
Angola Monitor

Issue 4/13

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

This issue covers strains in the relationship with Portugal, speculation on the President's health, Angola to be classed as a middle income country by 2018, two reports on the use of and lack of transparency on oil revenues, protestors arrested and alleged human rights abuses of prisoners and informal street vendors, and a new report on rural vulnerability adaptation and climate change.

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.

Political news

Portuguese government apologise for investigations

Portugal's minister for foreign affairs, Rui Machete has told Rádio Nacional de Angola that his government has apologised for investigations by Portugal's attorney general into Angola's vice president Manuel Vicente, attorney general Joao Maria de Sousa, president of the Banco Privado do Atlântico Carlos Silva and some of the president's children. The investigations are understood to be into allegations of money laundering and fraud.

The state owned Jornal de Angola has described the investigations as illegal and an insult to Angola, whereas Portugal's attorney general's office have denied discussing the matter with the minister, and some in opposition parties have called for the minister's resignation.

Angola to end strategic partnership with Portugal?

President dos Santos hit out at Portugal in his annual state of the nation address on 15 October. He said that Angola had good relations all over the world "But with Portugal, unfortunately things are not going well. There have been misunderstandings at the highest level of state and the current political climate does not advise the implementation of the strategic partnership."

In a possible reference to the investigations above, the President complained that despite investing huge sums in Europe, Angolan investors were accused of corruption. "In the battle against corruption, the anti-corruption organisations in the West are deliberately creating misunderstandings in order to intimidate Africans who are generating wealth and who want to get access to it. They are creating the general impression that a rich African is invariably a corrupt one." The minister for external relations, Georges Chikoti denied that the President's comments were linked to the investigation "We don't intervene in any Portuguese political issues," he said.

As well as being a major investor in Portuguese businesses, Angola has become an important export market for Portugal. In 2012 seven per cent of Portuguese exports were sold to Angola. Portugal seems to be trying to salvage this important and growing export market.

State of the nation speech promotes peace and stability

President dos Santos used his speech to open the second session of the third legislative term of the National Assembly to promote peace and stability in the country and a better future with prosperity for all. He warned that the government anticipated a 0.2 per cent reduction in gross domestic product. The state of the nation speech also highlighted development of the private business sector; the need to develop

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the education sector and implement the national job plan, particularly for youth; development of the health sector including expansion, implementation of the national sanitary development plan and staff development, and achievements in sport.

President's health and succession speculation

President dos Santos' latest visit to Barcelona has reignited the presidential succession debate, with speculation that he is suffering from serious health problems or that he is giving the vice president a trial run. The President made the private visit to Barcelona on 26 June, where he is believed to have stayed until 8 August, when he travelled to the Gulf of Guinea Commission heads of state summit. Whilst it is not unusual for the President to be out of the public eye for long periods, he is believed to have previously visited Barcelona for medical care.

On 8th August a government spokesperson explained that the President had been away for longer than expected due to repairs being carried out at the presidential palace, but UNITA's Raul Dando told parliament "We know that he travelled to Spain for health reasons. We wish he gets better soon. But [weeks] on we do not know anything because there is no culture of informing people on his health condition."

During the President's absence vice president Manuel Vicente made repeated television appearances, gave speeches and attended public events, furthering the rumours that he is being lined up to take over from President dos Santos, and the absence was an opportunity to win over his critics. However, President dos Santos is yet to make any real hints as to who he would like to be his eventual successor. There is still some speculation that his eldest son Jose Filomeno dos Santos, who became chair of Angola's sovereign wealth fund in June, is his chosen successor, but he remains outside the MPLA's powerful central committee. After 34 years in office and no public hints of his succession plan, this is a debate that is likely to continue for some time to come.

UNITA youth leader suspended

Mfuka Mfuakaka Muzemba, secretary general of UNITA's youth wing has been suspended by the party's standing commission for a period of 24 months over allegations of corruption. Mr. Muzemba, who has held the role since July 2010, has been accused of accepting bribes from the MPLA, to discourage participation in anti government protests and for using UNITA resources to apply for visas in exchange for cash. He denies the charges.

UNITA's former secretary general Abilio Kamalata Numa, a supporter of Mr Muzemba, has criticised the suspension and has called for UNITA leader Isias Samakuva to consider a transition process, sparking rumours that he will stand for the leadership of the party at its 2015 congress.

New British ambassador appointed

John Dennis has been appointed as British ambassador to Angola. He will succeed Richard Wildash, taking up his appointment in February 2014. Mr. Dennis has worked on African, Asian and commercial affairs since starting at the FCO in 1981, including as head of southern and central Africa and head of the Zimbabwe Unit.

Britain is keen to develop its trade links with Angola. In October the British Prime Minister's Special Trade Envoy, Lord Jonathan Marland, took a 22 person trade delegation to Angola to help implement the high level partnership launched by Mark Simmonds, the UK's Minister for Africa, in July. The aim of the partnership is to increase investment and trade.

Economic and Business news

Angola to become middle income country

Angola is to lose its classification as a Least Developed Country (LDC), and is expected to move to Middle Income Country (MIC) status by 2018. The country has been classified as an LDC since 1994, under the system which measures poverty, economic vulnerability and human resource weakness, but its GDP per capita is now US\$4,422, significantly higher than the US\$1,190 threshold usually required to leave the scheme.

Angola has seen significant economic growth in recent years with its GDP growing at an average rate of 11.25 per cent between 2000 to 2010. This has been largely down to petroleum exports, and critics say little has been done to reduce poverty and create jobs.

LDC status brings with it a number of support measures including trade preferences, debt relief, development financing and technical assistance. Its graduation to MIC will allow it to access new lines of credit.

At the end of July the UN Conference on Trade and Development held a workshop in Luanda for government and representatives of business, civil society and academia to assist with the transition from LDC to MIC status.

Government promises to invest in utilities

Energy minister Joao Baptista Borges has made a pledge to invest US\$23bn in power generation and reforms to Angola's utility companies. The pledge made at the end of September, repeats earlier commitments made by the government in 2010 and 2012. Many businesses in Angola rely on diesel generators due to frequent power outages. At the end of August the government also suggested they were likely to grant a concession to a private company to manage the distribution of water in some urban areas.

Government seeks to regulate informal economy

Angola's government is taking steps to formalise the country's retail and service sectors to increase and regulate domestic production, increase tax revenues and decrease reliance on the oil industry. Efforts are also being made to promote domestically produced food and goods, with new import duties applying from the beginning of 2014, and an increase in inspections by the government's National Institute for the Defence of the Consumer, cracking down on the sale of products with non Portuguese labelling.

Street vendors are likely to be affected by the initiative. Many have been selling products illegally in Luanda since the closure of Roque Santeiro market in the city in 2010. The government plans to regulate the vendors, giving them all identification badges.

Angola's strong growth and retail underdevelopment has also attracted a number of foreign retailers to invest in the country. South Africa's Spar supermarket will open a branch in Luanda in the first quarter of 2014 and is expected to follow with other branches. Massmart announced in August that it would be opening a store in the country. Shoprite, which has three stores in Angola, plans to open another 21 over the next three to four years.

Sonangol announces auction of onshore oil blocks

State oil company Sonangol announced at the beginning of October that it would open a new licensing round for ten onshore oil blocks in the Kwanza Basin and Lower Congo Basin. Tenders are likely to begin before the end of 2013 and be awarded early in 2014. Most of Angola's oil exploration until now has been offshore. Bid values are unlikely to be made public, which could contravene recently adopted disclosure legislation in the USA and European Union.

Angola to build refinery in UAE

Dubai's Supreme Council of Energy has entered into an agreement with China Sonangol to build a refinery to help meet domestic fuel demands. China Sonangol is a joint venture between Angola's state oil company and the China International Fund. The plan has led to speculation that Angola will sell its crude oil directly to the plant, potentially raising substantial revenue for Sonangol and the treasury. A timetable for the scheme is yet to be announced.

Two reports shine spotlight on oil industry

Two major research reports on Angola's oil industry by the Open Society Initiative for Southern Africa (OSISA) and Global Witness were launched at a conference in the oil rich province of Cabinda at the end of October.

'Angola's Oil Industry Operations' looks at the structure of and weaknesses in the industry, including the lack of transparency, corruption and how oil revenues have failed to benefit the majority of Angolans. The report claims that Angola's oil production drives an enclave economy that enriches wealthy political elites and leaves the masses in dire poverty. It states, "In Angola, people are poor because the country's institutions are dysfunctional and have not provided the needed checks and balances. Corruption is just a symptom of the deeper malady of weak, failed or missing institutions." The report says "Oil revenues, which should be invested in social sectors and in diversifying the economy to support the country's long term sustainable development, are instead reinvested by Sonangol in joint ventures and subsidiary businesses, which benefit just an elite few."

The second report 'Oil Revenues in Angola: Much more information but not enough transparency' focuses on the lack of transparency and accuracy of official government data from the oil industry. "Oil production, exports, domestic sales, prices and above all, revenues are not reliable. None of the figures appear to be independently verified (with the partial exception of Sonangol's accounts, which are audited by an international accounting firm)...The figures from different agencies show numerous gaps, discrepancies and anomalies which are hard to explain, based on the available information. This report does not allege that the figures show evidence of corruption and fraud and it is possible that, with independent verification, at least some of them could be confirmed as accurate. But at present, there are too many problems for the official data to be accepted as reliable or comprehensive." The reports call for detailed, independently verifiable reporting on the industry, independent scrutiny and for the establishment of an independent regulator. Both reports are available at www.osisa.org.

Plans to build new airports

The chief executive of Angola's national airports and air navigation company, Manuel Ceita, has announced plans to build 16 new airports and develop a further 14 in the next three years. He announced the US\$2.2bn investment at an air transport conference in Macau at the beginning of October. In 2011 Angola was ranked 126 out of 139 countries for its air transport infrastructure in the World Economic Forum's travel and tourism competitiveness index.

Sale of external bonds postponed to 2014

Finance minister Armando Manuel has announced that the government's sale of Eurobonds will be delayed again due to unspecified internal factors. This is the third time the sale has been postponed, with earlier delays announced in 2009 and 2011. There is a high level of interest in the scheme, due to the growth of Angola's oil industry. The government had hoped to raise US\$1bn for infrastructure development, following similar schemes in Nigeria, Zambia and Rwanda.

Human rights news

Police crackdown on youth demonstration

Youth protestors and journalists were arrested on 19 September, following attempts to hold a demonstration calling for President dos Santos to stand down, the redistribution of Angola's wealth and the better treatment of street vendors.

National police spokesperson Aristofanes dos Santos made a public television address warning against any protest. He said that the police would "vehemently prevent all acts against public order and security and ...use force if necessary." Amnesty International urged the Angolan authorities to respect and protect the right to freedom of expression and peaceful assembly, ahead of the demonstration.

About 24 protestors gathered in Luanda's Independence Square for the Movimento Jovens Revolucionários de Angola rally. The state responded with up to 2,000 armed officers in riot gear, dog teams and mounted units. Over 20 individuals were arrested and six held overnight. A number appeared in court on the following day on public disorder charges, but were acquitted. They allege that were tortured while in custody. Following the hearing the protestors were again detained and charged for creating public disorder whilst giving interviews to the media outside the court. Three journalists, Alexandre Salombe from the Media Institute of Southern Africa, Coque Mukuta from Voice of America, and Rafael Marques de Morais from Maka Angola were also charged with the same offences. They were later released on bail for US\$15,000.

On 12 September 17 year old Manuel Nito Alves was arrested for criminal defamation against the President for ordering t shirts with slogans critical of the President, likely to be used at the demonstration. According to Human Rights Watch, Manuel Alves was kept in solitary confinement in Luanda Central Prison, denied access to his family and was not allowed to speak to a lawyer in private until 6 October. They have also raised concerns that his detention is illegal under Angolan law, as juveniles should not be held in pre-trial detention. He was the first Angolan to be charged under article 25 of the 2010 state security law. Manuel Nito Alves was conditionally released by the authorities on 8 November. The charge of insulting the Republic or the President of Angola is punishable by up to three years in prison.

The government is clearly concerned about the reaction of Angola's young people to the high levels of poverty and unemployment. Earlier in September President dos Santos addressed 3,000 delegates at a special meeting in Luanda, stressing his commitment to young people and urging them to participate with government and challenge it.

Video exposes abuse of prisoners

Video footage, believed to have been taken in Luanda's Viana Prison was distributed at the end of August, showing prison guards repeatedly beating prisoners. Amnesty International called for an investigation into the matter. The footage shows prison officers and fire fighters kicking prisoners and beating them with sticks and leather straps.

In February 2013 video footage from the same prison showing guards beating prisoners appeared on social media sites. An official investigation followed and the prison director and two guards were dismissed and a further 18 were disciplined. On 27 August the Ministry of the Interior announced a commission of inquiry into the latest case.

Amnesty International's Angola researcher, Muluka-Anne Miti, said "This appalling incident involving apparent ill-treatment of prisoners, the second in under a year, is the latest in an increasingly disturbing pattern of brutal conduct by Angolan prison authorities." Amnesty International also called for criminal proceedings against those involved.

Report exposes abuse of street vendors

Human Rights Watch has accused Angola's police of routinely beating and extorting street vendors, in a report released at the end of September. 'Take That Filth Away: Police Violence Against Street Vendors in Angola', which is based on interviews with 73 street vendors in Luanda, describes how police and government inspectors seize vendors goods, threaten imprisonment, extort bribes and sometimes arrest them during removal operations.

Leslie Lefkow, deputy Africa director at Human Rights Watch said "Every day police viciously beat and rob street traders in plain daylight and no one does anything about it."

Police crackdowns on street vendors have been commonplace since October 2012 when the governor of Luanda announced that street vendors would be removed. It is part of a wider government plan to formalise the economy. The crackdowns have generally involved police officers and government inspectors approaching vendors, confiscating their goods and chasing them off. Many have reported being beaten. Luanda's street vendors are amongst the poorest people living in the capital; many were displaced during the war.

Government signs human rights treaties

Foreign minister Georges Chikoti signed Angola up to six UN conventions, treaties and protocols on safeguarding citizens' political, economic and social rights, at the end of September. The agreements cover the elimination of all forms of racial discrimination, torture and other forms of cruel treatment and degrading punishment, the protection of economic, social and cultural rights, including treaties on the abolition of death penalty and protection of political and civil rights. The foreign minister was in New York with vice president Manuel Vicente to attend the 68th session of the UN General Assembly.

Angola's human rights record to be reviewed in 2014

Angola's performance on human rights is due to be reviewed in 2014, under the Universal Periodic Review (UPR), a process which involves a periodic peer review of the human rights records of all UN member states. The deadline for submission by civil society groups is 1 February. The review is undertaken by the UPR Working Group and forty seven members of the UN Human Rights Council, assisted by a troika of three states drawn by lot. More information is available from the Office of the UN High Commissioner for Refugees www.ohrc.org.

Aid and development news

Government slow to respond to drought

The Angolan government has been criticised for its slow response to the ongoing drought in the south of the country. Poor rainfall over the last three years has particularly affected Cunene, Namibe, Kuando Kubango, Benguela and Huila provinces, affecting approximately 1.8 million people.

Whilst Namibia has declared a drought emergency and appealed for aid, Angola is yet to do so, although it has appointed a commission to respond to the drought, delivered food aid and drilled boreholes. The amounts dispersed have not been confirmed by government.

Cunene has been hit hardest with half of the population, approximately 543,000, affected and almost 1.2m livestock at risk. Malnutrition is affecting a quarter of the population, with almost six per cent with severe acute malnutrition. According to provincial authorities 430 water points are not working, affecting 100,000 people.

The Famine Early Warning Systems Network issued a report at the beginning of November warning that households were likely to be stressed until March 2014. It added that government assistance was

meeting minimum need in the affected areas, suggesting an improvement in the response, with more effective assistance in Cuando Cubango, but some distribution irregularities in Namibe and Cunene.

Evicted families rehoused

Former residents of Cambamba I, an informal settlement in Luanda, evicted in 2004, have started to be rehoused in government built homes on the edge of Luanda. The move comes after seven years of campaigning by organisations including SOS Habitat and Christian Aid.

250 families were moved into their new homes by the beginning of July, with a further 171 families from Cambamba II and Banga We expected to be moved shortly afterwards. The communities were repeatedly targeted for eviction between 2004 and 2006 as the area was assigned for a new development of luxury homes and a shopping centre.

Whilst those affected by the demolitions have finally been rehoused, their new homes are a long distance from jobs and amenities. Rafael Morais, a coordinator from SOS Habitat said "It is with great satisfaction that we received this news, after seven years and a lot of struggle. It is a victory for all of us."

Rural Vulnerability Adaptation and Climate Change in Angola

Millions of small farmers in Angola continue to live in extreme poverty, 11 years after the end of the war says Christian Aid in a new report on rural vulnerability and climate change. The report says subsistence agriculture is more often than not inadequate in terms of providing food security and rainfall shortages have exacerbated vulnerability.

The report looked at five factors affecting rural vulnerability in three areas of central /southern Angola: climate change, agriculture, land rights, environmental degradation and gender inequality.

Its conclusions are:

- There is robust evidence of a trend towards declining rainfall at end agricultural season (March, April, May) and that this is likely to affect crops.
- Access and right to land is fundamental to agriculture and continues to be a threat to poor farmers, although on occasion this has been effectively mitigated through communication and advocacy.
- Environmental degradation affects the most vulnerable the most, and in particular women as they depend more on natural resources. Efforts need to be made towards recognition of the value of 'ecosystems services' to communities.
- Gender analysis and an engendered approach is the key lens through which climate change adaptation should be viewed. Key national climate change adaptation documents do not incorporate gender analysis.

The report concludes that the way forward is Community Based Adaptation (CBA), the use of local and global knowledge about climate change effects with a strong gender focus.

The report is available in English and Portuguese from amenezes@christian-aid.org.

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