

Angola Peace Monitor

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Deadlock in Constitutional Commission

Negotiations towards Angola's first elections since 1992 appear deadlocked. Angola's main opposition party, UNITA, has continued its boycott of parliament's Constitutional Commission, the body that will pave the way for the country's next elections. UNITA first left the Commission in May and has said it will not rejoin talks until Angola's president, Jose Eduardo dos Santos, has set a timetable for elections. However, the ruling MPLA argues that it is bodies like the Constitutional Commission that must do the groundwork, such as preparing a new national constitution, before an election timetable can become relevant.

President dos Santos has written to parliament calling for the constitutional and legislative framework to be put in place so that elections to be held before September 2006, and this letter was to have been analysed in the commission. His letter followed a meeting of the President's advisory body, the Council of the Republic, on 2 July. The Council of the Republic contains representatives of all the political parties with parliamentary seats - along with representatives of civil society, and was set up specifically to reach consensus around crucial national issues.

UNITA has argued that there is no need for a new constitution to be adopted before elections and that these can be held in 2005. Speaking to the UN news agency, IRIN, UNITA spokesperson Alcides Sakala said "the country would do fine if certain amendments were made to the electoral laws, instead of waiting for the whole constitution to be changed. But we will remain open to dialogue".

These manoeuvres appear to be part of an attempt by UNITA to rebrand itself as champions of democracy, and to work more closely with civil society groups in Luanda. Senior UNITA figures aim to strengthen the organisation in the capital, where it has been traditionally weak.

EU declaration on elections

The ruling party however appears to be winning part of the diplomatic battle. The European Union on 4 August welcomed the findings of the Council of the Republic and the President's subsequent letter asking for parliament to "take the necessary steps to implement the legal framework to prepare the next elections". According to a declaration from the Presidency of the European Union "this statement reflects the Angolan commitment to the democratic and electoral process".

The declaration continues that: "important tasks lie ahead to meet the conditions for organising these elections. The EU appeals to the Angolan government to set up a timetable for the different stages of the preparations for the elections and to continue its active effort to create the legal, financial and technical conditions in order to call for elections in 2006".

On the issue of financing the elections, which the Angolan government has calculated will cost around \$430 million, the declaration announced that, "the EU stands ready to contribute to the establishment of a proper and conducive environment for free and fair elections".

HRW calls for political and press freedoms

The US-based organisation Human Rights Watch on 14 July published a report "Unfinished Democracy: Media and Political Freedoms in Angola" www.hrw.org/backgrounder/africa/angola/2004/angola0704.pdf, which argues that the end of the conflict two years ago has "encouraged Angolans to start exercising again their right to debate the future of their country. In 2003 alone, four new weekly newspapers were established and the detention of journalists became less common. In the capital, Luanda, opposition parties have in the past year been able to hold demonstrations without government reprisals".

However, the report warns "even as peace creates new opportunities for the enjoyment of rights, there remains a substantial gap between the freedoms promised by Angola's constitution, by its laws, and by the international treaties Angola has ratified, and the realisation of those freedoms by Angolans".

The report states that positive changes have been confined mainly to Luanda and other coastal regions. It warns that "in the interior of the country, the situation remains troubling from a human rights perspective: opposition activists continue to be the target of violence by the police, the army, the Civil Defence Organisation (ODC), and supporters of the government. Private media are almost unknown. The judicial system does not have the independence to enforce the legislation that should in practice guarantee basic freedoms. The police force has not yet begun to fulfil its mandate as a politically neutral keeper of law and order".

The report also notes that over 30 percent of the population cannot read, only 38 percent of households have a radio and only 14 percent own televisions. Human Rights Watch sees as an obstacle to full participation in the political process.

The report also gives the testimony of witnesses who claim that UNITA has been victim of political violence. It gives the example of Kalima, near Huambo city, where it is alleged that the UNITA office was attacked by members of the ODC wearing army uniforms.

The HRW press release announcing the report recycles the myth that the relaunching of the civil war in 1991 was a result of a close election. It stated that "a 1991 peace accord opened the way to multiparty elections the following year that were narrowly won by the MPLA. The election failed to bring peace. Amid the widespread killing of UNITA supporters in Luanda, the rebel movement - which had failed to fulfil its obligation to disarm - went back to war and seized control of much of the interior".

The 1992 election results came out clearly in favour of the MPLA, which received 54 percent of the votes, compared with 34 percent for UNITA. In the presidential elections, Jose Eduardo dos Santos received 49.6 percent of the vote against Jonas Savimbi's 40.1 percent.

Violence in Cazombo

The United Nations World Food Programme has warned that violence has broken out in eastern Angola in Cazombo, a town near the Zambian border.

According to a report by the WFP on 23 July, "as many as 55 houses belonging to returnees from Zambia who have alleged links to UNITA are reported to have been burnt down in recent days. The incident was allegedly provoked by the local UNITA party's intention to establish an office in Cazombo, and moreover by the fact that the UNITA delegation was led by retired General Moises Njolamba who is allegedly responsible for the destruction of a bridge near Cazombo and the massacre of 72 local people. No one was killed nor injured, and the situation has now returned to normal throughout the town".

The UN news agency IRIN reported that "aid workers operating in the area alleged that a group of MPLA supporters, including police officers dressed in civilian clothes, had gone from house to house, setting them alight".

However, the MPLA has stated that it is not responsible for the attacks, and that on the contrary it has been trying to defuse tension created by the arrival of General Njolamba and other UNITA members. Speaking to the UN news agency IRIN, the MPLA's Information Secretary, Norberto dos Santos "Kwata Kanawa", stated that "It's clear that neither the MPLA nor the police had anything to do with the mobilisation of the population against UNITA. In fact, it was the police and the local administration that tried to calm down the situation".

He continued that "the population said it didn't want this UNITA general in Cazombo, because he is originally from there and operated in the area during the armed conflict. Under his orders, UNITA destroyed an important bridge over the Zambezi River and people were killed. The population knows about this, and when they saw him returning to Cazombo for the first time, they mobilised themselves alone".

Cazombo was for several years occupied by the rebel-movement UNITA, and was part of its major supply route for arms and petroleum from Zambia. The town is now being used as a transit point for refugees returning home from Zambia under a UNHCR organised repatriation programme.

The incidents reflect continued tension between the former rebels and the local population. However, such tensions have previously rarely resulted in violence. Attempts are being made to control tensions and outbreaks of violence. On 15 July the MPLA met with UNITA to address the issue, and to create a mechanism for reducing tension.

WFP warns shortages will hit returnees

The World Food Programme has warned that the lack of food donations for its programme to feed returning refugees and displaced people will seriously hamper international efforts for resettlement. WFP has stated that it continues to be 35,000 tons short of food for this year.

On 10 August WFP announced that it had only received \$45 million - or 18 percent - of its appeal for \$253 million to feed 1.4 million returning refugees and displaced people until the end of next

year. Already it has been forced to halve the cereal rations and, unless there are new donations, cereals will run out in September. This would be the worst time to run out of stocks as Angola traditionally enters into its "lean season" between harvests at this time of year.

According to WFP Deputy Country Director for Angola, Sonsoles Ruedas, "the funding shortage is seriously undermining the resettlement process and reducing the incentive for people to return to their areas of origin. Many face unimaginable misery when they return home. Clean drinking water from protected sources is rare, there are very few schools or health clinics and electricity remains only a dream in vast areas of the country. Now there is also very little food, which is essential if the repatriation process is to be successful".

Figures from the United Nations on 16 August confirm that, over the last month, there have been no new food donations to the UN Consolidated Appeal for Angola. Paradoxically, in the non-food section of the Consolidated Appeal, almost all of the last month's \$5 million in donations went to fund the voluntary repatriation and reintegration programme. The major donors were the United States (\$3 million), Japan (\$1.5 million), Spain (\$575,609), and Angola (\$310,000). The United Kingdom gave a donation of \$764,569 to the NGO GOAL for HIV/AIDS prevention and care in Lunda Sul and Moxico province.

UNHCR had intended to repatriate around 70,000 Angolans from neighbouring countries. So far it has raised \$14,622,584 out of a total requirement for this year of \$15,129,775, so funding for the transportation process is not a huge problem. The main barrier now is the lack of food aid available for returnees on arrival.

Meanwhile, Angola's farmers are continuing their recovery. A recent survey by the UN Food and Agriculture Organisation (FAO) found that Angola's harvest had improved this year, and the number of people in need of food aid has decreased. A joint assessment mission from the FAO and WFP found that there had been a 15 percent increase in area of land cultivated, up to 2.91 million hectares. Cereal production rose by 9 percent to 713,000 tons. The FAO report found that despite the improved harvest, Angola will still need to import 820,000 tons of cereals in 2004/5, of which 642,000 tons are expected to be commercial imports and 178,000 tons emergency food aid. According to the report, the average number of people needing food aid per month will be about 1.2 million compared to 1.4 million last year.

De-mining woefully underfunded

The report also highlights the fact that since the end of the war in 2002 a large number of internally displaced persons (IDPs) and refugees have been returning to their homes. However, it warns that "circulation within the country has become easier but people must still cope daily with landmines, and removing them is one of Angola's top priorities".

Despite this, the latest figures from the UN shows that Mine Action Programmes have been slashed in the mid-term review of the UN Consolidated Inter Agency Appeal for Angola. Originally 11 projects had been identified, needing funding of \$5,650,660. However, after the mid-term review there were only two remaining projects - one from Halo Trust to undertake mine clearance in Cuando Cubango province, and one by UNICEF. The only international funding for mine action under the Consolidated Appeal has come from Italy, which has donated \$2 million. For all the fine words and photo opportunities given by the danger of minefields, no other money has been given by the international community to this "priority".

IMF praise for improvements in Angola

The International Monetary Fund (IMF) on 21 July issued a statement on its recent mission to Angola from 7th to 21st July, which pointed out that "significant progress has been made towards macroeconomic stability over the last year". However, it warned that foreign debt levels have continued to rise, and that the country "faces daunting economic challenges during the current decade, following the return of over 4 million refugees and internally displaced persons, the destruction of infrastructure, continuing mine clearance requirements and the decline in human capital".

The mission visited the country as part of efforts by Angola and the IMF to agree to a "Staff Monitored Programme" which could lead to a formal agreement next year. Angola wants a formal agreement with the IMF to give it access to soft loans from the World Bank, and a rescheduling of its external debt. Currently Angola is forced to borrow on the international market through high-interest oil-backed loans. The IMF reported that "reliance on expensive oil-backed loans from commercial banks has burdened the economy with heavy debt servicing commitments and Angola's external position will continue to be very difficult for the remainder of this decade".

The Angolan government is also being forced into entering into a formal agreement with the IMF before it receives international aid to help rebuild the war-torn country. This was spelt out by the World Bank director in Angola, Lawrence Clark, in an interview with the UN news agency IRIN. Clark stated that "both the authorities and the World Bank have acknowledged that more needs to be done in rebuilding the damaged infrastructure. The revival of the economy depends on a committed effort to rebuild roads and bridges, which are non-existent in some parts of the country". He continued that the World Bank was preparing an emergency reconstruction plan, but warned that "the government must firstly produce a Poverty Reduction Strategy Paper and, secondly, an agreement with the IMF has to be found".

To enter into an agreement with the IMF the Angolan state must undertake the same cost-cutting and "cost-recovery" policies that have been imposed on other African states. The IMF mission put it in these terms: "to direct additional resources to urgent social priorities, reductions will be needed in other spending commitments, notably the very large payrolls of both the civilian and military sectors and continuing subsidies to consumers. These can be achieved through measures to eliminate 'ghost workers', cut numbers of personnel, and bring energy and water prices this year into line with costs". However, increases in energy, water and food prices to poor customers have proved highly controversial across Africa and the Angolan Government appears wary of adopting further measures that might undermine electoral support.

The IMF reported that GDP grew by about 3.5 percent in 2003, and with higher oil prices GDP may grow by over 10 percent in 2004. The IMF also found that "recent improvements in transparency, particularly regarding oil revenues, external debt, and transactions involving Sonangol, resulted in some commendable clarification of the government's overall fiscal position in 2003" However, it found that "major deficiencies remain in fiscal information. Weak monitoring and control of public expenditure is inhibiting assessment of the current fiscal position".

The IMF report calls for a tight monetary policy in the belief that this will lead to growth. It stated that "to address Angola's pressing social and infrastructure needs, very high rates of GDP growth will be needed for a sustained period. This will require macroeconomic stability. One possible

policy scenario discussed by the mission envisaged a rapid reduction in inflation to single-digit levels, based on improved fiscal control, together with resolute action by the central government and the central bank to control liquidity through the management and issue of domestic debt".

Again, the IMF's orthodox economic programmes are contested, with critics arguing they stifle the recovery of the domestic market, crippling small businesses and farmers with high interest loans.

New oil project to increase country's production by a quarter

A massive new oil project off the coast of Angola is expected to produce 250,000 barrels of crude oil per day, with an estimated billion barrels of recoverable oil. Current national production stands at just under a million barrels per day.

The project, Kizomba A, part of Block 15, is being operated by Esso which has a 40 percent stake, whilst the state-owned Sonangol is the franchise holder. Other participants are BP with a 26.67 percent stake, ENI Exploration with a 20 percent stake, and the Norwegian oil and gas group Statoil with a 13.3 percent stake.

There are two other developments in Block 15, and the total investment in the three developments is put at \$10 billion with an estimated 2.5 billion barrels of recoverable oil. So far there have been 17 discoveries in the block, with the potential to recover 4.5 billion barrels.

Diamond buying office opens in Luanda

The Angolan diamond purchasing company Sodiam, has opened a buying office in Luanda to purchase rough diamonds from artisanal diggers. Sodiam has recently been stepping up its operations, having last month opened offices in Tel Aviv. It has announced its intention to open offices in the United States and Antwerp.

In a big departure, Sodiam in April entered into a contract with Lazare Kaplan International. At the beginning of 2000 LKI was removed from Angola along with several other diamond buyers to make way for the creation of Ascorp as a single channel for buying and selling diamonds. One complaint about some of these companies was that they were not paying the relevant taxes on diamonds.

The reforms of 2000 led the diamond giant De Beers to leave Angola and enter into legal action against the Angolan government. However, having failed to gain anything from this action it now seems as if De Beers has come around to accepting the reforms and may now be about to re-enter the country.

A recent statement from the state diamond company, Endiama, estimated that production will be up to 15 million carats this year, a huge increase from the 4 million carats produced in 2001. The average value of Angolan diamonds is high due to the top quality of its alluvial diamonds and the high proportion of its output that is gem rather than industrial quality.

Coffee harvest increases

Coffee production is being increased in Kwanza Sul province, and production in the next harvest should reach 4,165 tones according to the state news agency, ANGOP. Figures published indicate that the area under coffee has increased to 45,000 hectares, employing 2,391 people.

In the last harvest, 2003/04, only 1,664 tons were produced under 23,000 hectares. However, the report states that the National Institute of Coffee has created two seedling nurseries with over 150,000 plants. It is hoped that this will push up production to 24,000 in the next four years.

At the time of liberation from Portugal in 1975, Angola was the fourth largest producer of coffee, with 596,000 hectares of land was under coffee production and 2,000 coffee plantations. Almost 200,000 people were employed in the coffee sector. However, most of these were contract workers living under atrocious conditions in the plantations.

Currently, world prices for coffee remain very low, a situation that development campaigners blame on the policies of the World Bank in encouraging all developing countries to pursue export-led growth. Many countries have greatly increased production, notably Vietnam, without reference to the disastrous effect of the huge global increase in production on world prices.

MPLA appoint new parliamentarians

The ruling party, MPLA, on 28 July renewed its parliamentary benches by bringing in ten new Members of Parliament to replace deputies that had either died or stepped down due to ill health. Under the Angolan parliamentary system, deputies are elected on the list system rather than by direct election through constituencies. In this system, the death or retirement of a deputy does not require a by-election.

The most prominent of those retiring is Lucio Lara, who stepped down from the MPLA Central Committee last year due to ill health. He announced at that time that he would be withdrawing from parliament. Lucio Lara was one of the founders of the MPLA in 1956 and has been a hugely important figure since then.

The other parliamentarians replaced were: Antonia da Silva, Carlos Alberto Mac Mahom, Mateus Morais Brito Junior, Maria Jose Pereira da Gama Soares, Pascoal Pedro da Gama, Eduarda Mario Pio do Amaral Gourgel Silva Santana, Paulo Tuba, Jacinto Joao Antonio and Mario Luis Franca de Faria.

The new deputies are: Palmira Barbosa, Paulo Cahilo, Cordeiro Ernesto Zacundomba, Jesus Nelson Pereira Martins, Maria Teresa de Jesus Antonio, Joaquim da Silva Matias, Joao Maria Bocongo, Luisa Mateus Pereira Ingles Ferreira, Marcelina João Zangue and Herminia Sebastiao Mateus de Mac Mahom.

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