

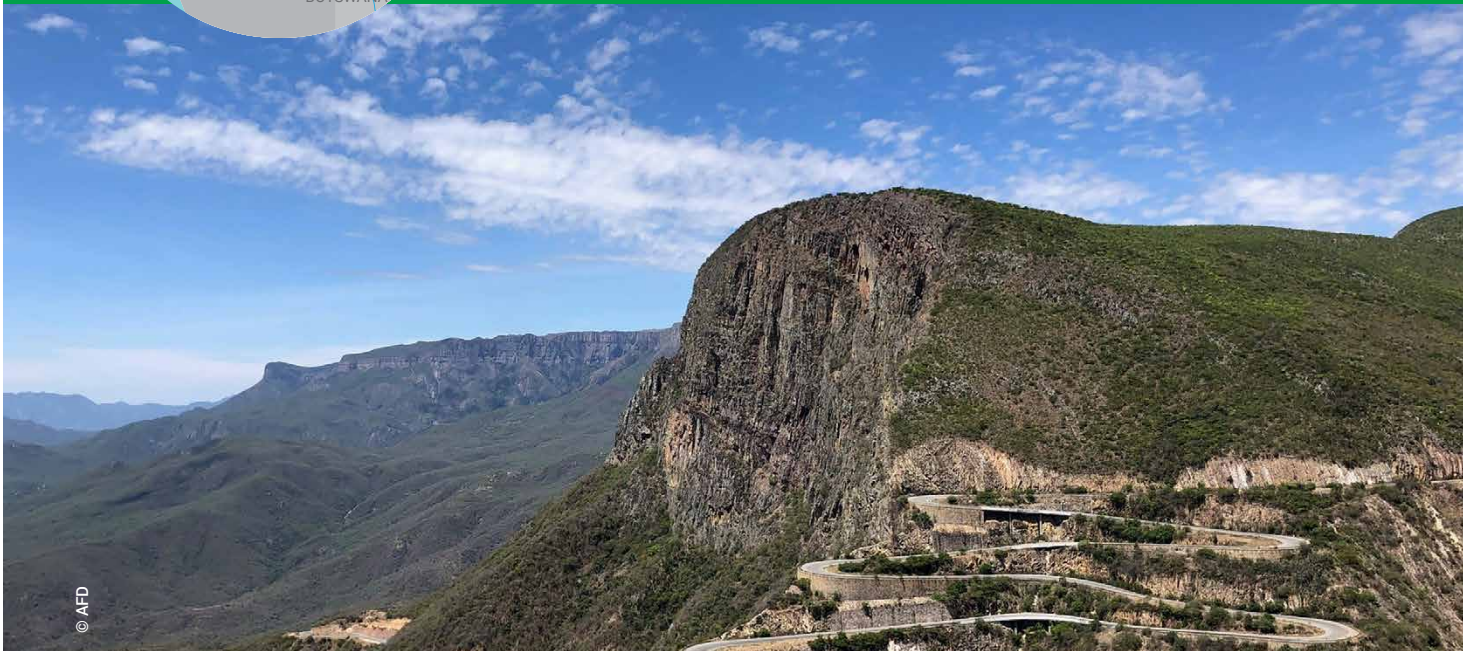


RÉPUBLIQUE  
FRANÇAISE

*Liberté  
Égalité  
Fraternité*



## AFD GROUP IN **Angola**



© AFD

**11 projects**  
funded since 2018

**€806 million**  
in financing since 2018

**45%**  
of financing targeted to  
economic diversification

AFD Group supports the sustainable development priorities of its Angolan partners, by financing improved access to water and electricity for all. AFD also supports economic and financial transition by backing macroeconomic reforms, modernizing vocational training, higher education, and strengthening entrepreneurship. AFD also contributes to the development of a strong agricultural sector, to generate inclusive growth, create jobs, and reduce the country's dependence on hydrocarbon sector revenues.

**#WorldInCommon**

# OUR ACTION IN Angola

**AFD supports Angola in its efforts to diversify the economy and promote inclusive socioeconomic development, with the aim of ensuring long-term socio-economic stability.**

**1**

## *Promote access to water and reliable energy*

Despite significant investments in social infrastructure in recent years, the rate of access to essential services, include access to water and reliable energy remains low. In Angola in 2020, only 57% of the population had access to an improved water source and only 28% in rural areas. Only one-third of the population have access to electricity.

The Angola government, in partnership with AFD, the World Bank, the African Development Bank and the EIB, has committed to restructuring the water and sanitation management system, by creating provincial water companies and a regulatory institute for the sector. AFD is supporting the strengthening of these public companies as well as the rehabilitation and extension of urban and peri-urban water networks in the country's main provinces. This will eventually provide access to water for nearly 1 million additional inhabitants in the poorest districts.

The government has set an additional goal of providing electricity to 60 percent of the population by 2025, or 9.9 GW, up from 5 GW in 2019. Objectives include improving the financial management of the sector's public enterprises, reducing technical and non-technical losses, rehabilitating existing infrastructure, and expanding the electricity network from the most populous cities. Rural electrification is also a priority of the government to promote economic development in the countryside and fight against the rural exodus, with the objective of electrifying all the heads of municipalities by 2025.

AFD is supporting these initiatives by financing the rehabilitation and extension of the existing network as well as technical assistance to public companies.

**2**

## *Develop the agricultural sector*

Agriculture is a key sector for Angola to diversify its economy, to make its growth more inclusive, and to improve the country's food and nutritional security. The significant growth of the sector in recent years is driven mainly by small-scale family farming, which has allowed for the expansion of cultivated areas, following the return of land to agriculture after the civil war, and government investment in public infrastructure. Despite rapid sectoral growth, national agricultural production remains below demand, and Angola still imports more than half of its food needs.

Through the financing of four structuring projects since 2018, totaling more than €150 million, AFD has been accompanying Angolan authorities, and in particular the Ministry of Agriculture and Forestry, to develop a more robust and resilient agricultural sector, creating many decent jobs. Projects provide the most comprehensive support possible to strengthen key sectors, from vocational training, to access to bank financing and infrastructure financing. Project support is provided in partnership with the other donors, including the World Bank, IFAD, EU and ADB.

**3**

## *Supporting innovation and digital entrepreneurship*

Angola is a country with a very young population that has a huge potential for the creation of startups and technological and digital solutions for the transport, marketing, sales or agriculture and fishing sectors.

In 2021, the emerging Angolan startup ecosystem, was ranked in the Top 115 worldwide and 2nd in Central Africa.

AFD, as part of its support to Angola's economic diversification and inclusive socio-economic development, is supporting the Angolan start-up ecosystem through a technical cooperation program implemented between the Óscar Ribas University, SchoolLab and EmLyon. This peer-to-peer partnership project, which includes an incubator, a Junior Enterprise, a Fab Lab (with TotalEnergies) and entrepreneurship training, aims to create a benchmark entrepreneurial cluster in Luanda. It is a pilot project that is emerging as a model and should be scaled up in agreement with the authorities, still with the support of AFD, but also of its subsidiaries Expertise France and Digital Africa.

## 4

### *Accompanying macroeconomic reforms*

As Africa's largest oil producer (OPEC, 2022), Angola remains economically dependent on oil resources. After the drop in oil prices from mid-2014, Angola found itself in a severe recession and facing severe fiscal imbalances. At the end of 2017, the government undertook a major structural reform program aimed at modernizing, diversifying and making the country's economy attractive to investors, with the support of the IMF and the World Bank.

AFD has supported country's economic and financial transition through a €200M public policy budget financing. The project centres on public finance management reform, based on best international

standards of efficiency and transparency (PEFA, MAPS), the resizing and strengthening of public enterprise sector governance, better management of public-private partnership support, and the improvement of the Central Bank's capacity and supervision of the financial sector.

This project is accompanied by an ambitious technical assistance program, carried out by Expertise France, with significant support from the European Union, financed by a €7.5 million grant. It aims to build a long-term bilateral peer-to-peer cooperation on reform, for the country's development trajectory.

## 5

### *Optimizing urban mobility in Luanda*

Transport in Luanda province is based on three modes: the suburban railway system, with a single line between Luanda and Catete/Icolo & Bengo (used by 1,600 passengers/day), maritime transport based on 4 boats, 2 lines and 3 stations (about 300 passengers/day), and road transport used by 450,000 people each day, i.e., 5% of the population.

Private collective cabs (blue and white minibuses) account for 68% of the modal split. These cabs are faster but more expensive than the buses of the Luanda public urban transport company. Public buses are considered slow and the bus fleet is largely under capacity at peak times, generating discomfort and insecurity for users.

Through a €1M FEXTE, AFD, the Embassy's economic department and the Angolan Ministry of Transport have set up a cooperation program to develop more sustainable urban mobility to cope with the agglomeration's strong demographic growth. This support is being implemented by The CODATU association is implementing support for this project. CODATU provides both French experience and expertise in the sector and an opening for exchanges of experience with similar projects, particularly in Africa.

### *Expertise France*

Expertise France, AFD Group's technical assistance subsidiary, has been operating in Angola since 2018. EF is implementing two major projects, financed by the European Union: the RETFOP project in the field of vocational training, in partnership with the Camões Institute (€21M project of which €9M is delegated to Expertise France), and the UNI.AO project in the field of higher education (€13M). They will help modernise the governance and efficiency of these two key sectors for the diversification of the Angolan economy. Expertise France is also working with AFD on macroeconomic reforms (management of technical assistance linked to AFD's €200M budget financing to support Angola's economic and financial transition).

### *Proparco*

PROPARCO's activity is recent, with a first operation in 2020 (financing in the agro-industrial sector), and is aligned with AFD's priorities on supporting the agricultural private sector, renewable energy projects, particularly photovoltaic, and the financial sector.

## 6

### *Promote development through sport*

AFD is financing a sports and social cooperation project in the field of women's basketball between the LDLC ASVEL women's club, the Tony Parker Adéquat Academy and the Formigas de Cazenga club. This project is part of a global French initiative and is linked to the

project deployed by the French Embassy in Angola (FSPI BASE-F). This project promotes the ideal of sport for everyone, and of social and educational development guaranteeing gender equality and citizenship.



AFD Group implements France's policy in the areas of development and international solidarity. The Group includes Agence Française de Développement (AFD), which finances the public sector and NGOs, as well as research and education in sustainable development; its subsidiary Proparco, which is dedicated to private sector financing; and Expertise France, a technical cooperation agency. The Group finances, supports and accelerates transitions towards a fairer, more resilient world.

With our partners, we are building shared solutions with and for the people of the Global South. Our teams are at work on more than 4,000 projects in the field, in the French Overseas Departments and Territories, in 115 countries and in regions in crisis. We strive to protect global public goods – promoting a stable climate, biodiversity and peace, as well as gender equality, education and healthcare. In this way, we contribute to the commitment of France and the French people to achieve the Sustainable Development Goals (SDGs). Towards a world in common.



**Angola Office | Director: Louis-Antoine Souchet**

Rua Frederico Welwitsch n.º 84  
Torre Maculusso. 7º Andar CP 584, Luanda

[afdluanda@afd.fr](mailto:afdluanda@afd.fr)

**AGENCE FRANÇAISE  
DE DÉVELOPPEMENT**

5, rue Roland Barthes  
75012 Paris – France  
Tél. : +33 1 53 44 31 31

 [afd.fr](http://afd.fr)  
 [facebook.com/AFDOfficiel](https://facebook.com/AFDOfficiel)  
 [twitter.com/AFD\\_France](https://twitter.com/AFD_France)  
 [instagram.com/afd\\_france](https://instagram.com/afd_france)  
**#MondeEnCommun**