

POLITIC: The Council of the Republic analyses the country's economic situation



The Head of State, José Eduardo dos Santos chairs the Council of the Republic

On 10 February the Angolan President José Eduardo dos Santos convened a meeting of the Council of the Republic in order to discuss subjects of national interest.

Members of the Council of the Republic

On this occasion the Head of State led the swearing-in ceremony of the new members of the Council of the Republic, a collegiate advisory body of the Angolan state.

The current members of the Council of the Republic had been nominated in the presidential decree of 29 January 2013. The Council of the Republic is composed of the Vice President, Manuel Domingos Vicente; the President of Parliament, Fernando da Piedade Dias dos Santos; the President of the Constitutional Court, Rui Constantino da Cruz Ferreira and the general prosecutor, João Maria Moreira de Sousa.



The leaders of the opposition parties also belong to this advisory body: Roberto Antonio Victor Francisco de Almeida, Vice President of the MPLA; Isaias Henriques Ngola Samakuva, President of I'UNITA; Abel Epalanga Chivukuvuku, President of the CASA-CE; Eduardo Kuangana, President of the PRS and Lucas Benghy Ngonda, president of the FNLA.

In addition, and in accordance with Article 135 of the constitution, the following citizens also belong to the consultative collegiate body: Domingos Cajama, Pedro José Van-Dúnem, Reverend Augusto Chipesse, Reverend Wanani Nunes Garcia, José Ludovino Severino de Vasconcelos, Sérgio Luther Rescova Joaquim, Maria da Conceição Pitra Pascoal, Manuel Alexandre Rodrigues, Maria de Lourdes Alves Cordeiro and Lotti Nolika.

The Council of the Republic, a collegiate advisory body of the Angolan state

The Head of State generally consults the Council of the Republic regarding strategic choices or major changes, which commit the country to long-term political and economical strategies. Speaking at the swearing-in of the members of the Council of the Republic in Luanda the Angolan President, José Eduardo dos Santos, confirmed that the country was experiencing a time of great political, economic and social stability. As all state institutions were operating normally, it would not be necessary to consult the members of the Council of the Republic.

He informed the members of the Council of the Republic that the Angolan government had approved a new strategy regarding the current economic situation.

For the 31st meeting of the Council of the Republic, Dos Santos has invited the Minister of State and Chief of Staff, Edeltrudes Costa, the governor of the Angolan National Bank (BNA), José Pedro de Moraes and the Minister of Finance, Armando Manuel. This will help obtain detailed information about the country's economic and financial situation and also about the guidelines adopted by the Angolan Executive Board.

On this occasion the Head of State also recalled the old saying according to which "two minds think better than one". He added that "we are here because I think that all Angolans must face the situation together, and I hope that we will get through this successfully".

According to the President, the large decrease of the oil price on the international market "has had a huge impact on the State's revenues" since last November. The contribution by the petroleum sector to state proceeds, which was around 70%, is expected to be around 36,5% in 2015. Moreover, the drop in the price of oil has reduced the government's ability to make public investments as well as to finance the economy. If this situation, and the country in general, is not properly managed, it could affect the latter's economic and social stability".

Following the meeting, the members of the Council of Republic agreed on a final statement, which indicated the need to adopt strong measures in order to diversify the national economy and to reduce the weight put on the oil sector. According to the members of the Council of the Republic, the diversification will allow for a greater efficiency in the use of the government budget, combat poor management more effectively and to also improve the business environment.

The Council of the Republic recommended, amongst other things, the acceleration of the investment law revision, the implementation of the co-op act in order to increase internal supplies, medical assistance in order to guarantee the productivity of the workforces, the maintenance of the expenses in the areas of education and manpower training in order to insure the development of human resources.

According to the Council of the Republic, the measures are designed to maintain economic and financial stability and to satisfy the essential needs of the citizens.

ECONOMY

THE GOVERNMENT CHANGES MACROECONOMIC MEASURES



Board Meeting of Ministers

On Friday 7 February the Council of the Republic approved, under the supervision of the President, a strategy regarding the revision of the state's general budget and the macroeconomic planning of 2015

The Council of the Republic approved the revision of the 2015 government budget.

The dramatic fall of oil prices (approximately 60%) affects the Angolan economy and the government budget, which is closely linked to the petroleum sector. The government budget was based on an oil price of \$81 per barrel and is now based on an oil price of \$40 per barrel. The government is planning to reduce public expenses in order to handle this massive deficit.

The government's goal is to maintain the overall price level, to control and maintain the international reserves as well as the proper functioning of public administration. The spending for the following departments won't be affected by the reduction of public expenses: public service, health care, social security, the army, police and security service.

These new measures focus on different aspects, such as a greater national economic diversification, the stability and continuity of economic growth, the renegotiation of foreign debt and the use of foreign funding.

In order to achieve these objectives, the government is considering diplomatic negotiations with the international community and multilateral organizations. In accordance with the council's press release, this strategy involves a package of short-term, structural, administrative, political and diplomatic measures. The Council of the Republic approved the revision of the 2015 government budget, which will be assessed by the National Assembly.

STATISTICS

GDP (2012)	\$ 130.4 billion (PPP)
GDP growth (2012)	\$ 8.4 %
GDP per capita (2012)	\$6, 500 5 (PPP)
GDP by sector	agriculture 10,2% industry 61,4% services 28,4%
Inflation (2013)	8,8%

EMBASSY OF ANGOLA IN HUNGARY

Redaction: Embassy of Angola

Chief of Redaction: N. E. LIZÉTH NAWANGA SATUOBO PENA

Address: Sirály u. 3, 1124 Budapest Hungary TEL: 00 36 1 4877680/ FAX: 00 36 1 4877699

Email: anemba@angolaembassy.hu

ECONOMY: Economic diversification

Reopening of a factory for cutting and polishing of diamonds



The Minister of Geology and Mines, Francisco Queirós and the CEO of Endiama, António Carlos Sumbula

The diamond-cutting factory, Angola Polishing Diamonds S.A (APD), shut down in 2008 because of the diamond price crisis. It reopened its doors in Luanda on 2 February.

Several important people attended the opening ceremony such as the Minister of Geology and Mine, Francisco Queirós; the President of the National Diamond Enterprise (Endiama E.P), António Carlos Sumbula; as well as high-ranking officials of the Geology and Mine Minister. Fully equipped with cutting-edge technology, APD hopes to increase its diamond-producing capacity to 1000 carats per month and also to increase its performance and profitability levels.



A picture of Angola's diamond

The renovation of the Angola Polishing Diamonds S.A factory has cost 10 million US dollars. The factory is located in Belas (Talatona) and belongs to the Angolan Enterprise of Diamond Trading (Sodiam), a subsidiary of the National Endiama Enterprise E.P.

Through this investment the government's goal is to increase and diversify its sources of income and to provide cutting-edge technology for the diamond industry. This industry currently employs 168 people and plans to employ 400 people for a production of 20000 carats per month.

According to the information of the Minister for Geology and Mining, the most important diamond zones are located in the district of Luanda Norte in the North, in the district of Bie in the centre and in the district of Luanda Sul. The diamonds are removed from the gravel close to the rivers as well as from the "Kimberlite", a volcanic pipe. The alluvial diamond reserves are estimated to contain between 40 and 130 millions carats. The total reserve contains 180 millions carats, if you add the Kimberlite pipe reserves. Angola produces more than 80% of gem-quality diamonds, which help to ensure the profitability of small businesses.

The diamond cutting and polishing sector represents the second biggest source of income for the state. The biggest source is the oil sector, whose estimated annual income lies at 1,2 billion dollars.

Angola is the world's fifth-largest diamond producer, just behind Botswana, Russia, Canada and South Africa. It produced approximately 8,5 millions carats in 2013 and set itself the goal of reaching 9,5 millions carats in 2014.

Angola, elected as a non-permanent member of the United Nations Security Council

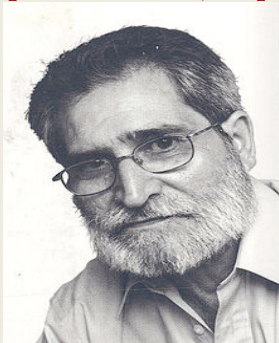
ECONOMY: Industry**Angola creates a commercial arbitration Centre**

José Severino, president of the Angolan Industrial Association

In four months Angola will possess commercial arbitration centre, which will mediate between micro-firms (small or medium-sized enterprises) before the courts. This new strategy will lead to a non-bureaucratic dispute resolution process.

The President of the Angolan Industrial Association, José Severino, announced the creation of a business arbitration centre. According to him, the goal is to make the economy more competitive and dynamic by stimulating enterprise.

José Severino said that the creation of the centre is carried out in close cooperation with the Minister of Justice. He also said: « by creating this centre, we sincerely hope to resolve the numerous disputes quickly and cost-efficiently and to thereby minimize the court's workload».

CULTURE Pepetela and Ondjaki participate at the 1st meeting of Young Literature of Lusophone countries

Artur Carlos Maurício Pestana dos Santos (born 1941) is a major Angolan writer of fiction. He writes under the name Pepetela.



Ndalú de Almeida (born in 1977) is a writer from Angola, writing under the pen name Ondjaki. He lives in Luanda, the capital of the country, and has written poetry, children's books, short stories, novels, drama and film scripts.

The Angolan writers Ondjaki and Pepetela participated at the 1st meeting of Young Literature of Lusophone countries, which was held from 5 until 7 February in several Portuguese cities such as Cascais, Oeiras, Lisbon and Amadora.

“O Século” and the Lisbon Municipal Court sponsored this event. Writers, illustrators, storytellers, editors and academics attended this event. On 5 and 6 February there were debates on Young Literature in Lusophone countries. On the 7, workshops for writing, illustration and story-telling were organised.

Several personalities from the world of culture were present such as Adelice Souza and Alice Vieira (Brazil), Carmelinda Gonçalves (Cape Verde), Ondjaki (Angola) and Carlos Patraquim (Mozambique). António Sampaio da Nóvoa, who is the chancellor of the University of Lisbon, led the Honorary Commission.

The writers, Pepetela (Angola), Mia Couto (Mozambique), António Torrado (Portugal) and Ana Maria Machado (Brazil) also belonged to this Commission. The goal of this event was to launch a communication network between writers and publishers, through the development of an Internet platform.

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EDUCATION: The beginning of the school year

The Vice President, Manuel Vicente, visits Soyo in the Zaïre district, in order to announce the official start of the school year



The Vice President, Manuel Vicente, visits Soyo in the Zaïre district

The school year starts with 6 million schoolchildren this year, with 5 million in primary school and 1 million in secondary school. The Angolan Vice President, Manuel Domingos Vicente, travelled to Soyo on 2 February in order to attend the official opening ceremony of the 2015 school year. He inaugurated a polytechnic institute as well as several primary and secondary schools. The polytechnic offers classes in welding, electricity, petrochemistry, mechanics and English.

According to the local Head of Education, Science and Technology, over 242 classes were opened on 2 February. This should facilitate access for 10 000 new students of this region. Several government members such as the Education Minister, Mpinda Simão, accompanied the Prime Minister to the district of Zaïre.



Pinda Simão - Education Minister

One of the main goals of the government is to increase the schooling rate and to fill any gaps caused by decades of civil war. Last year more than 636 000 people benefited from literacy programs, 27 000 students benefited from special teaching and 600 000 were registered in pre-school. The Minister of Education specified "the school system has increased in every single district. We believe that the new educational facilities will welcome a lot of children, who didn't have the chance to go school before. But this doesn't mean that all the problems are solved." In Soyo six new schools opened. The 148 classes can accommodate 15 000 school children. "It is a big step and all the necessary conditions were created in order to guarantee a very good school year", said the Minister.

Over 220 000 students are registered in higher education and the university year starts in March. At the same time, Angola is going through a difficult period because of the fall of oil prices on the international markets. This also affects tax income and, of course, the state budget for 2015. Last October, the President announced a three-year plan for the creation of 63 000 classes as well as the training of 126 000 teachers. The government has set up an emergency plan in order to save 9,5 billion dollars of the state budget.

The Angolan school system is currently composed of 203 877 teachers. These teachers represent 54% of federal public service workers, which include pre-school education, general education, education for adults, training of teachers and technical education. 2 244 people are part of the higher education system. The main priorities of the government are: the reorganisation of the national school map, the recruitment of qualified teachers, the incorporation of out of school children, the lack of rural teachers and a better budgetary management. The Vice President said: "Today we want a competitive school system, based on quality and on modern scientific management, which will show its competitiveness, internal efficiency and fairness".

In Luanda the school year started with 1,7 million students, among them 139 695 new students. 15 new classes were created. The Education Provincial Director, André Soma, announced to the press that "in Luanda, 3 900 teachers are needed in order staff new schools and to fill vacancies due to retirement, death or dismissal".

STRENGTHENING BILATERAL RELATIONS BETWEEN ANGOLA AND HUNGARY



H.E. Lizeth N. Satumbo Pena, visited the University of Miskolc on 25 February

The Hungarian Prime Minister, Viktor Orbán, and, the Minister of Foreign Affairs and Foreign Economic Relations, Peter Szijjártó, have decided to strengthen the south-south cooperation with Africa and South America.

Diversifying partnerships, investing in equity markets and stabilizing foreign policy represent the key elements of this new diplomatic strategy. Until today, Hungary was mainly focusing on the EU countries such as Germany with 43% of export sales and Italy with 46%. The non-EU countries of Eastern Europe represent 22% of Hungarian foreign trade.

Moreover, Hungary will open three new embassies in Africa (Angola, Ethiopia and Ghana) as well as one in Ecuador. Hungary will also open six trade agencies in Africa, for example, in Angola, Ethiopia and Kenya, and in South American countries such as Ecuador, Chile and Peru.

The relations between Angola and Hungary are very good. The Minister of State for Foreign Affairs, Zsolt Nementh, was the last important member of the Hungarian government to visit Angola in January 2014. The Angolan ambassador in Hungary, Lizeth N. Satumbo Pena, visited the University of Miskolc on 25 February. The Chancellor of the University, Dr. András Torma and the Vice-Chancellor Dr. Tamás Kékesi, who is in charge of the University's international relations, welcomed the Ambassador and a delegation of five members.

The area of a higher education is one of the main priorities of this cooperation. Since the independence of Angola in 1975, several Angolan executives have been educated in Hungarian universities. Hungary will offer more than 600 scholarships to students from southern countries, most notably from Africa. Angola is one of the beneficiaries of this scheme.

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