

ANGOLA - Support to economic diversification for sustainable growth, inclusive development and decent jobs

#GLOBALGATEWAY

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TEAM EUROPE PROPOSAL



Policy Reform

Green Investment

Knowledge-Based Transition

MS support in Angola for economic diversification by:

Strengthening the development of the private sector including SMEs

- **Italy & Netherlands** - Upgrading of sustainable value chains as well as safety and quality standards
- **Portugal** - Strengthening the Angolan Incubation and Entrepreneurship Ecosystem

Supporting export promotion and investments

- Capacity building on trade and marketing for export development
- Facilitating and promoting the development of networking between the EU businesses and local private sector
- Fostering public-private dialogue

Enhancing investment climate

- **Belgium** - Improving the efficiency, digitalisation, and capacity building for green port development
- **EIB** - Improving regional cooperation
- **France and Portugal** - Supporting agricultural vocational training
- **Portugal, FAO and UNDP** - Strengthening Food and Nutrition Security and Resilience
- **Germany** - Supporting the development of sustainable value chains and supporting vocational training
- **Poland** - Improving education and Blue Economy
- **Spain** - Promoting rural development by supporting agriculture, sustainable forest management and fisheries with specific focus on women empowerment

MODALITIES/ TOOLS

Direct financing

Technical Assistance

Delegated cooperation

Commercial diplomacy and support to negotiations

Investments

Guarantees

Loans

TRANSFORMATIONAL POTENTIAL

- Diversification of economy, food security, fight against poverty
- Resilience of family farming to climate change
- Decent jobs for all, greater domestic mobilisation, support to vulnerable layers

KEY DELIVERABLES

Economic Integration

1. Sustainable Investment Facilitation Agreement (SIFA)
2. Accession to EU-SADC EPA (negotiations to start)
3. Sustainable Fisheries Partnership Agreement (SFPA)

Energy

4. Construction of Baynes hydro power plant
5. Construction of the Angola-Namibia Interconnector (EIB) Support/development of sustainable value chains

Agriculture and fisheries:

6. Transformation of food production value chains for coffee and fisheries (marine, continental fisheries and aquaculture) (other values chains are under study)

7. **Logistics:** Integrated temperature-controlled logistics facility at a logistical platform along the Lobito Corridor (NL)
8. **Circular economy:** Support to reorganise the waste economy and improve the value chain TVET and higher education
9. Creation of TVET degrees
10. Rehabilitation and curricula strengthening of 12 TVET agricultural centres
11. Creation of master's and PHD degrees in priority areas for economic diversification
12. Support to universities' scientific and technological research.

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NATIONAL CONTEXT

National framework

- Angola's National Development Plan (2018-2022) Pillar 2 "Sustainable, diversified and inclusive economic growth" (PRODESI programme)
- Joint Way Forward political agreement priority areas
- Ministerial Meetings' recommendations

High untapped potential for green economy contributing for diversification of exports

Lack of capable and transparent financial services' sector

Mismatch between the qualifications of Angolan work force and labour market needs

Large informal economy - 80% of the economically active population - dominated by women

Government priorities

- Fostering economic diversification for GDP growth, domestic resource mobilization and job creation
- Increasing trade by integration into regional markets & trade agreement with the EU
- Enhancing business environment & access to finance
- Improving the education system (including vocational training)
- Fighting inequalities (or Promoting equitable development for all)

GEOPOLITICAL CONTEXT AND RELEVANT SDGs

2 ZERO HUNGER



5 GENDER EQUALITY



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Deteriorating socio-economic situation due to decreasing oil revenues worsened by the COVID-19 pandemic

Upcoming negotiation for the SADC-EPA

8 DECENT WORK AND ECONOMIC GROWTH



13 CLIMATE ACTION



Programme to Support Production, Diversification of Exports and Substitution of Imports (AfDB)

Upcoming negotiation on the EU-Angola investment facilitation agreement

Support to private sector development as a key driver for growth = priority for the European Investment Bank's (EIB)

EU agri-business companies have demonstrated interest in exploring opportunities to bring in know-how

**SDGs included based on a new JRC electronic text mining tool, which identifies SDGs (targets)