by President dos Santos, replacing Bento Joaquim Sebastião Francisco Bento.

The new governor, who was appointed in early September, is the fourth to take on the role in six years. He is a lawyer and a former vice minister, with significant experience in local government. He will face many challenges in his role dealing with the capital's high level of poverty, unemployment, overcrowding and poor sanitation.

The President gave no public explanation for Bento Bento’s departure from the role, but disagreements with other key figures in the city’s administration are rumoured to have influenced the decision.

Following the new governor’s appointment President dos Santos announced the formation of a new inter ministerial commission to look at planning, public services and administration in the capital. The group have been given 90 days to present their findings to the President.

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Economic news

Angola set to become largest oil producer in sub Saharan Africa
The International Energy Agency (IEA) has predicted that Angola will overtake Nigeria and become sub-Saharan Africa’s largest oil producer in 2016, and is likely to remain at the top until the mid 2020s.

The prediction comes despite Angola experiencing a decline in production, due to a series of technical challenges, and a two year delay until the country reaches its desired production target of two million barrels a day.

Nigeria is facing significant challenges in its oil industry, with estimates that oil losses run at 150,000 barrels per day. Instability in the Niger Delta and delays to the Petroleum Industry Bill are also understood to be having an impact on production.

US regulator may bring charges over alleged oil corruption
The US Securities and Exchange Commission announced at the beginning of August that it had issued a Wells Notice, indicating that it could bring charges against Texas based Cobalt International Energy, over its operations in Angola.

The notice follows a three year investigation into Cobalt over allegations made by Rafael Marques de Morais, an anti-corruption activist, that it partnered with Nazaki Oil and Gaz, which is claimed to be a shell company owned by high ranking Angolan officials.

Anti corruption watchdog Global Witness has also raised concerns about ‘social payments’ made by international oil companies in Angola. Global Witness alleges that Statoil, BP and Cobalt are paying over US$350 million towards a research centre which doesn't yet exist, as part of their contracts for Block 20. They are concerned that the money could have been misappropriated. The oil companies claim they are not responsible for money once it is paid to state oil company Sonangol.

Simon Taylor, director of Global Witness said “In the U.S. BP and a handful of other big oil companies are lobbying to weaken transparency rules that would enable citizens to effectively ‘follow the money’ from natural resource deals in African countries. Meanwhile many resource-rich countries including Angola are still failing to adequately disclose where billions of dollars are going from oil revenues paid by these companies.”
Government reduce fuel subsidies
The government raised fuel prices at the end of September in an effort to reduce fuel subsidies. The price increase, which has been under consideration for some time, follows a visit by Naoyuki Shinohara, a deputy managing director at the IMF, who have been vocal in their calls on the Angolan government to cut its subsidy spending. The budget deficit, caused in part by the global fall in oil prices, is also likely to be a contributing factor.

The price of diesel has increased from 40 to 50 US cents per litre, petrol from 62 to 75 cents and kerosene from 26 to 35 cents. Whilst prices remain comparatively low, the increase in price will hit Angola’s poorest populations hardest.

Major Telecommunication upgrade announced
Angola’s largest mobile phone company Unitel announced in September that it has entered a US$1.9bn contract with the government’s investment agency (ANIP) to expand Angola’s fibre-optic and 4G networks across the country, over the next ten years. It is estimated that the development will generate 850 direct and 11,000 indirect jobs.

Unitel, which is 25 per cent owned by the President’s daughter, Isabel dos Santos, has expanded rapidly in recent years to dominate the market. Since 2012 4G services have been limited to Cabinda, installed by mobile phone company Movicel in 2012, primarily to serve the oil industry.

The roll out of improved communication technology is expected to have a positive impact on the economy in the long term, encouraging foreign investment.

National airline TAAG enters partnership with Emirates
Angola has handed over the management of its national airline TAAG to the United Arab Emirates (UAE) airline Emirates, for the next ten years. The deal, which was announced at the end of September will see Emirates providing four senior managers to develop a new business plan to expand the airline and help it overcome its debt problems.

TAAG has received significant investment since it was banned from flying to the EU in 2007 over safety fears. Planes and management have been replaced since then and flights have been resumed to Portugal, but it is believed that there is room for expansion.

This is the first major collaboration between the UAE and Angola. The gulf state is keen to build its business interests in Africa this could mark the beginning of a longer term relationship between the two countries.

Government bond rating upgraded
Moody’s Investment Services upgraded Angola’s bond rating and outlook in August, potentially improving the country’s opportunities to access credit. The improved rating surprised some economists in light of Angola’s increasing budget deficit, lower oil and agricultural output and the global decline in oil prices.

Amnesty International accuse government of demonstration ban
In November Amnesty International released a new report ‘Punishing Dissent: Freedom of Association, Assembly and Expression in Angola’. It catalogues at least 30 peaceful demonstrations which have taken place since early 2011 and the hostile response of the state towards demonstrators. It concludes that “the actions of the Angolan authorities against demonstrators in the country since March 2011
amounts to an effective ban on all anti-government demonstrations in the country.” It adds that “the authorities have responded to anti government demonstrations in a way that violates the rights of freedom of association, assembly and expression, as well as the right to participate in the conduct of State affairs.”

A number of peaceful protests have taken place, primarily in Luanda, for a variety of reasons including, against the 32 year rule of President dos Santos, against forced evictions, the treatment of female informal traders by security forces, enforced disappearances of protestors, the costs of tertiary education, access to services, and the distribution of resources. The report accuses the authorities of refusing permission for peaceful demonstrations to take place, even when organisers have fully complied with the law, and using politically motivated criminal charges and unfair trials against protestors. It criticises the police for carrying out arbitrary arrests and detentions, using excessive and unnecessary force, including firearms against demonstrators, and failing to intervene to protect demonstrators from third parties.

Whilst Angola’s constitution allows for peaceful demonstrations, Angola has a number of laws which are incompatible with the country’s international human rights obligations, or are so vague that they are open to abuse by the authorities. The report calls on the President, government and others to put in place steps to protect freedom of association, assembly and expression. The full report can be read at: http://www.amnesty.org/en/library/info/AFR12/004/2014/en

Final refugees returning to Angola
The United Nations began the final major voluntary programme to return Angolan refugees, living in the Democratic Republic of Congo, back to Angola. About 29,000 people are involved in the current resettlement programme, following 76,000 others who have already returned to Angola under the scheme.

Some of the refugees involved have lived in the DRC since 1962, when they fled the brutality of the Portuguese colonisers, in the battle for independence. Others moved to the DRC during the civil wars, between 1975 and 2002.

Approximately 48,000 Angolan refugees live in the DRC, of which 18,000 are expected to remain. Their refugee status was terminated in 2012, 10 years after the war ended. The repatriation efforts are expected to last until 2016.

NGOs call on SADC to address human rights violations
Human Rights Watch, Zimbabwe Lawyers for Human Rights and Amnesty International have called upon SADC to encourage its member on governments to comply with human rights laws. The human rights organisations made their demand on the eve of the SADC 34th heads of state summit in Zimbabwe in August. They accused the Angolan government of increasingly restricting freedom of expression, assembly and media freedom as well as pursuing criminal defamation lawsuits against outspoken journalists and activists, while using excessive force, arbitrary arrests, and intimidation to prevent peaceful anti-government protests, strikes, and other gatherings. They also accused the government of limiting the media, encouraging self censorship and introducing restrictive laws against a free press.

Government claims it respects free speech and the right to protest
The Angolan government appeared before the United Nations periodic review of human rights at the end of October, where its human rights record came under scrutiny. This is the second time that Angola has been through a universal periodic review. State media reported the meeting positively saying “Angola passed the human rights test”.

Rui Mangueira, Minister of Justice and Human Rights said that Angola is upholding the laws guaranteeing freedom of expression, assembly, and the press. He stated the government has not closed any media outlet nor imprisoned any journalist. He argued that “There is diversity in editorial media in
Angola and we have been making efforts to improve what is currently set. Very soon, the State will work for the approval of a new law on the mass media,"

In reality Angola's media is highly restricted and is mostly owned by the state, MPLA officials and their families. A number of journalists who have exposed corruption and human rights abuses have had legal cases taken against them.

The minister’s claims that there was full support for the rights to expression, assembly and a free press, is at odds with numerous civil society reports of government and police crack downs on opposition protests, including the Amnesty International report above.

**Redevelopment of Angola’s largest railway complete**

The restoration of Angola’s Caminho de Ferro de Benguela (CFB), the country’s longest railway has been completed, and it is expected to be fully operational by the end of 2014. The China Railway Construction company, one of China’s biggest construction companies, has been working on the 100 year old line, which stretches from the port of Lobito in the south of the country to Angola’s eastern border with the DRC. It has 67 stations along the 1,344 km route. It is hoped that the line will be linked with the railway system in the DRC, allowing an easier flow of goods from the DRC to the coast. The development should also increase trade for inland agricultural areas. Despite the railway providing a boost for the economy, there are already concerns about the sustainability of the line, and the possibility of privatisation is being floated.

**European Union invests 20 million Euros in landmine clearing**

The EU has announced it will spend 20 million Euros on landmine clearance programmes all over Angola. Rita Riba, head of the National Multi-sector Demining and Humanitarian Assistance Commission (CNIDA), said that 16 million will be used for demining, and 4 million will be spent on technical assistance, audit and evaluation. The demining will be conducted by four national and five foreign NGOs who will be selected through a public tender.

Many areas of Angola continue to be affected by unexploded landmines, presenting a danger to communities and preventing farming on prime areas of agricultural land.

**Drought response receives support from Japan**

The Government of Japan has announced that it will contribute US$ 1.2 million to support efforts in response to the drought in southern Angola, which has affected about 1.8 million people since 2012. The aid contribution, which was announced by Yoshiko Miura, the secretary of the Japanese Embassy to Angola, at the beginning of September, will be channelled through UNICEF and focus on nutrition, health, protection and access to drinking water.

At the end of September Marcelino Tyipinge, the governor of Huila, announced that three hydraulic dams will be built in Gambos, Chibia and Lubango, in order to retain water and better fight drought in the areas. The US$ 25 million project is expected to relieve human, livestock and agricultural demands.

*The articles in the Angola Monitor do not necessarily represent any agreed position of ACTSA itself.*