

PPIAF Assistance in Angola

Angola, a fragile state, is a country whose economic recovery is contingent upon the improvement in quantity and quality of its infrastructure services. Following the years of conflict in the country and the resulting damage to the country's infrastructure, as well as the negative impacts on economic growth and development, the country's investment needs are enormous.

In 2001 the government of Angola recognized that to make rapid progress in extending infrastructure services to its population, it needed to attract private sector investments. As a consequence, the government of Angola requested PPIAF's assistance to review and assess the existing legal, institutional, and regulatory framework for the main infrastructure sectors, and to propose amendments to the regulatory regime with the objective of improving the enabling environment for private sector participation.

The resulting Country Framework Report (CFR) for Angola was finalized in December 2003. In particular, the CFR focused on how to maximize the role and contribution of the private sector in electricity and gas, water and sanitation, transport, and telecommunications. **The CFR included recommendations aimed at strengthening the institutional and regulatory environment for private sector participation.** The study assessed in an integrated manner, the current status, development prospects, opportunities for private sector investment and constraints in electricity, downstream natural gas, water supply and sanitation, **telecommunications**, airports, railways and roads, as well as the **regulatory business environment issues that affect the development and private sector participation in these infrastructure sectors.** The outcome was a well-researched document, prepared in English and translated to Portuguese, which provided numerous valuable suggestions and was widely circulated and reviewed by government and local stakeholders.

In addition to supporting the study, PPIAF also funded a high-level conference to bring together the government of Angola, major donors, and other participants to share and discuss the current situation of the country's infrastructure services; to discuss and agree on the general direction of the needed reforms in the infrastructure sectors; and to identify the areas where private sector may effectively partner with the government in the improvement of the infrastructure services. The outcome from the conference was the emergence of a consensus in favor of increased private participation in infrastructure and a better understanding among decision-makers and the general public in Angola of the conditions and the mechanisms for the successful implementation of schemes related to private participation in infrastructure. Subsequently to the workshop, various policy initiatives and reforms were prepared to increase private sector participation in infrastructure in Angola.

Specifically for the **telecommunications sector**, the CFR indicated the need to improve the regulatory structure for the sector and to clarify roles in regulation. The CFR also included a recommendation to enact legislation that defined the basic network, promoted competition, and increased private sector participation in the sector.

Two **outcomes** of the PPIAF-funded study in Angola are:

- (a) The enactment of amendments to the Basic Telecommunication Law 8/ 2001, published in April 11, 2008
- (b) The enactment of Decree 188 of October 7, 2008 containing the Internal Regulations (*Estatuto Orgânico*) of Instituto Angolano de Comunicações (INACOM), regulator of telecommunication services

Results of PPIAF's Activities in Angola

Category	Outputs
Enabling environment reform	
<i>Analyses/assessments prepared</i>	<ul style="list-style-type: none"> • Country Framework Report, 2003

Category	Outcomes
Enabling environment reform	
<i>Policies adopted, legislation passed/amended, or regulation issued/revise</i>	<ul style="list-style-type: none"> • Amendments to the Basic Telecommunication Law 8/ 2001, published in April 11, 2008 • Enactment of Decree 188 of October 7, 2008, containing the Internal Regulations (<i>Estatuto Orgânico</i>) of Instituto Angolano de Comunicações (INACOM), regulator of telecommunication services