



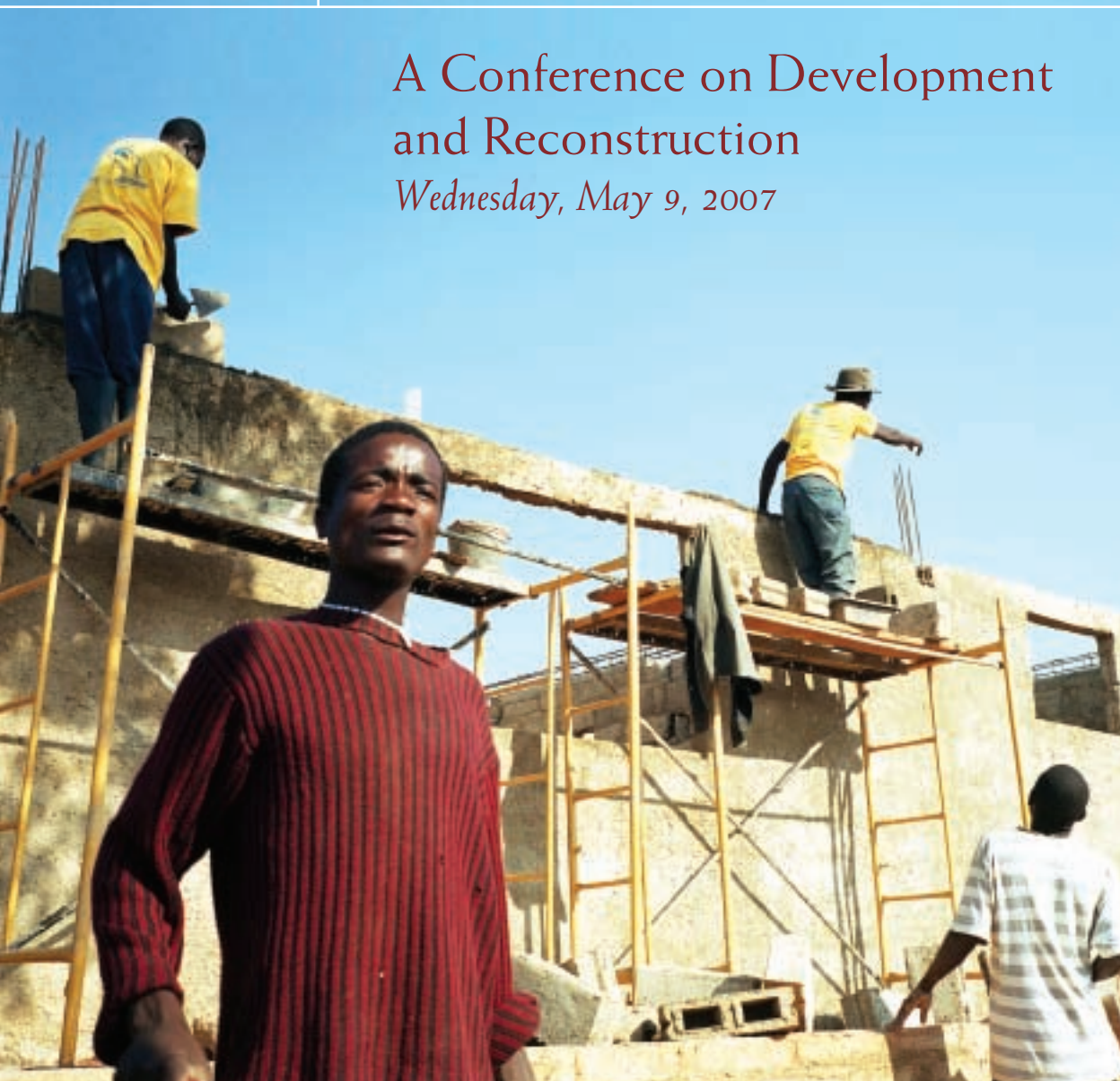
Woodrow Wilson
International Center
for Scholars

Africa Program

ANGOLAN PROGRESS AND PROSPECTS

A Conference on Development
and Reconstruction

Wednesday, May 9, 2007





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Reconstruction

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This conference was made possible thanks to the generous support of its sponsors:

GOLD: Banco de Fomento Angola, BP, Chevron, Exxon-Mobil

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U.S.-ANGOLA CHAMBER OF COMMERCE is an independent, non-profit organization dedicated to the promotion of trade and investment between the United States and Angola. The Chamber was established in 1991 and has a membership of over ninety corporations, associations, interested individuals, and non-profit organizations.

The Chamber believes that Angola has the potential to be one of Africa's most prosperous countries. The Chamber's goal is to put the private sector at the forefront of Angola's development. Trade and investment create jobs and provide many other benefits to the citizens of both Angola and the United States. To promote trade, investment, and Angolan economic development, the Chamber hosts Angolan officials and private sector representatives visiting the United States, assists members in identifying and responding to business opportunities, sponsors trade missions to Angola, and keeps members informed about changes in laws, regulations, policy and economic conditions in both countries through regular meetings of the Angola Working Group, seminars, and lunches.

In 2004, the Chamber opened a semi-permanent office in Luanda to assist in the expansion of membership and services in Angola. By utilizing the services of an in-country representative, the Chamber increased its services by conducting trade missions to Angola, hosting U.S. officials in Angola, expanded contacts in Angola, and assisted U.S. businessmen in Angola.

Last year, the Chamber celebrated 15 years of existence as an organization and looks forward to continuing its active role in the development and reconstruction of Angola.

THE AFRICA PROGRAM was established at the Woodrow Wilson Center for Scholars in 1999 with the generous support of the Ford Foundation.

The program serves as one of Washington, DC's leading forums for informed debate about the multiple challenges and opportunities that face Africa, and about American interests in—and policy toward—the continent. The program serves as a bridge for academics, diplomatic practitioners, policymakers, and members of the private sector, who share a common interest in developing informed and effective policy decisions on Africa.

With the support of the World Bank's Post-Conflict Fund, the Africa Program launched a major capacity-building initiative in Burundi, designed to increase the ability of the country's leadership to advance the post-war transition and economic reconstruction. The strategies and techniques developed in Burundi are now being adapted to conflict and post-conflict situations worldwide. The Africa "Congressional Staff Forum on Africa" series seeks to respond to increased policymaker interest in the African continent. The Africa Program also oversees the Africanist Doctoral Candidate Fellowship Program, supports residential fellows, and works closely with the Center's other projects and programs on cross-regional issues, such as governance, the development of state capacity, crime and corruption, and pressing health and social problems such as the AIDS pandemic.

CONTENTS

4	Acknowledgements
5	Foreword
6	I. Introduction
7	II. Event Summary
16	III. Keynote Addresses
24	IV. Synthesis Table: Progress, Challenges and Prospects in Angola
33	V. Program Agenda

ACKNOWLEDGEMENTS

Angola Day was inspired by Diana Swain, former USAID Mission Director in Angola, and Dennis Flemming of Chevron, who thought it was important to inform a larger audience of what has been happening in Angola since the end of the war in 2002. This report is a product of their original idea.

The principal author of this report is Jennifer Graham, conference rapporteur, with input from Howard Wolpe, Director of the Africa Program at the Woodrow Wilson Center; Paul Hare, Executive Director of the U.S.-Angola Chamber of Commerce; Steve McDonald, Consulting Program Director at the Woodrow Wilson Center; and Roseline Tekeu, Program Assistant at the Woodrow Wilson Center. The report is the culmination of a five-month collaboration between the Woodrow Wilson Center, the U.S.-Angola Chamber of Commerce, the Embassy of Angola to the United States and USAID. It encapsulates the general conclusions of the May 9, 2007 conference. We are especially grateful to all the staff of the Woodrow Wilson Center, the U.S.-Angola Chamber of Commerce and the Embassy of Angola who worked hard to make the event possible: Ambassador Diakité, Paul Hare, Howard Wolpe, Steve McDonald, Maria da Cruz, Roseline Tekeu, Laurinda Santos, Doreen Chi, Natalie Jackson, and Thomas Gilchrist.

The Woodrow Wilson Center, the Embassy of Angola to the United States and the U.S.-Angola Chamber of Commerce are especially grateful to the keynote speakers, Joaquim David, Minister of Industry of the Republic of Angola and Jendayi Frazer, Assistant Secretary of State for African Affairs. We would also like to thank the conference panelists. Finally, we are grateful to the large public audience of interested policymakers, investors, citizens, and press.

FOREWORD

Dear Friends,

This report provides a sketch of one day's activities about Angola at the Woodrow Wilson International Center for Scholars in Washington, DC. It was a great pleasure for me personally to be associated with the planning and execution of what turned out to be a memorable day.

The panel discussions involving five Angolan Vice-Ministers and other distinguished speakers were lively, informative, and objective, highlighting accomplishments over the last five years but also pointing out the formidable challenges that remain. The head of the Angolan delegation, the Minister of Industry, Joaquim David, set the stage with the opening keynote address and the Assistant Secretary of State for African Affairs, Jendayi Frazer, gave an excellent presentation on the state of relations between Angola and the United States. Their full statements are contained in this report.

Beyond the discussions, the day offered an opportunity to meet old friends and to make new ones and, during the coffee breaks, to admire examples of Angolan painting and photography. At the end of the day, a reception featured Angolan delicacies, as well as song and dance by Angolan artists of which we are especially proud. All of the day's events were well attended; indeed, we were over-subscribed and unable to accept all who wished to attend.

I would like to thank all who made this special day possible—the Woodrow Wilson Center, the United States Agency for International Development, the US-Angola Chamber of Commerce, Chevron and our many sponsors. I know that this effort will help to improve understanding and strengthen the bonds of friendship between our two countries.



July 20, 2007
Joséfina Pitra Diakité
Ambassador
Embassy of the Republic of Angola

I. INTRODUCTION

On May 9, 2007, a conference and celebration were held honoring Angola Day. The organizers and supporters were the Africa Program of the Woodrow Wilson International Center for Scholars (WWICS), the Angolan Embassy, the United States Agency for International Development (USAID) and the U.S.-Angola Chamber of Commerce, with further sponsorship by an array of Angolan and international companies. The conference sought to share progress, challenges and opportunities facing Angola, now in its fifth year of peace following a brutal 27-year civil war. The celebratory nature of the event was not limited to the reception and cultural entertainment which took place at the WWICS that day, but also reflected the social, economic and political progress in Angola over these five years. For example, panelists in the conference shared information regarding an ambitious rehabilitation program of social infrastructure, steady economic growth, stabilizing political institutions and improved security conditions. They further cited specific opportunities for partnership with the United States, through international cooperation, private investment and increased trade. Scheduled to hold their first legislative and presidential elections since the end of the civil war in 2002, Angola is poised to become “a model of post-conflict democratic transition, and has the resources—human capital and natural endowments—to be a regional and global leader in world affairs” (Jendayi Frazer, U.S. Assistant Secretary of State for African Affairs).

This report is divided into four sections:

EVENT SUMMARY. A chronological review of Angola Day, highlighting the key points raised by each speaker and panel.

KEYNOTE ADDRESSES. The major speeches of Angolan Minister of Industry Joaquim David and U.S. Assistant Secretary of State for African Affairs, Jendayi Frazer, in their entirety.

SYNTHESIS TABLE OF PROGRESS AND PROSPECTS. A synthesis of the progress, achievements, challenges and opportunities in Angola, broken down by sector.

RESOURCES. A reference section for reports cited during the conference, websites of sponsors, participating organizations and companies, and list of attendees.

II. EVENT SUMMARY

A. Welcoming Remarks

Howard Wolpe, Director of the Africa Program at the Woodrow Wilson International Center for Scholars opened the event by expressing his appreciation to its sponsors, as well as to the staff of the Wilson Center and the Embassy of Angola.

Walter North, Senior Deputy Assistant Administrator of the Africa Bureau, USAID, acknowledged his appreciation for the Wilson Center and the participants in the event, particularly those from the diplomatic community. As the former Mission Director for USAID in Zambia during the war in Angola, he witnessed with pride the support provided by the Agency for the refugees of the conflict. USAID continues to support this key ally and partner of the United States through support to long-term sustainable development.

The Executive Director of the U.S.-Angola Chamber of Commerce, Paul Hare, extended a particular welcome to those coming from Angola for the event, who represented a sampling of the 100 members of the Chamber.

Josefina Diakit , Ambassador of Angola to the United States, echoed Paul Hare's remarks, identifying the ministers and deputy ministers in attendance, and welcoming members of the larger diplomatic community. Ambassador Diakit  reminded participants that there is a long history of diplomatic ties between Angola and the United States and expressed confidence that the Angola Day event would build upon these relations.

B. Introductory Keynote Address

The first Keynote Address was delivered by Joaquim David, Minister of Industry for the Government of Angola. Minister David introduced two of the key themes of the conference: 1) the necessity to improve current knowledge of the political and economic realities of Angola and 2) the importance of strengthening relations between the United States and Angola.

Minister David emphasized areas of post-war progress, including preparation for upcoming elections, lasting employment gains and economic growth and the adoption of socially just and environmentally friendly policies. Economic progress is evident in the stability of the value of the Angolan Kwanza¹, the diversification of the economy beyond oil (including agriculture,

1. The Kwanza is the currency of Angola

energy and civil construction), and the integration of the informal economy into the formal.

As for future prospects, the Minister predicted continued economic and social growth, thanks to a steady decline in the unemployment rate, coupled with improvements in infrastructure and living conditions. Given the current conditions, the Minister concluded that the time is ripe for investment in Angola, closing with the following call: “I call upon American investors to take advantage of the current climate in Angola by partnering with Angolan businesses to help develop a modern, democratic and prosperous society.”

In the Q & A session, Minister David commented on Angola’s decision to join OPEC by acknowledging the role American companies play in the success of the country’s oil industry. When asked about projected electricity usage, he cited the need for tapping into the capacity of the country’s rivers to produce hydropower. Finally, in response to a query about Chinese–Angolan relations, he acknowledged the beneficial nature of the partnership, particularly in the provision of technological know-how in engineering. He placed this relationship within the context of negotiations with multilateral institutions, such as the World Trade Organization, and with other regional powers, such as the European Union. He suggested that the lessons learned from the partnership with China could inform the further development of U.S.–Angola relations.

C. Panel 1 Discussion—Current Developments in Angola

The relevance of the theme of the first panel discussion was underscored by its moderator, Cynthia Efir, U.S. Ambassador to Angola, who began her remarks by saying:

“If I were to be asked what is the biggest problem in effective foreign policy formation toward Angola, or for effective business policy formation toward Angola, or understanding among the public at large toward Angola, I would say it is the lack of current information... The war is over. The journalists leave, the cameras are turned off, the analysts are moved to other assignments, the academics who’ve been studying and writing decide that they have to find another subject and the information is stuck in a time warp that seems only to go back to the war situation.”

She acknowledged that this information time warp has been addressed, in part, due to contributions made by many of the individuals and institutions present, such as the Council on Foreign Relations, the Angolan Ambassador

to the U.S., the representative of the British Angolan Forum, the IMF and World Bank.

Current developments and prospects for U.S.-Angolan relations were outlined by former Ambassador Princeton Lyman, Adjunct Senior Fellow for Africa Policy Studies, Council on Foreign Relations (CFR). Angola Day happened to coincide with the release of CFR's publication, "Toward an Angola Strategy: Prioritizing U.S.-Angola Relations²." This report details the findings of the Independent Commission within the CFR's Center for Preventative Action. While the Commission did not determine that Angola is at risk of falling back into war, it did identify a number of challenges facing the country. Ambassador Lyman quoted from the conclusion of the report:



Ambassador Diakité

"The United States must adopt a strategic vision for its relations with Angola. Developing this vision involves recognizing that Angola's importance goes beyond the profits it yields for U.S. commercial interests. Angola has the potential to become a partner that can help reinforce security and stability in Africa. Whether Angola becomes such a partner depends, in part, on whether Angolans and Americans can build a stronger relationship—and a stronger relationship requires sustained U.S. diplomatic attention and strategic resource allocation (Mai, Wisner et al 2007, 32)."

Lyman expounded upon the potential ways in which the U.S. and Angola could create and sustain such a relationship to realize important strategic, energy, security and development benefits. Due to the difficult, long history between the two countries, building a relationship will take time and dialogue to build confidence and identify shared interests and concerns. This relationship will not be built primarily on aid, but rather it will require a more comprehensive partnership involving different government agencies.

Lyman mentioned a number of areas where, while there is progress to report, challenges remain, most notably in joining and complying with the Extractive Industries Transparency Initiative (EITI) and in the role of the upcoming elections in solidifying the institutions of democracy. Lyman acknowledged Angolans' awareness of such challenges: "The encouraging thing that came out of our report and what others have found is that Angolans are

2. Mai, Wisner et al. 2007. *Toward an Angola Strategy: Prioritizing U.S.-Angola Relations*. Council on Foreign Relations. [Http://www.cfr.org/publication/13155/](http://www.cfr.org/publication/13155/)

perfectly conscious of all of these challenges and these problems and there are many people there working on them.”

Of primary importance to Francisco Carneiro, Senior Country Economist for Angola at the World Bank, is Angola’s need to plan for long-term development, prioritizing certain challenges in order to reconstruct the country. Based on current oil production projects, Angola is likely to be faced with managing 20 billion to 40 billion USD a year of oil revenue alone³. The paradox is that despite this inflow of foreign exchange, Angola’s social indicators—such as the Human Development Index—rank among the lowest in the world. This “paradox of plenty” is common to many countries endowed with similar valuable natural resources. Thus, the resources have to be managed carefully to “avoid the erosion of diversity and balance in the economy.”

Carneiro argued that Angola has the potential to play a strategic role in Africa. For Angola to realize its potential, the country must:

- Conclude the transition to a market economy
- Address deficiencies in policy design and implementation
- Define a clear strategy to manage its growing mineral wealth
- Make improvements and investments in the business environment
- Prioritize the development of the agricultural sector
- Improve the quality and supply of public services to the poor

Angola has the potential to become a “great stabilizing force on the continent.”

During a visit to the country last fall, Jeffrey Krilla, U.S. Deputy Assistant Secretary of State for Democracy, Human Rights and Labor, was struck by the incredible growth of the city of Luanda. He remarked on the growing economy and

stabilizing political environment, as well as the government’s demonstrated commitment to combating corruption, rebuilding infrastructure, removing landmines and reducing malaria.

While significant progress has been made in preparing for upcoming elections, he challenged the government to engage in greater electoral reform and to produce a timetable for legislative and presidential elections. He referred to the State Department’s support and continued commitment to electoral reform. He further affirmed the importance of the distribution of the benefits of Angola’s natural resources for the benefit of all Angolans and underscored the necessity to assure transparency in the accounting of oil revenues. Finally,

3. The World Bank. October 2006. Angola—Oil, broad-based growth, and equity—Country Economic Memorandum. Report No. 35362-AO. [Http://www.worldbank.org/ao](http://www.worldbank.org/ao)

he spoke of the important role civil society plays in developing a strong, solid democracy. In this respect, he noted the State Department's disappointment at the arrest of Dr. Sarah Wykes, a British national and senior campaigner at Global Witness, by Angolan authorities, but noted that she had been permitted to leave the country. He closed by referring to Angola's potential to become a "great stabilizing force on the continent."

The main challenge for Angola, insisted Irene Neto, Vice-Minister of Foreign Affairs, Government of Angola, is the promotion of a new type of relations between Angola and the international community. She referred to Angola's partnership with China, with whom it enjoys "excellent relations, shared interests and mutual respect." Similarly, Angola would like to increase its partnership with the United States.

The call for diversification of the economy made by Francisco Carneiro, as well as the interest to improve relations with the international community were echoed by Joaquim David, the Minister of Industry for the Government of Angola. He insisted, for example, that the rehabilitation of the country's infrastructure needs to be given priority, beginning with the repair and rebuilding of roads, bridges, water, and electricity systems. Without sufficient infrastructure, Angola will be unable to realize the full benefits of trade agreements such as AGOA or of potential regional alliances, such as SADC (Southern African Development Community). Minister David concluded with a list of key areas of investment opportunity for American companies:

- Infrastructure
- Mining
- Agriculture
- Industry
- Services to the oil sector
- Petrochemicals
- Paper pulp
- Agro-industry
- School equipment
- Electrical equipment
- Glass production
- Steel production

D. Luncheon Keynote Address

Jendayi Frazer, the U.S. Assistant Secretary of State for African Affairs delivered an address during the luncheon. Her speech focused on how the U.S. government will develop and strengthen the relationships between the United States and Angola. She noted that the historical relationship between the two countries goes back hundreds of years, as the first African slaves to reach the United States were Angolan. She went on to highlight areas of progress in Angola within the past five years, mentioning the disarmament and reintegration of former soldiers, the repatriation of refugees, landmine removal, agricultural development, and preparations for upcoming elections and Angola's increasing

leadership role within the region in the Gulf of Guinea Commission, as Chair of the UN Peace Building Commission and the South African Development Community's Committee on Peace, Security, and Defense.

Frazer outlined some of the key responsibilities for Angolan leaders associated with the country's emerging regional and continental role. She appealed to the government to complete voter registration, to publish an election timeline and to strengthen civil society organizations. The United States is currently assisting Angola by building the capacity of its Ministry of Finance, assisting in the fight against malaria and supporting the flow of trade through AGOA. Since 2002, these investments have come to nearly 500 million USD. For its part, the American private sector has invested millions of dollars in developing Angola's petroleum, food processing, construction and diamond industries. Two possibilities for strengthening these relationships are through the Trade and Investment Framework Agreement and the Extractive Industries Transparency Initiative.

E. Panel 2 Discussion—Achievements and Challenges in the Public Sector

The moderator for the session, Lima Campos, Administrator, Angolan Bank of Development, set the context by explaining that the country has achieved significant progress since its reconstruction and rehabilitation program began in 2002.

According to Alves da Rocha, Special Advisor to the Ministry of Planning and Professor at the Catholic University of Angola, Angola's achievements in the public sector are attributable to the application of its own model of macro-economic development. He cited intense economic growth averaging 14% a year, as well as controlled inflation, stability in the exchange policy and public finances and import reserves currently worth 8 months of imports. The country's economic growth has not yet translated into improvements in social development and much work remains to be done in improving education and health systems and the country's employment rates. Unfortunately, a large segment of the population has no access to the fruits of economic growth. He concluded by referring to positive developments in the management of public expenditures to reduce poverty.

José Ferreira, Vice-Minister of Public Works, Government of Angola, began by listing priority sectors for the rehabilitation of the country's infrastructure, notably in roads, bridges, highways and harbors. The Ministry of Public Works is planning a technician training program in infrastructure rehabilitation and civil construction and has an interest in developing the cement, glazing and wood industry. He shared plans for a new university campus, the construction

of low income housing units, a water treatment plant and dams for hydroelectric power plants. All of these plans require financing, presenting real opportunities for American investors.

An overview of the state of education in Angola was provided by Pinda Simão, the Vice-Minister of Education for the Government of Angola. During the war, Angola had one of the worst school attendance records in the world, as well as a high illiteracy rate. Now attendance is up and illiteracy is down. Furthermore, Angola has adopted a policy of educational reform and has incorporated the six national languages into the curriculum. The system is evolving, but problems remain in both formal and informal education. For example, there is a lack of trained teachers, inadequate infrastructure, a poor system of distribution of pedagogical material, and insufficient tracking of data regarding quality and status of educational facilities and teachers. As the key sector for sustainable and equitable Angolan development, education presents opportunities for investment in infrastructure, school equipment, teacher training and educational materials.

The health sector faces similar staggering obstacles, according to Evelize Frestas, Vice-Minister of Health, Government of Angola. The population is highly vulnerable to a host of poverty related diseases, including malaria (the country's leading killer), HIV/AIDS, TB, respiratory disease, polio, measles, diabetes, cancer, cholera, Marburg Fever, avian flu, and obesity. Through the dissemination of information and mosquito nets supported by President Bush's Malaria Initiative, Angola has begun to see an abatement of malaria cases. Cooperation with the U.S. Center for Disease Control in public health, HIV/AIDS and Avian Flu, as well as with USAID in the eradication of polio, has been critical in addressing the spread of these diseases. The Vice-Minister sees the opportunity for the U.S. to play an even greater role in fighting diseases through international NGOs or private corporations. Eventually she would like Angola to have a facility to manufacture medication and mosquito nets, as well as its own biological labs.

F. Panel 3 Discussion—Achievements and Challenges in the Private Sector

John Simon, Executive Vice-President of OPIC (Overseas Private Investment Corporation) explained that his corporation aims to promote development through private investment. Specifically, OPIC offers political risk insurance, finance guarantees and investment funds. He presented a series of challenges that can be simultaneously viewed as opportunities in the private sector, as summarized below:

Achievements and challenges for private investment in the agriculture sector were presented by Filomena Delgado, Vice-Minister of Agriculture,

CHALLENGES	OPPORTUNITIES
<ul style="list-style-type: none"> • Perception surrounding challenge of a post-conflict country • Misperceptions about the reality in Angola • Finding a local partner for US investors • Diversification away from oil • Time and cost of doing business in the country 	<ul style="list-style-type: none"> • Eliminate misperceptions by providing accurate information for the benefit of US investors in Angola • Provide political risk insurance • Build capacity of local partners • Import substitution • Support of a project for the molding of concrete blocks • Development of construction (housing), national and international tourism, infrastructure development (such as the port system), internal transportation system • African Mortgage Market Initiative • Streamline procedures to encourage investment

Government of Angola. She argued that this sector was the most affected by the war and is the country's most important in terms of development. With an open mind to new ways of agricultural organization, conducive weather conditions, a favorable environment for investment and a sizable internal market, there is significant investment potential. Hampering the sector's progress are the current state of its roads, insufficient storage facilities, frail infrastructure, competition from neighboring countries with better infrastructures, limited access to market structures. She sees specific opportunities in coffee production, cattle production, forestry, irrigation and agribusiness.

The importance of diversification of the economy was underscored by Ari Carvalho, Board Member, Angolan National Private Investment Agency (ANIP), who suggested that in terms of private investment, "we should talk about everything else but oil." Presently, the U.S. is the biggest export destination for Angola, all in oil. The goal is to diversify what is exported to the United States and beyond. With its incentive packages for investment and its population of 14 million, Angola offers some of the best returns on investment. Thus far, the most popular sectors of foreign investment are the construction industry and service (restaurant/hotel) sector. The government incentive system is structured so that it promotes investment in areas most affected by the war. Angola currently imports most of what it consumes, including machinery,



Ari Carvalho, Jorge Jover and Emidio Pinheiro

electrical equipment, vehicles, spare parts, and medicines.

The current state of Angola's financial sector and major challenges for its future were presented by Emídio Pinheiro, Chairman of the Banco de Fomento in Angola. According to Mr. Pinheiro, the country is experiencing accelerating growth, declining inflation, increasing oil production and higher reserves, a strong currency and positive real interest rates. There is systematic growth in the banking sector in terms of the number of people with a bank account and the rising use of ATMs. Finally, there are indications that there is movement from an informal to a formal economy.

Closing the Private Sector Panel was Jorge Jover, President of MITC Investimentos. Mr. Jover reiterated opportunities within the agricultural sector, which has been neglected for many years. He outlined advantages to investment in agriculture, explaining that it employs 2/3 of Angola's population of 14 million and that the country's climate is diverse, and thus conducive for growing a variety of crops. He cautioned, however, that currently there are some significant constraints, such as soil quality, harvest and storage techniques and a lack of purchasing power to buy fertilizer at market price. In order to realize its potential, the agriculture sector requires the following: careful commitment and planning, investment in processing plants and a transformation to a market based system. Specific opportunities for investment are in the processing of fruits and vegetables, palm oil, cereal production, new crops for bio-diesel fuels and sustainable forest management.

III. KEYNOTE ADDRESSES

Remarks by Joaquim David Minister of Industry of the Republic of Angola

Excellencies,
Ladies and Gentlemen,

I am very pleased to be associated with this event, as part of the events celebrating Angola Day in Washington. I am confident that the planned activities will not only contribute to a better knowledge of the current political and economic reality in Angola, but also strengthen the bilateral ties between the United States of America and Angola.

As you all know, Angola today enjoys a unique moment in its history. Following a bloody armed conflict—that left deep scars in its productive and human structure—Angolans successfully found in 2002 the path that led to Peace and Security: two fundamental requirements for sustained development. Thus, the context has been established to continuously build—on a solid foundation—a democratic state of law and a strong and developed economy in Angola.

As I speak, a voter registration process is ongoing in Angola aimed at holding the second legislative elections in our country's history. The legislative elections, scheduled for 2008, and the presidential voting, expected for 2009, will renew the legitimacy of the institutions of State power and, therefore, strengthen cohesion and national reconciliation. This way, Angolans can feel proud of having been able to give Africa and the world over, an example of tolerance and patriotism, in a continent where pockets of political instability still persist.

Peace has created, without a shed of doubt, a new environment upon which economic reforms have been implemented. This is a process that has been going on since the '80s, one that is geared toward laying the ground for a sustained development. For the Angolan government, the sustained development consists of various components. Chief among these are, a) robust economic growth to rates higher than population growth; b) lasting employment gains, as a privileged approach for people to earn income; c) social justice, through equal opportunities for all citizenry, without discrimination, and by way of a fair distribution of the national revenue; and d) environment-friendly policies, as a means to achieve a fair balance between the interests of today's generation and tomorrow's.

As a result of both the new framework of Peace and Stability, and an improved economic policy and its key instruments, economic growth has been very strong in the years subsequent to 2002. Therefore, the calculated real

variation of the Gross Domestic Product (GDP), between 2002 and 2006, was estimated at 89.6%. Therefore, in just five years, GDP almost doubled, which translates into an annual average rate of GDP variation of 13.6%. And, while it is true that this notable growth was triggered, mainly, by a strong and dynamic mining economy, and by the oil sector, in particular, it is equally true that today we are witnessing a recovery in the non-mining economy. Here, such sectors as agriculture, fisheries, processing industry, energy, water, civil construction, and services recorded an annual growth rate of 10% in average.

As an outcome of this excellent economic performance, GDP per capita—a clear indicator in the overall living standards—was about \$ 2,565 at the current prices in 2006, as opposed to \$1,984 in 2005, which represented a 29.2% increase relative to 2005. Real average income growth among Angolans was estimated at 15.3% for a demographic growth rate of 2.9%.

Although economic theory suggests a trade-off between economic growth and stability, growth in Angola has occurred without inflicting suffering on stability. Therefore, the decreasing trend of inflation rate has been reinforced from 76.5% in 2003 to 31% in 2004, and from 18.5% in 2005 down to 12.2% last year. For this year, the projected annual inflation remains at 12%, representing a common sense commitment between growth and economic stability.

Moreover, the times of chronic instability of our currency, the Kwanza, are something of the past. The Angolan Central Bank maintains a fluctuation policy of the currency in the exchange market, its value being stable today compared to the main currencies. In fact, a slight appreciation of our currency relative to the US dollar has been recorded. The national currency stability has made it possible to modernize and diversify the financial system, in its role to bring in savings and investors, a phenomenon that has led to gains for corporations and households. Legislation on capital market and non-banking institutions has been

passed. These include funds and investment partnerships, leasing, factoring and risk capital, as well as discount houses.

In terms of employment—which as we all

know, is an economic variable reflecting the domestic economic level of integration and one of the factors guaranteeing national reconciliation—unemployment rate was estimated at 25% in 2006. This was indeed lower than the 29% rate recorded in 2005. As a result of the efforts aimed at integrating the informal economy into the formal economy—through a reduction in administrative red tape and fiscal redressing—on the one hand; and, due to efforts aimed at diversifying the economy, so that non-mining economy, which is labor intensive, acquire greater leverage in GDP structure, on the other hand,

The national currency stability has made it possible to modernize and diversify the financial system, in its role to bring in savings and investors, a phenomenon that has led to gains for corporations and households.



Joaquim David

we believe that unemployment rate, which we recognize it is still high, in absolute terms, will continue to fall for years to come.

Despite real growth in average income among Angolans, estimated at 15% in 2005, the Angolan Government understands that efforts must continue towards a fairer and less imbalanced distribution of the national income, in order to cut down on poverty rates. If we combine real economic growth with the decreasing trend in inflation rate, as I expounded earlier, public investment in the social sector and social inclusion policies enshrined in the General Government Program, it is estimated that the poverty rate can be reduced by 50% which although high, it is, nevertheless, an improvement compared to last year's recorded 56% rate.

The abovementioned indicators show that the Angolan economy is in steady growth. Contributing to this growth has also been the Government-run program designed to rehabilitate the infrastructure destroyed during the war.

In order to improve the living standards among the people and streamline private investment, roads, bridges, railroads, energy generating systems, and water are being rebuilt. At the same time, programs intended to modernize the ports, airports, and telecommunication systems will remain at the forefront. This is the only way we will be able to have a modern and competitive economy; this is how famine, poverty, illiteracy, and diseases will be eradicated, in a sustained manner.

The financial effort necessary to carry through these tasks is so huge that Angola could not do it all by itself.

Therefore, the technical and financial cooperation with the People's Republic of China and other countries joining in the effort has been a great benefit.

The end of the red-tape in the economic life and the improvement of the business climate are other measures that will help promote greater economic and social growth, because they offer greater private, national and foreign investment.

At this occasion, I would like to firmly call upon American investors to take advantage of the current political and economic climate in Angola, by partnering with Angolan businesses, and help Angolans in the process of building a democratic, modern, and prosperous society.

I thank you for your attention.

Remarks by Jendayi Frazer,
U.S. Assistant Secretary of State for African Affairs
Keynote Address at the Woodrow Wilson Center

Thank you, Ambassador Wolpe, for that warm introduction. I am pleased to join all of you to celebrate the occasion of Angola Day, as well as celebrating the friendship that our two nations share.

Our relationship has spanned several centuries. As we are within the same week that Queen Elizabeth II visited Jamestown, Virginia, to commemorate the 400th anniversary of the first American settlement, it is worth noting that the first African bondsmen to reach the colonies were, in fact, Angolans. So, the sons and daughters of Angola have been part of American history from its start, and we are grateful for their contributions to our country.

On behalf of President Bush and Secretary Rice, I would like to welcome to Washington our delegation of special Angolan guests, led by Minister of Industry Joaquim David. I would also like to thank the Angola Day organizers: the Angolan Embassy, the U.S.-Angola Chamber of Commerce, USAID, and the Woodrow Wilson Center. Most importantly I would like to acknowledge the leadership of Ambassador Diakité, who we fondly call Ambassador Josefina. Finally, I would like to thank Chevron for its efforts to implement socially responsible practices, as well as its engagement in public-private partnership projects in Angola, in conjunction with the United States government.

I was asked to look to the future and say how the administration will develop and strengthen the relationships between the United States and Angola. Bottom-line, I believe Angola can become a model of post-conflict democratic transition, and has the resources—human capital and natural endowments—to be a regional and global leader in world affairs.

ANGOLA'S PROGRESS

Today we celebrate real progress in Angola. After a 27-year long civil war that claimed more than half a million lives and internally displaced 4 million people, Angola has experienced five consecutive years of peace. This milestone has made real, positive changes in the lives of individual Angolans possible. The country is rebuilding itself at a rapid pace, and today's event serves as a reminder to would-be investors, policy-makers, and the international community that today's Angola offers many opportunities for even greater achievements and the prospect of a bright future for all Angolans.

Angola is off to a good start. The Government of National Reunification has maintained peace and stability, while disarming and reintegrating former soldiers into Angolan society. Many now serve in high-level civilian and military positions. Angola is extending this reintegration process by engaging with civil society to consolidate peace in Cabinda.



Jendayi Frazer

Working with the United Nations High Commissioner for Refugees, the Angolan Government successfully undertook a voluntary repatriation program that returned 400,000 Angolan refugees to their homes. This makes Angola's action one of the most successful post-conflict repatriation programs ever conducted in Africa. I am proud to say the U.S. supported this Angolan achievement, contributing over \$32 million to the effort.

In concert with its international partners, including the United States, Angola has removed thousands of land mines, reclaiming transportation routes and rich agricultural land for Angolan farmers. These farmers, many returned refugees, are key to returning Angola to its former status as a breadbasket of sub-Saharan Africa. The U.S., through a public-private partnership with Chevron, is working to accelerate Angolan agricultural development.

These changes are taking place within the context of Angola's booming economy. The growth notably extends beyond the oil and diamond industries; the non-oil economy has grown at an estimated 14% in recent years. The government has done an admirable job of cutting inflation from triple digits heights near the end of the civil war to just over 10% last year. The government has also built foreign exchange reserves and transformed years of fiscal deficit into a budget surplus.

Angola is currently preparing to hold parliamentary elections in 2008 and a presidential election in 2009. As of April 12, Angola had already registered over 4 million voters on its way to a final goal of 7.5 million. Civil society groups and opposition parties have noted some glitches in preparations, but most have hailed the process as a success. One particularly positive development is Angola's strong voter awareness campaign, which includes billboards and newspaper inserts exhorting citizens to register; this campaign also places special emphasis on registering young people and women.

ANGOLA AS REGIONAL AND GLOBAL LEADER

Angola is also quickly becoming a regional leader within Africa, capable not only of bringing peace and stability to its own people, but also having the potential to export these benefits beyond its borders. The Angolan military—one of Africa’s best—is already providing stability in neighboring Democratic Republic of Congo. It has the capacity to bring the same peace and stability to other African neighbors.

Through our newly announced African Command and our ACOTA training program, we look to joining with the Angolan Government in its commitment to peace on the continent. We see Angola as a potential continental, not just regional, leader. We hope that Angola will formalize its leadership in this area by joining peacekeeping support operations abroad.

Angola has demonstrated leadership in the regional Gulf of Guinea Commission, volunteering to host the Commission’s headquarters in Luanda and funding the first year’s expenses. Angola has also taken a leadership role in a U.S.-sponsored initiative on Gulf of Guinea security issues, by volunteering to host the next ministerial level meeting in Luanda. Angola has vital interests in the region, as well as the capability to help ensure these initiatives succeed.

Finally, as Angola prepares to lead the South African Development Community’s Committee on Peace, Security, and Defense, the United States encourages Angola to continue the good work started by Tanzanian President Jakaya Kikwete in promoting dialogue on economic and political reform in Zimbabwe.

Last year, Angola assumed the Chairmanship of the United Nations Peacebuilding Commission. This new body was established to prevent countries emerging from civil war and other conflicts from slipping back into turmoil. For example, the Commission’s first international field visit was to Sierra Leone. Angola will conclude its term as the first chair of this body in June, leaving behind an initial framework for better rebuilding post-conflict nations.

Last November, Angola garnered international attention when it became the first new member of OPEC in over 30 years. By the end of this year, many analysts expect Angolan oil production to reach 2 million barrels per day, and accordingly, analysts expect that U.S. consumption of Angolan oil will increase over time. Angola can use its strategic oil reserves to elevate its geo-strategic influence in world affairs.

Angola is also quickly becoming a regional leader within Africa, capable not only of bringing peace and stability to its own people, but also having the potential to export these benefits beyond its borders.

Angola's increasing global leadership is also reflected in maturing partnerships with other nations, including members of the European Union, and strong South-South partnerships with nations such as Brazil and China. These partnerships are both necessary and beneficial. For instance, the Angolan-Chinese partnership will create infrastructure and transportation links that will benefit all investors, whether American, African, European, or Asian.

RESPONSIBILITIES OF LEADERSHIP

Angola's growing regional leadership and presence on the international stage will call increasingly for it to confront certain challenges of leadership directly. For example, Angolans will need to think about the big picture, as well as the immediate future. Angolan leaders must work to build strong, transparent institutions accountable to the people of Angola. I firmly believe that strength abroad is based on strength at home.

First, I urge Angolan leaders to build on the success of the current voter registration period to complete the project well ahead of the 2008 legislative elections. If necessary, add additional brigades to ensure that all eligible Angolans are registered to vote in a timely fashion. Second, publish an election timetable to allow Government, impartial observers, political parties, and civil society the opportunity to plan and organize based on uniform standards.

Civil society groups are growing in Angola. I encourage Angolan leaders to strengthen these groups by empowering them to be effective watchdogs and advocates, and by ensuring their freedom of movement and association. A vibrant civil society is an essential element of democracy.

Transparency is another cornerstone of good governance. The United States was disappointed to learn about Angola's decision to decline structured macro-economic monitoring plans from the IMF, but we recognize that this reflects Angola's growing capability to manage its own economic affairs.

We are heartened that the government plans to continue technical discussions with the IMF, and we urge the Government of Angola to maintain an open dialogue. I am also pleased to share that the U.S. is engaged in significant partnerships with the Angolan Government to build capacity within the Ministry of Finance and the Angolan Central Bank.

Finally, I want to recognize the strong leadership Angola has demonstrated in tackling public health challenges. Malaria has been the number one killer in Angola. Angola's Ministry of Health is now leading the fight to cut malaria deaths by over half before 2010. Through the President's Malaria Initiative, the United States is actively supporting Angola in this fight.

We must make similar efforts to eradicate Polio, Cholera, and Tuberculosis. Angola has had a low incidence rate of HIV/AIDS, but this rate has already begun to rise in border areas. The United States recognizes this public health issue, and we stand ready to work with Angolan leadership in response, paving the way for additional successes in the realms of economic and political development.

PARTNERS IN INVESTMENT

The United States has excellent experience partnering with Angola. Since 2002, the U.S. government has contributed nearly \$500 million toward Angola's renaissance.

The American private sector has poured additional billions of dollars into developing Angola's petroleum industry, as well as: soft drink bottling, fruit juice processing, construction, and diamond exploration. These investments provide jobs, training, and the opportunity to rebuild Angola's economy.

The U.S. has supported this flow of trade and investment under the provisions of the African Growth and Opportunity Act, or AGOA, which provides duty-free entry into the U.S. market for nearly all goods exported from Angola. Last summer, the U.S. and Angola discussed the possibility of signing a Trade and Investment Framework Agreement, which provides a forum for regular bilateral consultations designed to address trade and investment issues of mutual interest.

For 50 years, the government has honored its petroleum industry contracts, even in the midst of civil war. Angolans could emphasize their commitment to good governance by participating actively in the Extractive Industries Transparency Initiative, or EITI, which requires public disclosure of extractive industry companies' payments to host governments in addition to the host government's revenues from extractive industries companies.

Angola has already met many of the conditions for EITI. Voluntary participation in this initiative would enable Angolan civil society to continually monitor government finances, and Angolan leaders could build on this success, by ensuring that rules and procedures are in place to protect investments in non-extractive sectors.

I would like to conclude by congratulating the people and Government of Angola. After 27 years of civil strife, you have made a firm commitment to peace. You have dedicated yourselves to rebuilding your nation politically, economically, and otherwise.

Angola has made great progress over the last five years. Already, your nation has demonstrated its ability to be a leader among nations. From my point of view, it is only a matter of time and focused effort for Angola to become known universally as an international leader in economic growth, conflict resolution, and post-conflict reconstruction, among other valuable skills.

As we mark the occasion of Angola Day, we celebrate five years of peace and hope for at least 50 more! May the years ahead be filled with endless promise and persistence, and may many more great things be in store for all of Angola.

Thank you and happy Angola Day!

IV. SYNTHESIS TABLE: PROGRESS, CHALLENGES AND PROSPECTS IN ANGOLA

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
AGRICULTURE Sources: Delgado, Jover	<ul style="list-style-type: none"> • Good weather conditions • Good quality environment • Open mind concerning development • New ways of organizing agricultural productions • Growth in production of corns, grains • Employment of 2/3 of working population • Kinino agricultural irrigation project 	<ul style="list-style-type: none"> • Few passable roads • Insufficient storage facilities • Very frail agricultural structure • Sizable internal market • Competition from neighboring countries with better infrastructure • Effects of globalization • Challenge in forestry sector: lack of adequate roads • Soil quality • Lack of purchasing power to buy fertilizer at market price 	<ul style="list-style-type: none"> • Need to transform to a fully market-based system • Develop food processing: especially attractive opportunities for fruits and vegetables • Develop agro-industry • Increase fertilizer and irrigation • Produce cereals for domestic and regional markets • Develop vegetable oil production • Develop coffee production • Develop cattle production • Look to bio-diesel crops: sugar cane, ethanol and palm oil • In forestry develop paper pulp production • Foster sustainable forest management

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>EDUCATION Sources: Simão</p>	<ul style="list-style-type: none"> • School attendance improving (in the 1990's Angola had one of the lowest school attendance rates in the world) • Illiteracy rate declining • 67% of the population able to read and write • A program for new students, re-entering school following the war as adults • Adoption of a policy of educational reform • Construction of new schools in cooperation with China, Japan • Incorporation of the six national languages into the curriculum • Continued evolution of the system 	<ul style="list-style-type: none"> • Enhancing coordination between key players in education • Need to rebuild and expand capacity • Need to increase capacity in areas of literacy • Expenditures in education and health account for less than 2.5% of national budget • Lack of trained teachers and managers • Inadequate infrastructure for education • Timely distribution of the appropriate pedagogical material • Insufficient tracking of data regarding quality, status of educational facilities and teachers • Refurbishing of the system of formal and non-formal education 	<ul style="list-style-type: none"> • Increase school equipment and teacher training • Ensure that the new educational system promotes the dignity of human beings, a culture of tolerance and peace, and a respect of the environment • Make education secular, free of charge, democratic • Complete more consistent and frequent school inspections • Improve and make accessible pedagogical materials • Improve school administration • Eradicate illiteracy • Promote participation of the local communities and local Community-based Organizations (CBOs) in the support of education • Expand higher education • Initiate partnerships between educational institutions and private sector

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>FINANCE Sources: Pinheiro</p>	<ul style="list-style-type: none"> • Accelerating growth, declining inflation • Consumer prices are showing resistance to deceleration • Expansion of non-oil sectors • Increasing oil production leading to higher reserves • Inflation is resisting deceleration; Real interest rates on positive grounds • Strong currency • Spread of ATMs • Moving from an informal economy to a formal economy • Efficiency on the rise • New Financial Institutions Law, introduction of a Real Time Gross Settlement (RTGS) system • Appointment of the committee to create a stock exchange • Institutions are financially sound, presenting strong capital ratios • Efficient banking sector • Financial depth indicators are low • Banking sector growing rapidly • Increasing competition • A state-of-the-art real-time gross settlement and retail payments systems • Strong increase of deposits as the economy stabilizes, living standards improve and preference for liquidity/cash declines 	<ul style="list-style-type: none"> • Credit activity is hampered by legal, institutional and regulatory weaknesses, such as lack of systematic credit information, weak property rights and poor enforceability of contracts. • Excess of liquidity is related to: large inflows of oil revenues, limited and risky lending opportunities, asymmetric information • The use of high reserve requirements as a means to stabilize inflation is a heavy tax on banks • Bank branch networks are still small and physical access to financial services is difficult. • Poverty limits the demand for savings while on the credit side alternatives are still narrow • Competition and growth investment requirements will impose pressure on profitability • The absence of a government secondary market hampers the development of corporate debt market and the adequate pricing of corporate risk. It also hinders banking profitability • There exists heavy reliance on short-term funding and the absence of a domestic interbank market 	<ul style="list-style-type: none"> • Create better and more rapid registration of property and collateral • Devise alternative instruments (e.g. leasing) or alternatives to collateralization (e.g. group guarantees) • Develop the inter-bank market and improve market-based monetary instruments • Government should consider issuing other types of Treasury Bonds to help set in place high-quality legal and technical frameworks for debt instruments • Approach accounting standards and criteria to international norms. • Introduce regulatory framework for new financial products such as: investment funds, leasing and factoring • Create a capital market (stock exchange) • Develop an industry of pension funds and investment funds • Improve the qualifications of the workforce • There is a favorable macro-economic outlook

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
GOVERNANCE Sources: Frazer, Krilla, Lyman, Carneiro	<ul style="list-style-type: none"> • Repatriation of refugees • Government's demonstrated commitment to combating corruption • A stabilizing political environment 	<ul style="list-style-type: none"> • Electoral reform • Assurance of transparency in the accounting of oil revenues 	<ul style="list-style-type: none"> • Complete voter registration, and publish an election timeline • Strengthen civil society organizations • Address deficiencies in policy design and implementation • Define a clear strategy to manage its growing mineral wealth • Improve the quality and supply of public services to the poor

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
HEALTH Source: Frestas	<ul style="list-style-type: none"> • Beginning to see an abatement of malaria cases from 3 million in 1999 to 1.7 million in 2006 • Effective information dissemination campaign to the public • Distribution of mosquito nets • Partnering with the U.S. (President Bush's Malaria Initiative, the CDC, USAID) in the fight against malaria, avian flu, HIV/AIDS and polio and in the general improvement of public health • Part of a multi-agency panel to fight Avian Flu with help from WHO and the Italian government 	<ul style="list-style-type: none"> • HIV/AIDS, tuberculosis • Malaria (leading cause of death), respiratory disease, polio, measles diabetes, cancer and obesity • Low doctor to nurse ratio 	<ul style="list-style-type: none"> • US can play a greater role through international NGOs and private corporations • Would like to have a facility to manufacture medication, mosquito nets, biological labs

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>MACRO-ECONOMIC DEVELOPMENT</p> <p>Sources: Carneiro, de Rocha, David</p>	<ul style="list-style-type: none"> • Good conditions for growth • AGOA (Africa Growth and Opportunities Act): possibility to export duty free 6,600 different products • A slight decrease in poverty rates • A trend towards better management of public finances, particularly on the expenditure side of the equation: doing more with fewer resources • Public investments increased from 850 million USD in 2005 to 1.5 billion USD dollars in 2006, benefiting infrastructure • Angola's own choice of model of macroeconomic development • Angolans' ability to 'make do' 	<ul style="list-style-type: none"> • Huge inflow of foreign exchange may complicate macroeconomic management (volatility, competitiveness) • Daunting social challenges may create tensions that are difficult to manage • High dependency on natural resources can be a source of constraints for diversification of the economy and can lead to conflict • Limited institutional and technical capacity is a lingering concern • Continuing deficiencies in policy design and implementation need to be addressed • Need to be mindful of the cyclical nature of economic activities— plan for what will happen after the projected oil peak in 2011 • Angola is still very poor: high poverty rate in 2006 (60.3%) 	<ul style="list-style-type: none"> • Continue transition to a market economy • Must define a clear strategy to manage the country's growing mineral wealth • Urgently need to make improvements in the business environment and the investment climate • Improve the quality and supply of public services to the poor • Complete regional economic integration into SADC • Follow timeline for joining other networks: 2008 – Free Trade Zone 2010 – Customs Union 2015 – Common Market • Continue Economic Partnership Agreements (EPAs) with the U.S. and the E.U.



Angolan dancers

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>OIL AND MINERAL Sources: David, Carneiro, da Rocha</p>	<ul style="list-style-type: none"> • Success in the oil industry accredited, in part, to relations with oil companies, including American oil companies • Angola joined OPEC (January 2007) 	<ul style="list-style-type: none"> • Diversification away from oil • High level of wealth, but not reaching the rural poor 	<ul style="list-style-type: none"> • Services to the oil sector, petrochemicals, • Must define a clear strategy to manage the country's growing mineral wealth • Adopted a strategy to reverse rural exodus and foster conditions for improved standards of living for rural poor • Extractive Industries Transparency Initiative (EITI) • Has potential to become largest producer oil in Africa and world's largest diamond producer

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>PRIVATE INVESTMENT Sources: Simon, Delgado, Carvalho, Jover, Pinheiro, ANIP website: www.investinagnola.org</p>	<ul style="list-style-type: none"> • Creation of the Angolan National Private Investment Agency in 2002 • Incentives available for companies to invest in regions of the country most affected by the war 	<ul style="list-style-type: none"> • Many investors see challenges in time and cost of doing business • Identifying viable local partners 	<ul style="list-style-type: none"> • Critical that investment procedures become more streamlined • Look at infrastructure, mining, agriculture, industry, services to the oil sector, petrochemicals, steel, paper pulp, agro-industry, school equipment, canned food, electrical equipment, glass production and tire production • Opportunities in construction (including housing), industry, restaurants, lodging, mining, transportation, water/electricity, processing industry • Also look at steel, glass production, tire production • The government privatizing state-owned companies and opening up the oil industry to international firms

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
<p>PUBLIC WORKS/ INFRA-STRUCTURE Source: Ferreira</p>	<ul style="list-style-type: none"> • Infrastructural Development Program/Civil Construction Program for 2006 to 2008 in place: infrastructural works, airports, rehabilitation of railroads, highways, bridges ports and harbors and the training program for future technicians • Quality control program instituted in the area of infrastructure rehabilitation and civil construction • Creating regulations for domestic and foreign public-private partnerships • A plan in place to connect Cabinda and Soyo • Plans for a new international airport • Social infrastructure projects underway • Basic sanitation and water supply initiatives underway • Two cement plants in Luanda; another under construction through partnership with a US investor 	<ul style="list-style-type: none"> • Financing for public projects • Many needs in the rehabilitation of infrastructure following the war; a need to prioritize projects • Construction materials industry lacking • Technical capacity • Significant shortfall of cement • Direly need contribution of American business in construction of these projects. Some other countries are contributing. Would welcome American contributions 	<ul style="list-style-type: none"> • Investment opportunities for U.S. investors • Must improve the quality and supply of public services to the poor • Port infrastructure: cranes, piers, international transportation system • Technician training program in infrastructure rehabilitation and civil construction • Plans for a new university campus (7 colleges and 5 departments) • The construction of low income housing units • A water treatment plant • Dams for hydroelectric power plants • Develop production in cement, glazing, steel and bituminous materials • Highways: intend to construct 5,000 paved roads • Rehabilitation and construction of bridges • Building new cement plants • Opportunities for public-private partnerships

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
SECURITY SourceS: Frazer, Krilla	<ul style="list-style-type: none"> • Disarmament and reintegration of former soldiers • Landmine removal 		<ul style="list-style-type: none"> • Demobilization and building a defense force and a police force that serves its people • Leadership within the Gulf of Guinea Commission • Potential to become a 'great stabilizing force' on the continent

SECTOR/ THEME	PROGRESS/ ACHIEVEMENTS	CHALLENGES	PROSPECTS/ OPPORTUNITIES
U.S.-ANGOLA RELATIONS Sources: Efird, Lyman, Krilla	<ul style="list-style-type: none"> • U.S. Embassy to Angola recommendations shared with the Government of Angola regarding a Trade and Investment Framework Agreement • State Department support of Angolan electoral reform • U.S. technical support to the Government of Angola in the areas of health, finance, education, human rights, civil society strengthening, public-private partnerships and infrastructure rehabilitation 	<ul style="list-style-type: none"> • Information on Angola stuck in a 'time warp' going back to time of war, creates a perception challenge • There is a natural tendency to deal with the crisis countries 	<ul style="list-style-type: none"> • Need to improve knowledge of the current economic and political realities of Angola • Promoting a new type of relations between Angola and the international community • Requires commitment from the top; sustained diplomatic attention and strategic resource allocation • A number of areas in which U.S. & Angola can build a partnership • There are lessons for a number of countries around the world that are similar.

PROGRAM AGENDA

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

EMBASSY OF ANGOLA TO THE UNITED STATES

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

U.S.-ANGOLA CHAMBER OF COMMERCE

ANGOLA DAY

Five Years of Peace: Progress and Prospects

A Conference on Development and Reconstruction in Angola

Wednesday, May 9, 2007

Woodrow Wilson Center

One Woodrow Wilson Plaza

1300 Pennsylvania Ave., NW

Washington, DC 20004

- 8:30AM** **REGISTRATION AND COFFEE**
- 9:00AM** **WELCOMING REMARKS**
Howard Wolpe, Director, Africa Program, Woodrow Wilson Center
Walter North, Senior Deputy Assistant Administrator, Africa Bureau, USAID
Paul Hare, Executive Director, U.S.-Angola Chamber of Commerce
Josefina Diakit , Ambassador of Angola to the U.S.
- 9:15AM** **KEYNOTE ADDRESS**
Joaquim David, Minister of Industry, Government of Angola
- 10:00AM** **COFFEE BREAK**
Fifth Floor
- 10:30AM** **PANEL DISCUSSION—CURRENT DEVELOPMENTS IN ANGOLA**
Cynthia Efir, U.S. Ambassador to Angola—*moderator*
Princeton Lyman, Adjunct Senior Fellow for Africa Policy Studies, Council on Foreign Relations

Ambassador Efir,
Angolan musician
Yuri da Cunha,
Ambassador
Diakité



Francisco Carneiro, Senior Country Economist for
Angola, World Bank

Jeffrey Krilla, U.S. Deputy Assistant Secretary of State for
Democracy, Human Rights and Labor

Irene Neto, Vice-Minister of External Relations,
Government of Angola

12:30PM

LUNCH

Jendayi Frazer, U.S. Assistant Secretary of State for African
Affairs

2:00PM

**PANEL DISCUSSION—ACHIEVEMENTS AND CHALLENGES
IN THE PUBLIC SECTOR**

Lima Campos, Administrator, Angolan Bank of
Development—*moderator*

Alves da Rocha, Special Advisor to the Ministry of
Planning and Professor at the Catholic University of Angola
José Ferreira, Vice-Minister of Public Works, Government
of Angola

Pinda Simão, Vice-Minister of Education, Government of
Angola

Evelize Frestas, Vice-Minister of Health, Government of
Angola

3:30PM

COFFEE BREAK

Fifth Floor

3:45PM

**PANEL DISCUSSION—ACHIEVEMENTS AND CHALLENGES
IN THE PRIVATE SECTOR**

Filippo Nardin, Vice-President of International Relations,
Citizens Energy, and Vice-Chairman of the Board of
Directors, U.S.-Angola Chamber of Commerce—*moderator*

John Simon, Executive Vice-President, OPIC

Filomena Delgado, Vice-Minister of Agriculture,
Government of Angola

Ari Carvalho, Board Member, Angolan National Private
Investment Agency (ANIP)

Emídio Pinheiro, Chairman, Banco de Fomento Angola

Jorge Jover, President, MITC Investimentos

6:00–8:00PM

RECEPTION AND CULTURAL ENTERTAINMENT

Featuring Yuri da Cunha and Group Kituxi

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