
What did IDEV evaluate?
IDEV evaluated the African Development Bank’s (AfDB) two most recent country strategies and programs (CSP) in the Republic of Angola, namely CSP 2011–2015 (extended to 2016) and CSP 2017–2021. The reviewed CSPs focused on infrastructure development, macroeconomic stabilization through the support of capacity development in managing investment programs, and inclusive growth. The two CSPs highlight significant challenges related to the institutional capacity within the Government. Angola has a weak enabling environment for private sector development, characterized by lack of skilled labor to meet market needs, particularly among the youth; limited entrepreneurship development in rural areas, particularly in the agriculture sector; a weak governance regime and worrisome levels of corruption.

The evaluation covered the Bank’s lending and non-lending operations in Angola between 2011 and 2020. It included an additional dimension that addressed selected contextual factors, namely the Government of Angola’s (GoA) capacity constraints and the level of support to institutional capacity building across the portfolio. The evaluated portfolio consisted of 27 projects valued at about UA 1.9 billion (US$2.7 billion1), of which 97% accounted for budget support, investment, and lines of credit. The remaining 3% was for technical assistance and institutional capacity building.

What did IDEV find?
Coherence and relevance
The evaluation noted satisfactory interlinkages between the Bank’s investment operations and its non-lending activities, where the interventions benefited from the Bank’s capacity building and the institutional-strengthening focus of non-lending activities in energy, governance and water sector investments.

Interventions like the Institutional Capacity Building for Private Sector Development Project sought to address weaknesses within the private sector. There were also attempts to address some challenges in higher education and ultimately respond to the need for better-qualified human resources for the labour market. Operations in the water and social sectors attempted to address other crosscutting issues of gender inequality and inclusive growth at design, however, there was a need for a more streamlined focus. Actual opportunities to measure their impacts were limited by weak institutional Monitoring and Evaluation (M&E) capacities.

1 Unit of Account (UA) = 1.44 United States Dollars (US$) as at 31st December 2020
Effectiveness and efficiency

Overall, the Bank’s activities were delivered well against most of the goals and objectives in the country program. Capacity enhancement programs and analytical work to support sectoral and project development decisions were very useful and contributed to the Bank’s continuous engagement with Angola. Interventions in the water, energy and agriculture sectors included trainings, and provision of technical assistance. Efforts were underway by the Angola Country Office to expand its portfolio in the private sector, although attempts to build the capacity for small and medium-sized entrepreneurs were still considered partly unsatisfactory.

Capacity building interventions were included in most project designs, although limited by lack of M&E capacity. Other factors affecting program efficiency included the high staff turnover on both the Bank’s and the Government’s sides which limited the purpose of the trainings, language barriers (limited dedicated Portuguese-proficient Bank staff for Angola), and a mismatch of capacity needs to program implementation.

Sustainability

Governmental actors were involved in all Bank operations from the design stage to implementation. Capacity-building efforts for sustainability helped support institutional capacity, but these failed to be adequately translated into the desired outcomes, as they were not supported by the necessary institutional arrangements and capacity needs assessments.

What lessons did IDEV draw?

- Enhancing support and investments in capacity-building activities can achieve sustained benefits when accompanied by appropriate institutional arrangements and legal framework support.

What did IDEV recommend?

- Enhance the dialogue with the GoA and Project Management Units to address the operational and implementation issues, ensuring that investment operations include feasibility studies. These should consider the institutional capacity, coupled with an adequate results-based M&E system. There is a need to address the Portuguese language needs systematically.

- Strengthen the Bank’s non-lending operations in the country, focusing on knowledge products and capacity-building support and effective use of non-lending instruments, such as technical assistance through special funding, grants for strategic/priority areas, and Trust Funds to build a non-sovereign operations pipeline for the Bank.

What did Management Respond?

Management welcomed IDEV’s evaluation of the implementation of the Bank’s CSPs in Angola. This evaluation was timely to inform the development of the next cycle of the Angola CSP. Moreover, Management concurred that training and capacity-building are instrumental and need to be accompanied by critical institutional adjustments and legal frameworks. Management took on board the recommendation that the Bank should effectively use non-lending instruments and further focus on knowledge products and capacity-building support to build a non-sovereign operations pipeline. This will enable the AfDB to address challenges inherent to economic diversification and inclusive growth.