

# The Republic of Angola

## Position for the African Union

---

### **I. Furthering Agenda 2063 “Building a Prosperous Africa based on Inclusive Growth and Sustainable Development”**

The Republic of Angola is committed to building a prosperous Africa. Angola applauds the work of African Union (AU) and stands with AU’s decisions, Assembly/AU/Dec.565 and Assembly/AU/Decl.6, which adopted Agenda 2063 and declared African solidarity regarding inclusive development. Angola recognizes two main challenges in achieving Agenda 2063: political instability and underdeveloped economy. As stated by its Minister of External Relations in the UN Security Council, Angola believes that “political stability is the foundation on which rests the economic and social development of any country.”<sup>1</sup> Angola condemns the armed conflict in any part of Africa and supports the actions of Peace and Security Council in its efforts to end conflict in Africa. Angolan government highlights the work of Tunisian National Dialogue Quartet in bring political stability and a peaceful transition of power in Tunisia. Angola is in the position that Africa can only achieve inclusive and sustainable growth on the foundation of political stability. Secondly, Angola supports concerted African efforts to stimulate economic development in the continent. Angola is in the position that more standardized economic policy by Member States can benefit the whole continent. Furthermore, Africa must work with international partners, such as United Nations, European Union, and China, to further Agenda 2063. Angola supports the work of AU in New Partnership for Africa’s Development and China-Africa Cooperation Forum. Angola believes more cooperation between AU and its international partners can foster both political stability and economic development in Africa.

Between 1975 and 2002, civil war devastated Angola and its people because of political instability after a rushed independence from Portugal. As a result, 1.5 million Angolans were killed, over 4 million were internally displaced, and another five hundred thousand fled the country. In light of this tragic history, government of Angola is committed to political stability both in Angola and in Africa. Our commitment is enshrined in the Constitution of the Republic of Angola, which states, “[people of Angola are] faithful to the deepest wishes of [its] people for stability, dignity, liberty, development and the building of a modern, prosperous, inclusive, democratic and just country.”<sup>2</sup> With this commitment, Angola made a measurable progress in constructing a modern state. Since 2002, Angola held two national elections that resulted in a democratic government with stability, dignity, liberty, and development. Furthermore, Angola helped other countries in the region achieve political stability. In 2000, Angola, along with 12 other member states, created International Conference on the Great Lake Region (ICGL). ICGL contributed significantly to political stability in the region, especially in Democratic Republic of Congo. Furthermore, Angola invested in its education, commodity industry, and energy industry to develop its economy. As a result, Angola became one of the world’s fastest growing economies, with a GDP growth rate of 20.6% in 2005, 18.6% in 2006, and nearly 27% in 2007.<sup>3</sup> Between 2002 and 2014, Angola’s GDP per capita grew 699% from US\$775.77 per capita to US\$5423.61 per capita.

Moving forward, Angola hopes to work closely with all Member States to build a prosperous Africa by increasing political stability and economic development in the continent. Angola strongly endorses the Silencing the Guns by 2020 project to increase political stability in the region. Angola is open to negotiating with all Member States on practical steps to implement this project. Furthermore, Angola advocates for political commitment by the Member States to the construction of Great Inga Dam and Development of Commodity Strategy. The Great Inga Dam has a potential to supply 40,000 MW of electricity to Africa, which can solve a huge energy gap on the continent. Increased access to electricity can help increase political stability and stimulate economic development. Angola, as a leading energy producer, is ready to share its expertise to increase production and accessibility of electricity in Africa. Lastly, Angola strongly believes in the Development of Commodity Strategy among AU Members. Africa is endowed with rich natural resources. As a result, Africa is the leading exporter of commodities. A cohesive strategy by Member States can help increase the economic benefits of the commodity export. Angola, as a leading commodity exporter, is open to negotiate with all AU members on the issue of Development of Commodity Strategy.

---

<sup>1</sup> “Security Council Open Debate on the Inclusive Development for the Maintenance of International Peace and Security.” Permanent Mission of the Republic of Angola to the United Nations. 2015. Accessed October 8, 2015.

<sup>2</sup> “Constitution of the Republic of Angola.” National Assembly of Angola. 2010. Accessed October 7, 2015.

<sup>3</sup> “Economic Diversification in Africa.” UN Office of the Special Adviser on Africa. 2010. October 7, 2015.

## II. Promoting Financial Integrity through Infrastructural Rehabilitation

The Republic of Angola is committed to promoting financial integrity both in Angola and in Africa through infrastructural rehabilitation. Angola supports the work of AU and its declaration, Assembly/AU/Decl. 5, which declares Member States' commitment to end chronic Illicit Financial Flows (IFF) from Africa. As stated by H.E. Mr. Ismael Martins, Angola's permanent representative to the UN, Angola believes in "Africa free from fear and want, a united and prosperous Africa at peace with itself and with the rest of the world."<sup>4</sup> Angola is in the position that the aforementioned statement must be the starting point for all negotiations promoting financial integrity in Africa. Moreover, Angola believes that financial integrity must be a common goal for all Member States because African financial integrity is impossible without the commitment of all its members. Angola is of the opinion that IFF and poor infrastructure are the two main causes for the lack of financial integrity in Africa.<sup>5</sup> As stated in the Luanda Declaration, Angola believes that IFF deprives Africa of hundreds of billions of dollars and that the infrastructural development remains to be a critical enabler for sustainable growth in Africa. Secondly, Angola affirms that each Member State's macroeconomic policy should include raising public capital to address deep-rooted infrastructure problems.<sup>6</sup> Lastly, Angola is in the position that Africa can significantly improve its infrastructure through coordinated Commodity Strategy. As President Dos Santos stated, "China needs natural resources, and Angola wants development." In much the same way, the world needs natural resources and Africa wants development. Angola believes united Commodity Strategy can help finance infrastructural projects in Africa to promote financial integrity. Therefore, Angola supports the establishment of an Oil Fund that will finance basic infrastructure projects.

Angola has been actively addressing IFF and poor infrastructure both within its border and outside its border. Angola is working with Eastern and Southern Africa Anti-Money Laundering Group (ESAAMGL) to combat money laundering and IFF. In 2006, Angola ratified the United Nations Convention against Corruption to address corruption and IFF. In 2015, Angola signed the Luanda Declaration, along with the African Caucus members of the International Monetary Fund, to eliminate IFF both in Angola and in Africa. As a result, Angola's real IFF decreased by US\$4,958,300,000 between 2007 and 2008.<sup>7</sup> Moreover, Angola had zero Trade Misinvoicing Outflows from 2003 to 2012, except in 2010.<sup>8</sup> Secondly, Angola has been working to improve its poor infrastructure, a result of 27-year civil war. Angola established a Strategic Financial Oil Reserve to finance Fundo de Soberano de Angola, a sovereign national wealth fund that focuses on building Angola's infrastructure. Additionally, Angola has worked closely with China using an "oil for development" policy to finance its infrastructure projects. By utilizing its national resources, Angola has been able to construct new projects including the Luaca hydropower plant, the Lobito Corridor, the Beneguelan Railway, and the Angola Roads National Institute. As a result, Angola improved its electricity production from 1.45 billion kWh to 4.875 billion kWh, improved its railway from non-functioning to 2,852 km of functioning tracks, and increased its mobile telephone users from 25,800 to 14.1 million between 2002 and 2014. Angola has been working with international partners to promote its financial integrity and to improve its infrastructure. For example, Angola has been working with the IMF and the World Bank to liberalize and expand its private banking sector.

Moving forward, Angola is open to negotiate on practical steps to stop chronic IFF in Africa. Angola believes Luanda Declaration is a good foundation on which Member States can build a concrete and realistic policy to address chronic IFF. Furthermore, Angola advocates for a more active involvement of ESAAMGL and other regional organization to address corruption, which is often the source of IFF. Angola is open to hear from other Member States on how AU can address IFF and corruption to stop the illegal outflow of cash from Africa. Angola believes that stopping chronic IFF is extremely challenging unless its source, corruption, is also addressed. Secondly, Angola hopes to work closely with the Member States, the African Development Bank (AfDB) and other regional bodies to support the construction of infrastructure in Africa. Angola supports flagship projects in Agenda 2063 to promote development of infrastructure. Angola asks the Member States to make political commitment to 1) Integrated High Speed Train Network, 2) Single African Aviation Market, and 3) Establishment of the Continental financial institutions, including African Central Bank by 2030. Angola advocates using "Angolan model" in financing for the infrastructural projects. Lastly, Angola is open to negotiate on ways to develop a Commodity Strategy for Africa. With a unified effort, Africa will be a more serious player in international commodity trade. Angola believes in a more prosperous Africa and looks forward to be working with other Member States to make Africa more prosperous.

---

<sup>4</sup> "The Statement made on Occasion of the Celebration of the Africa Day." Permanent Mission of the Republic of Angola to the United Nations. 2012. Accessed October 24, 2015.

<sup>5</sup> "Luanda Declaration." African Caucus of the International Monetary Fund and the World Bank Group. 2015. Accessed October 24, 2015.

<sup>6</sup> "Letter of Intent, Memorandum of Economic and Financial Policies, and Technical Memorandum of Understanding." IMF, 10 Jan. 2011. Accessed October 26, 2015.

<sup>7</sup> "Illicit Financial Flows from Africa: Hidden Resource for Development." Global Financial Integrity. 2008. Accessed October 24, 2015.

<sup>8</sup> "Illicit Financial Flows from Developing Countries: 2003-2012." Global Financial Integrity. 2014. Accessed October 24, 2015.