

Boston and Luanda, July 31, 2003

Project Proposal for the Creation of an

***INDEPENDENT ECONOMIC POLICY AND
BUSINESS DEVELOPMENT HUB***

at the Catholic University in Luanda, Angola



Angolans, like any other people in the world, can and will take responsibility for their own development if and when empowered to do so.

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Foreword

There have been significant events that have preceded the submission of this proposal and that have shaped its final structure.

At the beginning of 2003, the Boston-based nonprofit organization, Angola Educational Assistance Fund (AEAF), formed an alliance with the Catholic University of Luanda (UCAN), Angola, Boston College (BC), and the Washington DC-based nonprofit business association US-Angola Chamber of Commerce (USACC), and began discussing a possible collaboration to create a professional training center in Luanda. On March 31, 2003, the alliance submitted a concept paper on the “Establishment of a Business Training Center in Luanda, Republic of Angola” to the Annual Program Statement, APS No. GDA-03-001 (sectors: education/sme/ict), USAID/GDA Washington, DC¹.

On June 17, 2003, the USAID/GDA office in Washington, DC responded with a letter requesting the submission of a full proposal that would be based on the concept paper and incorporate recommendations to include further activities, such as the establishment of an economic think tank associated with the business training center².

In May 2003, ChevronTexaco Sustainable Development Company (CTSDC) approached the Catholic University to discuss the possibility of creating a center dedicated to supporting small and medium enterprise development. Soon thereafter, a memorandum of understanding was signed by the CTSDC and the Catholic University to reaffirm the commitment of the two entities to work together³. This has resulted in an initial funding by CTSDC in the amount of \$100,000 for the business training component described in this proposal. This funding is reflected in the overall project budget (Annex A).

In order to address the recommendations included in the GDA response letter, we have expanded the original concept paper to include public policy and economic think tank themes. We have used various sources of information and referred to the work of Scott Allen, a senior economist at the regional office of USAID, in developing the idea of an economic policy institute.

Therefore, the activity described in this proposal – the establishment of an Independent Economic Policy and Business Development Hub – has been designed to address both the requirements for the establishment of a business training center (the Center for Enterprise Development, CED) and for the expansion of an existing economic research institute (the Center for Economic Studies and Scientific Research, CESSR) to include an economic policy focus.

1 The concept paper has been attached to this proposal as Annex B.

2 The response letter has been attached to this proposal as Annex C.

3 The memorandum has been attached to this proposal as Annex D.

1. Executive Summary: Background, Problem Statement, and Rationale

In mid-2003 Angola is at a critical juncture in its history. The cease-fire that has held since shortly after the demise of UNITA leader Jonas Savimbi in February 2002 is threatened by persistent unemployment, extreme poverty, and insecurity in many parts of the country. In order to avert social unrest or even a resumption of hostilities, there is an immediate, clear and urgent need for the Government of Angola and the international community to provide humanitarian relief to populations suffering from acute poverty, malnutrition, and insecurity, including decommissioned rebel soldiers and their families.

In the long term, if the current cease-fire is to give way to a stable, just and prosperous peace, the root causes of Angola's deep social, political and economic problems must be addressed. These include over-dependence on extractable natural resources; extreme inequality in the distribution of income and key assets such as land; under-development and long-term decline of the agriculture sector; corruption and rent-seeking behavior by government officials and the rich elite; poor coordination and communication between civil society, government and business; lack of transparency in the oil, gas and financial sectors; and a national workforce that is largely illiterate, unskilled and ill-equipped to compete in the global economy.

In response to this situation, the Angola Educational Assistance Fund (AEAF), the Catholic University of Angola (UCAN), Boston College (BC), and the US-Angola Chamber of Commerce (USAAC) have formed an alliance and taken the first steps toward offering a comprehensive solution to the country's daunting challenges.

Recognizing that a durable peace can only be built upon a foundation of broad-based, equitable economic growth, and that solutions to the above problems can only succeed if they are generated and embraced by Angolans themselves, the alliance partners seek to create an independent economic policy analysis and business development hub, to be housed at the country's premier institute of higher learning, the Catholic University of Angola (UCAN). This will be accomplished through two tracks of closely coordinated activities.

Track one involves the expansion of an existing academic research center at UCAN, the Center for Economic Studies and Scientific Research (CESSR), to include a strong focus on economic policy discussion and research, and to allow the center to serve as an independent economic think tank capable of influencing economic policymaking at the national level. Once this economic think tank is fully designed, the alliance partners will collaborate to build and strengthen its technical and management capacity by recruiting highly qualified individuals to key positions, including a senior policy advisor and a technical assistance consultant, and launching its activities in the area of economic policy.

Track two involves the design and creation of a closely affiliated Center for Enterprise Development (CED) at UCAN, which will translate the findings and recommendations of CESSR's Economic Policy Research staff into practical activities such as workshops, professional education seminars, and vocational trainings with a focus on small and

medium enterprise (SME) development and agricultural extension. CED will also provide practical feedback for policies discussed at the CESSR and thus contribute to its research and think tank activities. This track will also begin with an initial design phase, followed by the actual creation, staffing, and expansion of the CED.

The strategic objective of this proposal is to create an environment for sound economic research and policy analysis that effectively influences macroeconomic reform, economic diversification, and long-term growth and investment in Angola through a combination of research, advocacy, training, and project design and implementation. The alliance partners aim to create a practical environment where Angolans can access professional training and vocational education and where they can network, communicate, and create business partnerships.

Track One: Center for Economic Studies and Scientific Research

The Center for Economic Studies and Scientific Research (CESSR) has identified the following research themes:

- A) Governance and Transparency;
- B) Agriculture and Links to Poverty Alleviation and Economic Growth;
- C) Informal Sector and Deregulation;
- D) Natural Resources and the Environment;
- E) International Economic Relations;
- F) Social Sectors, Health, Welfare State;
- G) Economic Modeling and Forecasting;
- H) Political Reforms and Decentralization;
- I) Dutch Disease and the Challenges of Economic Diversification;
- J) Corporate Social Responsibility of the Private Sector.

CESSR will serve as a think tank to promote economic policy discussion and analysis on the above themes, and also as a catalyst and clearinghouse for key policy reforms. Its work will be widely publicized through a monthly newsletter and quarterly bulletins on key economic and business issues related to economic development in Angola. The hub will thus promote transparency and accountability in public policy and business decision-making, and will provide reliable and sound information to the Angolan public and others. In so doing, the Center will support the agricultural recovery and food security initiatives of USAID in Angola. Thus, synergies would be created that will increase the probability of success of USAID activities in Angola.

While pursuing its thematic research agenda, CESSR will produce a number of concrete deliverables. These will include: an Annual Report on economic and social developments in the Republic of Angola; an Annual Conference on social and economic policy; a Quarterly Review of the business environment and recent policy initiatives in Angola; a research Working Paper series; and a regular series of workshops, seminars and conferences.

CESSR will seek to build partnerships with similar institutions of regional and global reputation, including the Southern African Trade Research Network (SATRN); the Food,

Agriculture and Natural Resources Policy Analysis Network (FANRPAN); and US-based land-grant universities such as Cornell University and Michigan State University.

Track Two: Center for Enterprise Development

Track Two represents the business training center component of the hub. An initial consultation with the ChevronTexaco Sustainable Development Company has resulted in an memorandum of understating with the Catholic University that indicates the interest of the two organizations in designing and implementing an enterprise support project. ChevronTexaco Sustainable Development Company has approved an initial funding contribution of \$100,000 for this activity.

The Center for Enterprise Development (CED) will initially provide services and programs in the area of Business Administration, with a focus on the following themes:

- A) Recognition of Business Opportunities;
- B) Preparation of a Business Plan;
- C) Business Management Training;
- D) Financial and Accounting Procedures;
- E) Facilitation of Access to Credit;
- F) Developing Business Partnership;
- G) English as a Second Language;
- H) Human Resources Management.

Another strategic area is Information and Communication Technology. Courses and activities on office automation, system administration, web design, and multimedia will be organized.

CED will adopt a training of trainers approach to extend best practices in micro-enterprise and SME development to a range of entrepreneurs, including graduates of Angolan universities, unskilled laborers, youth out of formal education, women.

It will also design and host regular workshops on current topics of direct relevance to these target groups, such as the Africa Growth and Opportunity Act (AGOA), the New Partnership for Africa's Development (NEPAD), new trade and investment laws, etc.

The CED will collaborate closely with the Center for Economic Studies and Scientific Research at the Catholic University of Angola. This collaboration is the centerpiece of the Independent Economic Policy and Business Development Hub. The CESSR will help design programs at a theoretical level and will be able to test them in practice at the Center for Enterprise Development. The Center for Enterprise Development will greatly benefit from the analytical framework and dialogue provided by the CESSR. The two centers will function together to improve the enabling environment for business in the country⁴.

⁴ *The complementary roles of the two centers as part of an Independent Economic Policy and Business Development Hub an be understood as follows::*

CESSR is Theory, Macroeconomics, Research, Development, Analysis, Opinion, ...
CED is Practice, Microeconomics, Teaching, Marketing, Testing, Response, ...

Implementation Schedule

The proposed project will involve four (4) main phases of activities.

Phase 1, from October 1, 2003 to December 31, 2003, will include, inter alia, organization of the first stakeholders' meeting (USAID, alliance partners, government, private sector, donor agencies, NGOs); selection of the project design team; development of a detailed design and comprehensive strengthening plan for CESSR; identification of core economic think tank activities and research tracks; initiation of in-country personnel search targeting Angolan nationals, expatriates, and Angolans in the diaspora (faculty, administration, teaching, technical support, etc); and development of a preliminary schedule of workshops and seminar for CESSR;

Phase 2, from January 1, 2004 to March 31, 2004, will include, inter alia, organization of a second stakeholders' meeting to review lessons learned during Phase 1; recruitment of management, technical, and administration personnel; implementation of strengthening plan for CESSR; design of a comprehensive establishment plan for CED; development of a preliminary schedule of training activities and professional training for CED; surveys of constituent groups, including agencies affecting policy and regulatory environment; and faculty and postgraduate researcher recruitment and development.

Phase 3, from April 1, 2004 to September 30, 2004, will include, inter alia, organization of a third stakeholders' meeting to review lessons learned during Phase 2; development of formal institutional relationships; final design and implementation of CESSR strengthening plan; assurance of the financial sustainability of the Independent Economic Policy and Business Development Hub; and organization of internship opportunities and exchange programs for students of UCAN and other schools.

Phase 4, from October 1, 2004 to September 30, 2005, will include, inter alia, organization of a fourth stakeholders' meeting to review lessons learned during Phase 3; Implementation of joint activities with other research groups, universities, stakeholders' affiliates; relocation of the Independent Economic Policy and Business Development Hub to a new dedicated facility in Luanda; and final implementation of the Center for Enterprise Development.

Project Coordination and Review

Proper coordination among alliance partners and stakeholders will be assured by means of regular (semi-annual) stakeholder meetings and annual forums open to third parties, including government, civil society, international NGOs and the private sector. The project management staff will prepare results-based performance evaluation reports prior to each of these meetings.

Expected Results

On the economic policy level, the expected result of consultation between CESSR and GoA is an increased ability by the Government of Angola to successfully design and implement its macroeconomic policies. This in turn will create the enabling environment in which the various sectors of the economy - in particular micro, small and medium enterprises - can operate successfully.

On the business development side, we expect the hub to become a pilot center for people from diverse backgrounds (i.e., women, poor, youth, young graduates, adults seeking to develop business skills) and to thereby produce a dramatic increase in the numbers of participants in private sector development who are well-trained and prepared to more fully engage in the economy.

Budget

The overall duration for the design and implementation of the hub at the Catholic University is two years (24 months) starting on October 1, 2003 and ending on September 30, 2005.

The total projected revenues for this activity amount to \$1,633,400 (USD):

- a) \$720,000 represents the total contribution from USAID;
- b) \$100,000 represents an initial contribution from ChevronTexaco Sustainable Development Company for the design and establishment of the Center for Enterprise Development (CED, Track Two);
- c) \$60,000 represents AEAF's contribution for CED, Track Two;
- d) \$60,000 represents UCAN's contribution for CED, Track Two;
- e) \$693,400 derives from fee-based program activities from both tracks.

The total projected expenses for this activity amount to \$2,583,245:

- a) \$224,000 will be used for design and planning the activity;
- b) \$590,500 will be spent on staff and consultants for the CESSR (Track One);
- c) \$401,000 will be used for operating expenses for the CESSR (Track One);
- d) \$277,800 will be spent on program expenses for the CESSR (Track One);
- e) \$224,200 will be spent on staff and consultants for the CED (Track Two);
- f) \$406,000 will be used for operating expenses for the CED (Track Two);
- g) \$122,800 will be spent on program expenses for the CED (Track Two);
- h) \$223,995 (CESSR) and \$112,950 (CED) are overhead calculated at 15% for the total expenses of the two components.

Please note that the overall budget presents a negative balance of \$949,845. The alliance will consider activities to develop additional external resources and help finance this balance. In particular:

- a) It will further develop the existing relationship with the ChevronTexaco Sustainable Development Company;
- b) It will invite stakeholders (UNDP, GTZ, etc) to participate and contribute;
- c) It will look at ways to increase the program activities for income generation;
- d) The alliance will also consider a Scholarship Fund program.

2. Introduction: Angola in transition

After over two decades of civil war, Angola is currently experiencing a fragile yet steady state of transition to peace and a stable political economy. Angola is determined to move from a warring state to a nation serving the needs of its citizens and to take its place in the global economy. There is no doubt that its greatest challenge during this transition is the country's faltering economy, which is unprepared to address the emerging demands of a post-war society. Financial and other resources from both the private and public sectors must be reprogrammed from emergency relief and rehabilitative efforts to promotion of economic policy reforms and sustainable private sector development.

One solution to Angola's problems is the government's willingness to redirect revenues derived from its main petroleum export to the development of social and educational programs. This was the case with legislation passed in 1997, which resulted in the use of oil production funds to support the Agostinho Neto University and the Catholic University⁵. However, in order to assume a position of authority in the region, the continent, and within the global economy, it is critical for Angola to provide its citizens with the information, technology, and skills that are needed for full development.

A large literature exists on the underlying causes and phenomenon of civil war, poverty, corruption, and economic mismanagement in Angola, and various initiatives are underway to attempt to address the obstacles of economic mismanagement (particularly the lack of transparency and accountability) and the overwhelming paucity of human resources to effectively govern Angola. Powerful vested interests are also part of the problem; the political and economic elite have obtained large rents from Angola's social structures and been reluctant to lose them⁶.

For example, a World Bank (IDA) credit (Economic Management Technical Assistance, EMTA) is being considered to support economic management capacity strengthening. The EMTA is a credit of \$17 million and aims to help the Government address its severe macroeconomic imbalances and increase transparency in public resource management by:

- Strengthening the internal control capabilities of the Ministry of Finance;
- Strengthening the ability of the Ministry to generate reliable information on the state's non-financial assets;
- Helping to improve public debt management, control and recording;
- Strengthening the overall planning process and establishing clear guidelines for monitoring and auditing the execution of the Public Investment Program; and
- Improving the collection, analysis and dissemination of key socio-economic data.

⁵ Law Decrees 46/97 was approved on July 11, 1997. It specifically reserves 1¢ (0.01\$) per barrel of oil produced in Angola to support the Agostinho Neto University. A similar decree (51/97) was passed on the same day to support the Catholic University.

⁶ "Transitional Support Strategy for the Republic of Angola," *The World Bank*, March 4, 2003.

Not unique to Angola, economic growth demands the creation of a productive and skilled workforce and the establishment of an enabling legal, financial and regulatory environment for business.

Despite having significant wealth in terms of extractive natural resources (oil and diamonds), over two-thirds of Angola's population lives in poverty, while almost one in three Angolans are extremely poor. According to the World Bank, to keep the number of poor from increasing, Angola would need to grow at a rate of about 7.3% a year. Urban poverty has worsened in recent years mainly due to a large influx of Internally Displaced Persons (IDPs) and economically driven migrants. The devastating effects of poverty are even worse in rural areas.⁷

Undoubtedly, the availability of oil and diamond revenues in a conflict environment that lasted for decades has provided the opportunity for political and economic exploitation of resources. Privileged access to state contracts, regulatory agencies, foreign partnerships, elite health and education facilities, privatized state assets, and subsidized credit and foreign currency have enriched few at the expense of many. It also resulted in a hugely inefficient allocation of resources, high levels of consumption, and a business climate characterized by favoritism, kickbacks, connected transactions, and other distorted and opaque business practices⁸.

Severe weaknesses in Angola's fiduciary framework have led to the occurrence of very large unexplained discrepancies in the country's fiscal accounts, varying from 2 to 23% of GDP between 1997 and 2002. It has been estimated that total unexplained discrepancies in 2001 amounted to 10% of GDP, or more than \$900 million. The government's commitment to IMF reforms remains weak, thus inflation is expected to edge higher in the coming months as government spending is likely to rise as the 2005 elections approach.⁹

Appropriate economic policies to address these problems require sound economic analysis by government and an ability of economists to provide guidance with respect to decision making. It is important to create within the social structure of a country non-governmental institutions that strengthen the public and private sectors' capacity to engage in sound economic policy formation, and dialogue and debate to promote a more propitious economic environment for growth and equity. An institution of this kind, the Center for Economic Studies and Scientific Research, part of an Independent Economic Policy and Business Development Hub, will play a crucial role in providing expanded access of persons to the broader policy process through the dissemination of their results, analysis and findings.

⁷ "Transitional Support Strategy for the Republic of Angola," *The World Bank*, March 4, 2003.

⁸ *Transparency International in 2002 ranked Angola among the five most corrupt countries in the world (in a list of 102 countries).*

⁹ "Market Update: Angola," *Economics Division, Standard Bank*, May 2003.

3. Purpose: Establishment of an Independent Economic Policy and Business Development Hub

Angola is slowly moving toward a peaceful future after years of devastating civil war. One of the biggest challenges ahead is the rebuilding of the country's post-war economy. Meeting immediate human needs is a necessary current focus, but belief in a recovered and thriving Angola requires attention to long-term needs. These include access to continuing education and professional training at various levels of competencies, as well as a sustained and concerted effort to involve all elements of civil society in the discussion of economic and social policies. In Angola – like elsewhere - economic growth demands not only a productive and skilled workforce, but also an inclusive and transparent dialogue among government, academia, civil society, and the private sector.

In response to this situation, the Angola Educational Assistance Fund (AEAF), the Catholic University of Angola (UCAN), Boston College (BC), and the US-Angola Chamber of Commerce (USAAC) have formed an alliance and taken the first steps to offer a comprehensive solution to these requirements¹⁰.

The fundamental idea is to use the academic excellence and autonomy of the Catholic University of Angola to create an independent economic policy business development and enterprise support hub capable of meeting the needs of both the public and private sectors in Angola. We will attempt to create and strengthen an institutional entity that can provide sound, unbiased policy advice to the public and private sectors and has a strong, practical, "hands-on" business development and professional services component that supports the policy component. It is our belief that a viable, competitive and sustainable private sector needs a favorable economic policy environment, and vice versa.

The strategic objective of this proposal is to create an environment for sound economic research and policy analysis that effectively influences macroeconomic reform, economic diversification, and long-term growth and investment in Angola through a combination of research, advocacy, training, and project design and implementation. We also aim create a practical environment where Angolans can access professional training and vocational education and where they can network, communicate, and create business partnerships.

These objectives will be reached by means of coordinated activities. The alliance will design the expansion of the existing Center for Economic Studies and Scientific Research (CESSR) of the Catholic University to include an economic policy research focus. In addition, the alliance – in collaboration with the ChevronTexaco Sustainable Development Company – will design a Center for Enterprise Development (CED) at the Catholic University to carry out practical activities like workshops, professional education, and vocational training. Once the design and planning have been completed, the alliance will then proceed to strengthen the CESSR and create the CED. The two centers will be separate organizations, which will share directors, staff and facilities.

¹⁰ Please see Annex E for profile and role information of the partners in the alliance.

Furthermore, they will complement each other to a great extent: CED will serve as the practical outlet for the CESSR's research activities and provide the necessary feedback to further economic policy discussions. CESSR will in turn design and implement most of CED's training and seminar activities.

The Catholic University and other members of the respective advisory councils will supervise the activities and be responsible for planning and curriculum. Together, the Center for Economic Studies and Scientific Research and the Center for Enterprise Development will form the Independent Economic Policy and Business Development Hub established by the alliance.

We believe that there are a variety of renowned regional institutions that would likely welcome an affiliation with the hub (e.g., the Southern African Trade Research Network, SATRN, or the Food, Agriculture and Natural Resources Policy Analysis Network, FANRPAN) and we also need to explore the possibility of tapping into other institutional arrangements (e.g., Boston College, Cornell University, Michigan State University, etc).

Although the main focus will be on urban activities in Luanda, we expect a rapid growth of interest for agriculture and rural programs within the hub. This could lead to associations with entities like the Cooperative League of the USA (CLUSA) or the Angola USAID Demobilization and Reintegration Program

4. Program Description and Objectives

The Angola Educational Assistance Fund (AEAF), the Catholic University of Angola (UCAN), Boston College (BC), and the US-Angola Chamber of Commerce (USAAC), have formed an alliance to create an Independent Economic Policy and Business Development Hub at the Catholic University.

Through this project, the alliance seeks to initiate a sustained and concerted effort that involves all elements of civil society (government, academia, civil society, private sector) in an inclusive and transparent dialogue of economic and social policies. Also, it seeks to address the needs for access to continuing education and professional training at various levels of competencies.

In order to reach this objective, the alliance will undertake the following coordinated activities:

- A) It will design an expansion of the existing Center for Economic Studies and Scientific Research (CESSR) to include a strong focus on economic policy discussion and research to allow the center to serve as an independent economic think tank and have a decisive influence on economic policy decisions in Angola;
- B) It will design a Center for Enterprise Development (CED) as the other complementing component of the hub, to carry out professional training, workshop, seminar, and to offer a business incubator to Angolans eager to become entrepreneurs and ultimately contribute to the development of a globally competitive private sector in Angola;
- C) It will then proceed to strengthen the technical and management capacity of the CESSR by recruiting various positions, including a senior policy advisor and a technical assistance consultant, and launching its activities in the area of economic policy; and
- D) It will actually create the CED, by expanding current facilities, recruiting its personnel and launching its activities.

The activity to strengthen the CESSR involves providing technical assistance in the field of applied research and management tools so that CEESSR can efficiently perform policy analysis, economic forecasting and modeling, and policy planning in a variety of economic and social areas.

In addition, the CED will be designed and established to provide more practical applications of business development theories in micro, small and medium enterprise development training and employment generation services to a wide range of existing and potential entrepreneurs, including graduates from UCAN and other Angolan Universities, and members of the community at large.

The CED will be closely related with the existing business sector in Angola and will seek to promote entrepreneurship among a number of key groups within Angolan society (e.g. women, youth, poor). The initial program design will be carried out at the Center for

Economic Studies and Scientific Research. The two centers, essential components of an Independent Economic Policy and Business Development Hub, will be strongly correlated, and they will share directors, advisors, staff, technical support, and facilities.

4.1. Policy Component of the Hub: CESSR

The Center for Economic Studies and Scientific Research (CESSR) was designed to conduct research, provide business assistance to the Angolan business community, and create a forum for Angolans to determine the best business and economic models to employ for the future development of their country. CESSR will provide economic analyses of demand and supply side markets for industry, agriculture, services sectors, and sources of unexplored revenue-generating activities that may benefit the people of Angola. Moreover, the CESSR will be providing direct services to government agencies, national and international organizations, and the private sector.

The Center for Economic Studies and Scientific Research was created in 2002 with the following objectives:

- A) Foster informed public debate on public policy issues through such means as the publication of research findings and the promotion of research seminars;
- B) Contribute to the development of socio-economic indicators to increase national capacity in the area of public policy formulation and evaluation;
- C) Develop the ability to conduct high quality research in collaboration with the Catholic University, and other Angolan and foreign universities, to publish and distribute the results; and
- D) Establish itself an internationally recognized knowledge center and research meeting point.

The Center for Economic Studies and Scientific Research is governed by a broad-based General Assembly in which the Rector of the Catholic University is the President. The Advisory Board, whose members will be drawn from international organizations, NGO's and academic, private, and public sectors, approves the curriculum of the Center as it is proposed by its management. It will be elected at the first Annual Conference of the Center to be held in September 2003.

The current management is composed of an Executive Director and an Academic Director, both extremely qualified and well respected individuals. They will form the nucleus around which the alliance seeks to expand the center. The recruitment of a senior policy advisor is seen as crucial both in the design as well as in the strengthening phase. It is important to note that the support group already involved with the CESSR includes several key, prominent public sector economists who are eager to contribute to the public policy debate and to see the pace of reform accelerate in Angola.

The CESSR is developing a number of research programs according to international academic research guidelines which will address the actual circumstances of Angolan

society and economy. Dedicated research groups will prepare conceptual, analytical and policy papers that will be widely circulated.

The CESSR has initially identified the following research themes¹¹:

- A) Governance and Transparency;
- B) Agriculture and Links to Poverty and Economic Growth;
- C) Informal Sector and Deregulation;
- D) Natural Resources, Environment ;
- E) International Economic Relations;
- F) Social Sectors, Health, Welfare State;
- G) Economic Modeling and Forecasting;
- H) Political Reforms and Decentralization;

Two additional topics have emerged of late in the discussion on international development. One is the issue of overdependence on natural resources; Dutch disease is an important consequence of the crushing role of oil production on the Angolan economy. Economic diversification is an important macroeconomic issue that needs to be addressed by CESSR. The other question relates to the perceived increased role that the private sector is expected to play as a contributor to the socio-economic development of a country. In the case of Angola, this issue regards primarily the oil companies. The issue of corporate social responsibility will be addressed by the CESSR with research activities and the publication of an annual CSR oil survey. We add the following two activities to the list above:

- I) Dutch Disease and the Challenges of Economic Diversification;
- J) Corporate Social Responsibility of the Private Sector.

Following these broad themes, the CESSR is expected to serve as a catalyst and clearinghouse for key policy reforms. Its works are to be made publicly and widely available through a monthly newsletter and quarterly bulletin on key economic and business issues related to economic development in Angola. In addition, there is a need for a solid, viable source of information to undertake policy research and analysis as well as to promote SME development. An important aspect of the hub will be to promote transparency and accountability in both policymaking and business decisions. An information clearinghouse would not only serve the information needs of CESSR and CED, but also function as a conduit for providing reliable and sound information to the Angolan public and others.

In addition to the macroeconomic policy focus, there is also great interest in exploring agricultural policy issues. The Center believes that it can make a contribution to support the agricultural recovery and food security initiatives of USAID in Angola. Thus, synergies would be created that will increase the probability of success of USAID activities in Angola.

¹¹ In addition, the alliance is evaluating the inclusion of other tracks into the Center's programs. In particular, we will consider: socio-economic indicators, agriculture as a vector of economic diversification, environmental issues, and women's issues.

In addition to its research, the CESSR will operate on a specific project basis:

- A) Annual Report on economic and social developments in the Republic of Angola (the first of these reports will be published in September 2003);
- B) Annual Conference on social and economic policy (the first conference will take place in September 2003);
- C) Business Barometer: a quarterly review of business environment and recent policy initiatives in Angola;
- D) Publication of a research working paper series;
- E) Organization of workshops, seminars and conferences.

In the course of its brief existence, the Center for Economic Studies and Scientific Research has already emerged as the economic think tank where policy decisions are discussed and analyzed. Strengthening the CESSR is a crucial phase in the formation of the Independent Economic Policy and Business Development Hub.

While the GTZ has provided the initial seed funding, the CESSR has been receiving several support offers from donors that have expressed an interest in contributing to an independent economic policy think tank or institution, including the Canadian International Development Agency (CIDA). At a recent meeting of donors sponsored by USAID, strong support was expressed for promoting economic policy discussions in Angola.

4.2. Business Component of the Hub: CED

This proposal also calls for the design and subsequent creation of the Center for Enterprise Development (CED). The CED will provide an integrated and comprehensive range of services for micro, small and medium enterprises at a practical level using a hands-on practical approach.

It is worth noting that on June 24, 2003, the Catholic University signed a Memorandum of Understanding with the ChevronTexaco Sustainable Development Company (CTSDC), a wholly owned subsidiary of ChevronTexaco Corporation. This agreement was the result of a series of meetings between executives of CTSDC and representatives of UCAN and AEAF. It establishes the interest of CTSDC to contribute to the creation of a new center for professional training and vocational learning as part of CTSDC's Angola Partnership Initiative. CTSDC has approved an initial funding in the amount of \$100,000 for this activity. The alliance intends to develop this partnership further by inviting ChevronTexaco Sustainable Development to assume a leading role and to help leverage technical, human, and financial resources.

We have determined that ChevronTexaco Sustainable Development Company is particularly interested in carrying out professional training activities in support of university graduates, small business start-ups, youth, women entrepreneurs, and other members of the Angolan community¹².

¹² Copy of this Heads of Agreement is attached as Annex D.

The alliance will also design and implement the Center for Enterprise Development not only as a facility to provide training and education of future business professionals, but also to serve as an incubator for ideas and projects, and a place where people can discuss ideas and network. The Center aims to prepare Angolans with basic and advanced business skills to drive productivity and economic growth.

A particular emphasis will be given to utilizing part of the Center for Enterprise Development capacity to reach out to marginalized groups (i.e. women, youth, poor) to address their professional training requirements. The Center for Enterprise Development will openly encourage women's enrollment and will include specific programs for women in its curriculum.

According to a recent document by UNDP, the unemployment rate in Angola – although difficult to measure – is believed to be at around 45%. Hoping for effective macroeconomic decisions, and a decisive improvement of the economy, the Center will help many to acquire basic and advanced job skills, and by creating an environment where potential entrepreneurs can discuss and test their ideas, the Center is expected to make an important contribution in preparing Angola for a better future.

Over the past few years, the Angola Educational Assistance Fund and the Catholic University have organized a number of professional training classes for private sector companies and teachers of schools in Luanda¹³. The CED will build on this experience and provide learning opportunities for Angolans who are interested in establishing, maintaining or expanding micro-enterprises and small-to-medium businesses. By providing an appropriate outlet for individuals in the community to network and become educated on topics like banking and accounting practices, labor investment, marketing, and import/export regulations, the CED will act as an information clearinghouse.

This type of integrated learning will provide a process in which larger pools of Angolans have the potential to become successful business leaders while creating a network of future business ventures and partnerships under the auspices of the two centers at the Catholic University.

The Center for Enterprise Development will initially provide services and programs in the area of Business Administration:

- A) Recognition of Business Opportunities;
- B) Preparation of a Business Plan;
- C) Business Management Training;
- D) Financial and Accounting Procedures;

¹³ *These training programs included classes in Information and Communication Technology (at various levels) and English as a Second Language. Although these interventions were useful, they were not part of a coordinated effort. The CED will provide an institutional framework in which to carry out these activities, and will speed up knowledge acquisition in a number of key business development areas for entrepreneurs, instructors, students, and practitioners.*

- E) Facilitation of Access to Credit;
- F) Developing Business Partnership;
- G) English as a Second Language
- H) Human Resources Management

Another strategic area is Information and Communication Technology. Courses and activities on office automation, system administration, web design, and multimedia will be organized.

CED will adopt a training of trainers approach to extend best practices in micro-enterprise and SME development to a range of entrepreneurs, including graduates of Angolan universities, unskilled laborers, youth out of formal education, women.

It will also design and host regular workshops on current topics of direct relevance to these target groups, such as the Africa Growth and Opportunity Act (AGOA), the New Partnership for Africa's Development (NEPAD), new trade and investment laws, etc.

The CED will collaborate closely with the Center for Economic Studies and Scientific Research at Catholic University. This collaboration is the centerpiece of the Independent Economic Policy and Business Development Hub. The CESSR will help design programs at a theoretical level and will be able to test them in practice at the Center for Enterprise Development. The Center for Enterprise Development will greatly benefit from the analytical framework and dialogue provided by the CESSR, which is necessary to improve the enabling environment for business in the country¹⁴.

4.3. Think Tank Activity

In terms of its ability to serve as an economic think tank, the hub will – through the CESSR - promote research on economic policy issues and then disseminate the findings and advocate for the policy changes that are implied. The research may involve data gathering and original research, or it may utilize data gathered by others. The role of the CESSR in cases where basic research is performed by others is to interpret and draw policy implications from the research, and then present those policy implications to a variety of specific audiences, which, depending on the subject matter, might include government policy-makers, special interest groups, businesses, or the general public.

To be successful, the CESSR will have to quickly establish and maintain a reputation for quality analysis and independence. Quality analysis will be measured against international standards, so it is hoped that the CESSR will look toward opportunities to collaborate with other research groups abroad, and to publish its work in peer-reviewed publications or

¹⁴ This can be a way to compare the roles of the two centers as component of the Independent Economic Policy and Business Development Hub:

CESSR is Theory, Macroeconomics, Research, Development, Analysis, Opinion, ...
CED is Practice, Microeconomics, Teaching, Marketing, Testing, Response, ...

journals¹⁵. Independence means that the CESSR will not be considered to be speaking on behalf of a particular political party or faction, industry or special interest group.

The CESSR is a university-based policy research institution, but it will have a great degree of academic freedom and will be able to pursue its own agenda. That is, it will choose specific policy area; it will have an unconventional viewpoint about the direction that policy in that area needs to move; and it will seek to use the results of its policy research to draw recommendations.

More likely, CESSR will try to point to specific weaknesses in existing policies and to suggest specific reforms in laws or regulations. It can do that by disseminating its work in such a manner as to influence key groups. This is more than disseminating a technical paper to peers; it is selling ideas in the marketplace. The CESSR will not simply issue a technical report on their research; it will develop a series of products that present the same results and recommendations employing a variety of methods tailored to key audiences.

Think tanks function best in a democratic society where ideas compete. Several prominent students of think tanks have pointed to several important factors that contribute to the success of economic think tanks, including a legal framework in which think tanks can function, the availability of capable policy analysts, sufficient financial resources, a media interested in and willing to report on the results of policy work, and interest in public policy issues on the part of government policy-makers, special interest groups and the public in general. It is our expectation that this will be the case for Angola.

¹⁵ *CESSR needs to be committed to quality scientific research and analysis to make its point: sloppy research and analysis undermines credibility.*

5. Implementation Schedule

A detailed work plan and implementation schedule will be prepared by the design team formed by alliance partners and technical assistance consultants within three months from the start of the project. We anticipate major phases for the implementation of an Independent Economic Policy and Business Development Hub.

Phase 1: October 1, 2003 to December 31, 2003

- A) Organize the first stakeholders' meeting: UCAN, ChevronTexaco Sustainable Development Company, USAID, AEAF, other alliance partners, government, private sector, donor agencies, NGOs.
- B) Select design team, definition of respective functions and responsibilities;
- C) Develop baseline and targets to measure progress and success for activity outcome; this might include:
 - a. the number of policy papers developed and distributed;
 - b. the number of public and private forums held;
 - c. the number of individuals trained;
 - d. the number of businesses sending employees for training;
 - e. the number of women trained;
 - f. the number of women businesses that have been initiated;
 - g. etc.
- D) Develop a detailed design and implementation proposition for the various components of the Independent Economic Policy and Business Development Hub;
- E) Design a comprehensive strengthening plan for CESSR;
- F) Identify core economic think tank activities and research tracks;
- G) Initiate in-country personnel search targeting Angolan nationals, expatriates, Angolans in the diaspora (faculty, administration, teaching, technical support, etc);
- H) Develop a preliminary schedule of workshops and seminars for CESSR;

Phase 2: January 1, 2004 to March 31, 2004

- A) Organize second stakeholders' meeting; share experience of Phase 1 with stakeholders and other groups;
- B) Initiate recruitment of management, technical, and administration personnel;
- C) Initiate implementation of strengthening plan for CESSR;
- D) Design comprehensive establishment plan for CED;
- E) Develop a preliminary schedule of training activities and professional training for CED;
- F) Survey constituent groups, including agencies affecting policy and regulatory environment;
- G) Initiate faculty and postgraduate researcher recruitment and development.

Phase 3: April 1, 2004 to September 30, 2004

- A) Organize third stakeholders meeting; share experience of Phase 2 with stakeholders and other groups;
- B) Start developing formal institutional relationships;
- C) Finalize implementation of strengthening plan for CESSR;
- D) Start implementation;
- E) Ensure the financial sustainability of the Independent Economic Policy and Business Development Hub.
- F) Organize internship opportunity and exchange programs for students of UCAN and other schools.

Phase 3: October 1, 2004 to September 30, 2005

- A) Organize fourth stakeholders meeting; share experience of Phase 3 with stakeholders and other groups;
- B) Carry out joint activities with other research groups, universities, stakeholders' affiliates;
- C) Move the Independent Economic Policy and Business Development Hub to a new dedicated facility in Luanda;
- D) Finalize implementation of the Center for Enterprise Development.

6. Project Review

The first stakeholders meeting will take place in Luanda during the first month of the project. A project management staff will be identified and will assume the responsibility of reviewing, reporting and evaluating the activity.

Two types of meeting will be arranged. First, review meetings of alliance partners and stakeholders will take place bi-annually; the first one will be arranged in the first half of 2004.

Second, a general forum of alliance partners and stakeholders open to third parties (government, NGOs, civil society, private sector) will take place on an annual basis, preferably at the end of each project year (i.e. at the end of September, with the first one occurring in September 2004).

Before each of these meetings (bi-annual partners meeting and annual forum), the project management staff will prepare a performance evaluation report. A quarterly project review will be prepared for the end of each three-month period. It will be concise and to the point, but it will report on all activities and give an assessment of the design and implementation process.

A regular monthly conference call of alliance partner and stakeholders will be arranged by the project management staff.

AEAF will provide extensive financial information, including disbursement statements, accounting activities, budgetary assessment, etc.

7. Budget Considerations

The overall duration for the design and implementation of an Independent Economic Policy and Business Development Hub at the Catholic University has been set over a period of two years (24 months) starting on October 1, 2003 and ending on September 30, 2005.

The total projected revenues for this activity amount to \$1,633,400 (USD):

- 1) \$720,000 represents the total contribution from USAID to the project, of which \$600,00 will be allocated to the economic policy component of the hub (CESSR), and \$120,000 to the business development component (CED);
- 2) \$100,000 represents the initial contribution from ChevronTexaco Sustainable Development Company for the design and establishment of the Center for Enterprise Development (CED);
- 3) The amount of \$60,000 represents AEAFF's cost-sharing contribution for CED;
- 4) The amount of \$60,000 represents UCAN's cost-sharing contribution for CED;
- 5) Program activities from both components (CESSR and CED) will produce an income of \$693,400.

The total projected expenses for this activity amount to \$2,583,245:

- 1) \$224,000 will be spent on the design and planning of the activity; this activity is covered by the USAID grant;
- 2) \$590,500 will be spent on staff and consultants for the Center for Economic Studies and Scientific Research; USAID will fund the positions of Senior Policy Advisor and Technical Assistance for a total of \$270,000;
- 3) \$401,000 will be reserved for operating expenses for the Center for Economic Studies and Scientific Research; USAID will fund \$50,000 for textbooks and other learning media like CDROMs, DVDs, etc;
- 4) \$277,800 will be spent on program expenses for the Center for Economic Studies and Scientific Research; USAID will fund the publication of the Quarterly Business Barometer with \$32,000 and will support the organization of workshops and seminars for \$28,800;
- 5) \$224,200 will be spent on staff and consultants for the Center for Enterprise Development (no USAID contribution);
- 6) \$406,000 will be reserved for operating expenses for the Center for Enterprise Development (no USAID contribution);
- 7) \$122,800 will be spent on program expenses for the Center for Enterprise Development activity this activity is covered by the USAID grant;
- 8) \$223,995 (CESSR) and \$112,950 (CED) are overhead calculated at 15% for the total expenses of the two components.

Please note that the overall budget presents a negative balance of \$949,845. The alliance will consider activities to develop additional external resources and help finance this balance. In particular:

- 1) It will develop the existing relationship with the ChevronTexaco Sustainable Development Company:
 - a. CTSDC has signed a Memorandum of Understanding with the Catholic University to support the establishment of a business training center;
 - b. It has pledge additional funding beyond its initial \$100,000 contribution to this project and it is willing to help develop additional resources; and
 - c. It is expected to play a leading role in the design and implementation of the Center for Enterprise Development, and to contribute expertise and additional resources (i.e. human, technical, logistical) to the project.
- 2) The alliance feels that an endorsement of this project by USAID will make it an attractive opportunity for potential stakeholders to participate and contribute; talks have already taken place with UNDP, GTZ, IDRC, and other organizations.
- 3) Another way to raise the income for this activity would be to increase the program activities; we recognize that there is a considerable market for professional services and training programs, as government institutions, national and international organizations and private sector companies strive to educate their workforce. Using the resources of the hub and extending the offer of fee-based professional services at CESSR and training programs at CED will be the basis to ensure its sustainability.
- 4) The alliance is also considering a Scholarship Fund program based on a model already successfully implemented at the Catholic University. Private and public companies and international donors are making significant contributions to UCAN's Scholarship Fund, allowing academic programs to be offered at a subsidized cost or at no cost at all, depending on the financial needs of students. Replicating this program for the economic and business hub will allow us to reach out to marginalized groups (women, youth, poor) to address their training requirements.

8. Results of This Activity

Given the wide range of activities proposed for the creation of an Independent Economic Policy and Business Development Hub at the Catholic University, it is anticipated that the project will have a dramatic impact in both areas of intervention.

On the business development side, we expect the hub to become a pilot center for people from diverse backgrounds (i.e., women, poor, youth, young graduates, adults seeking to develop business skills) and to produce a dramatic increase in the numbers of participants in private sector development who are well-trained and prepared to more fully engage in the economy. As a result, we look ahead to:

- A) Considerably increase the number of women who are involved in micro enterprise development leading to the creation of larger businesses in various traditional and nontraditional markets;
- B) Make programs accessible to other marginalized groups through curriculum adaptation and sliding scale fees;
- C) Considerably increase the number of individuals engaged in business who will adopt correct and appropriate business practices that will improve profit margins and solvency;
- D) Contribute to the creation of partnerships in the public and private sectors;
- E) Significantly increase the research material available in Angola and produced by Angolans on labor policy, natural resource development, economic competitiveness/strategic advantage, and other topics.

In order to reach these targets, we will initiate an awareness campaign of how the CESSR and CED are available to assist in country development policies (through aggressive marketing campaigns and educational brochures/fliers, conferences, etc).

The targets cited are indicative of the long-term (five year) goals of the CESSR and the CED. Over the course of the first year, the most intensive areas of improvement will be reasonably attuned to the practical realities of budget, program, and social needs. However, regardless of scope, each target will be addressed and measured for improvement in both participation and access.

ANNEX A – Budget

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB

OVERALL REVENUE vs. EXPENSES

Operational Budget 10/1/2003-9/30/2005 (24 months)

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB		Year One	Year Two	Project Duration
Item Description	Income	Income	Income	
Revenues	\$754,200	\$879,200	\$1,633,400	
Grants	\$520,000	\$420,000	\$940,000	
USAID Grant for economic policy institute / economic think-tank	\$300,000	\$300,000	\$600,000	USAID
USAID Grant for business training center	\$60,000	\$60,000	\$120,000	USAID
ChevronTexaco Sustainable Development Company Grant for business training center	\$100,000		\$100,000	
Universidade Catolica matching grant for business training center	\$30,000	\$30,000	\$60,000	
Angola Educational Assistance Fund matching grant for business training center	\$30,000	\$30,000	\$60,000	
Income from Program Activities (services, training, etc)	\$234,200	\$459,200	\$693,400	
Center for Economic Studies and Scientific Research (CESSR)	\$155,000	\$272,000	\$427,000	
Center for Economic Studies and Scientific Research (CESSR)	\$79,200	\$187,200	\$266,400	
INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB				
		Year One	Year Two	Project Duration
Item Description	Expense	Expense	Expense	
Expenses	\$1,144,480	\$1,438,765	\$2,583,245	
Center for Economic Studies and Scientific Research (CESSR)	\$833,520	\$883,775	\$1,717,295	
Center for Enterprise Development (CED)	\$310,960	\$554,990	\$865,950	
INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB				
		Year One	Year Two	Project Duration
Balance	-\$390,280	-\$559,565	-\$949,845	
USAID's contribution covers various budget items for this total amount:				
			\$727,600	USAID

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB

Center for Economic Studies and Scientific Research (CESSR) Component

REVENUES vs. EXPENSES / Operational Budget 10/1/2003-9/30/2005 (24 months)

Center for Economic Studies and Scientific Research (CESSR)				Year One	Year Two	Project Duration	
Item Description	Price	Unit	Units	Income	Units	Income	Income
Revenues				\$455,000		\$572,000	\$1,027,000
Grants				\$300,000		\$300,000	\$600,000
USAID Grant for economic policy institute / economic think-tank				\$300,000		\$300,000	\$600,000 USAID
Income from Programs				\$155,000		\$272,000	\$427,000
Sales of Annual Report (2 issues)				\$30,000		\$42,000	\$72,000
Annual Academic Magazine (2 issues, subscriptions, donations)				\$15,000		\$20,000	\$35,000
Quarterly Business Barometer (8 issues)				\$20,000		\$30,000	\$50,000
Workshops and Seminars: Economics, Laws, other topics	\$7,500	day	12	\$90,000	24	\$180,000	\$270,000
Center for Economic Studies and Scientific Research (CESSR)				Year One	Year Two	Project Duration	
Item Description	Price	Unit	Units	Expense	Units	Expense	Expense
Expenses (total, see itemized list in the following pages)				\$833,520		\$883,775	\$1,717,295
Design Expenses				\$156,000		\$68,000	\$224,000
Staff				\$249,700		\$340,800	\$590,500
Operating Expenses				\$189,000		\$212,000	\$401,000
Program Expenses				\$130,100		\$147,700	\$277,800
Overhead on the totals above 15%				\$108,720		\$115,275	\$223,995
Center for Economic Studies and Scientific Research (CESSR)				Year One	Year Two	Project Duration	
Balance				-\$378,520		-\$311,775	-\$690,295
USAID's contribution covers various budget items for this total amount:							\$604,800 USAID
USAID will fund the design and planning for the INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB							\$224,000
USAID will fund the the senior policy advisor and the technical assistance positions							\$270,000
USAID will fund the acquisitions of textbooks and other medias							\$50,000
USAID will support the publication of the Quarterly Business Barometer and the workshops and seminars program activities							\$60,800

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB
Center for Economic Studies and Scientific Research (CESSR) Component
EXPENSES - PAGE 1 / Operational Budget 10/1/2003-9/30/2005 (24 months)

Center for Economic Studies and Scientific Research (CESSR)				Year One		Year Two		Project Duration	
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense	
Design Expenses				\$156,000		\$68,000		\$224,000	
Stakeholders workshops	\$20,000	event	3	\$60,000	1	\$20,000	4	\$80,000 USAID	
Planning and Design Consultants	\$300	day	200	\$60,000	100	\$30,000	300	\$90,000 USAID	
Planning and Design Consultants (allowances, estimated)	\$100	day	200	\$20,000	100	\$10,000	300	\$30,000 USAID	
Planning and Design Consultants (travel, estimated)	\$2,000	trip	8	\$16,000	4	\$8,000	12	\$24,000 USAID	
Center for Economic Studies and Scientific Research (CESSR)				Year One		Year Two		Project Duration	
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense	
Staff				\$249,700		\$340,800		\$590,500	
Executive Director	\$4,500	month	9	\$40,500	12	\$54,000	21	\$94,500	
Senior Public Policy Advisor	\$4,500	month	9	\$40,500	12	\$54,000	21	\$94,500 USAID	
Senior Public Policy Advisor (allowances, estimated, if expatriate)	\$1,500	month	9	\$13,500	12	\$18,000	21	\$31,500 USAID	
Senior Public Policy Advisor (travel allowance, est.)	\$3,500	trip	2	\$7,000	2	\$7,000	4	\$14,000 USAID	
Technical Assistance	\$4,500	month	9	\$40,500	12	\$54,000	21	\$94,500 USAID	
Technical Assistance (lodging and meals allowance, est.)	\$1,500	month	9	\$13,500	12	\$18,000	21	\$31,500 USAID	
Technical Assistance (travel allowance, est.)	\$2,000	trip	1	\$2,000	1	\$2,000	2	\$4,000 USAID	
Information and Statistics Clearingshouse	\$3,000	month	6	\$18,000	12	\$36,000	18	\$54,000	
Research Director	\$3,500	month	8	\$28,000	12	\$42,000	20	\$70,000	
Research Assistant	\$2,400	month	8	\$19,200	12	\$28,800	20	\$48,000	
Administrator	\$2,100	month	6	\$12,600	6	\$12,600	12	\$25,200	
Technical Support (part time 50%)	\$1,200	month	12	\$14,400	12	\$14,400	24	\$28,800	

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB
Center for Economic Studies and Scientific Research (CESSR) Component
EXPENSES - PAGE 2 / Operational Budget 10/1/2003-9/30/2005 (24 months)

Center for Economic Studies and Scientific Research (CESSR)				Year One		Year Two		Project Duration	
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense	
Operating Expenses				\$189,000		\$212,000		\$401,000	
Dedicated facilities rented fully equipped (*)	\$8,000	month	9	\$72,000	12	\$96,000	21	\$168,000	
Telephone/Mail	\$1,000	month	9	\$9,000	12	\$12,000	21	\$21,000	
Equipment (Computers, Printers, Scanners, VCR, DVD, TV, etc)	\$10,000	bulk	2	\$20,000	1	\$10,000	3	\$30,000	
Office Supplies, Photocopying	\$1,000	month	12	\$12,000	12	\$12,000	24	\$24,000	
Textbooks & other media	\$25	unit	1000	\$25,000	1000	\$25,000	2000	\$50,000 USAID	
Teaching/student supplies	\$2,000	month	12	\$24,000	12	\$24,000	24	\$48,000	
Taxi, Bus, Rental Car	\$500	month	12	\$6,000	12	\$6,000	24	\$12,000	
Travel (International)	\$3,000	trip	6	\$18,000	8	\$24,000	14	\$42,000	
Travel (Domestic)	\$500	trip	6	\$3,000	6	\$3,000	12	\$6,000	
(*) The facilities includes offices, 2 classrooms, 2 fully equipped computer classrooms, access to Auditorium, Library, and other structures It also include Internet permanent access, email/web server (from UCAN), Facility Management (Security, Cleaning)									
Center for Economic Studies and Scientific Research (CESSR)				Year One		Year Two		Project Duration	
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense	
Program Expenses				\$130,100		\$147,700		\$277,800	
Annual Conference (Hosting, Keynote speaker exp., hosting & ads, etc.)				\$23,500		\$23,500		\$47,000	
Annual Report (Preparation, Translation, Publication and Distribution)				\$44,000		\$44,000		\$88,000	
Annual Academic Magazine (Preparation, Publication and Distribution)				\$21,000		\$21,000		\$42,000	
Quarterly Business Barometer	\$4,000	issue	4	\$16,000	4	\$16,000	8	\$32,000 USAID	
Economic Policy and other research topics papers	\$2,000	paper	8	\$16,000	12	\$24,000	20	\$40,000	
Workshop and Seminar: Economics, Laws and government regulations, other to	\$800	day	12	\$9,600	24	\$19,200	36	\$28,800 USAID	

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB

Center for Enterprise Development (CED) Component

REVENUES vs. EXPENSES / Operational Budget 10/1/2003-9/30/2005 (24 months)

Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Item Description	Price	Unit	Units	Income	Units	Income	Units	Income
Revenues				\$199,200		\$307,200		\$506,400
Grants				\$120,000		\$120,000		\$240,000
USAID Grant (used to fund training programs, see list below))				\$60,000		\$60,000		\$120,000 USAID
Universidade Catolica				\$30,000		\$30,000		\$60,000
Angola Educational Assistance Fund				\$30,000		\$30,000		\$60,000
Income from Programs				\$79,200		\$187,200		\$266,400
Business: Management (*)	\$3,600	class	4	\$14,400	8	\$28,800		\$43,200
Business: Accounting (*)	\$3,600	class	4	\$14,400	10	\$36,000		\$50,400
Business: Human resources (*)	\$3,600	class	4	\$14,400	8	\$28,800		\$43,200
ICT: Basic office automation (*)	\$3,600	class	6	\$21,600	10	\$36,000		\$57,600
ICT: System administration (*)	\$3,600	class	2	\$7,200	8	\$28,800		\$36,000
ICT: Web design (*)	\$3,600	class	2	\$7,200	8	\$28,800		\$36,000

(*) Income is calculated as fee per participant, with average fee = \$150 and average number of participant = 24, i.e. income = \$3600

Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense
Expenses (total, see breakup in the following page)				\$310,960		\$554,990		\$865,950
Staff				\$95,800		\$128,400		\$224,200
Program Expenses				\$35,600		\$87,200		\$122,800
Operating Expenses				\$139,000		\$267,000		\$406,000
Overhead on the totals above 15%				\$40,560		\$72,390		\$112,950
Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Balance				-\$111,760		-\$247,790		-\$359,550
USAID's contribution covers the cost for program activities listed on this budget for a total amount of:							\$122,800	USAID

INDEPENDENT ECONOMIC POLICY AND BUSINESS DEVELOPMENT HUB

Center for Enterprise Development (CED) Component

EXPENSES / Operational Budget 10/1/2003-9/30/2005 (24 months)

Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense
Staff				\$95,800		\$128,400		\$224,200
Executive Director	\$4,200	month	10	\$42,000	12	\$50,400	22	\$92,400
Program Director	\$3,200	month	8	\$25,600	12	\$38,400	20	\$64,000
Administrator	\$2,100	month	10	\$21,000	12	\$25,200	22	\$46,200
Technical Support (part time 50%)	\$1,200	month	6	\$7,200	12	\$14,400	18	\$21,600

Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense
Operating Expenses				\$139,000		\$267,000		\$406,000
Dedicated facilities rented fully equipped (*)	\$12,000	month	6	\$72,000	12	\$144,000	18	\$216,000
Telephone/Mail	\$1,000	month	6	\$6,000	12	\$12,000	18	\$18,000
Equipment (Computers, Printers, Scanners, VCR, DVD, TV, etc)	\$10,000	bulk	2	\$20,000	1	\$10,000	3	\$30,000
Office Supplies, Photocopying	\$1,000	month	6	\$6,000	12	\$12,000	18	\$18,000
Textbooks & other media	\$50	unit	200	\$10,000	400	\$20,000	600	\$30,000
Teaching/student supplies	\$4,000	month	3	\$12,000	12	\$48,000	15	\$60,000
Taxi, Bus, Rental Car	\$500	month	12	\$6,000	12	\$6,000	24	\$12,000
Travel (International)	\$3,000	trip	2	\$6,000	4	\$12,000	6	\$18,000
Travel (Domestic)	\$500	trip	2	\$1,000	6	\$3,000	8	\$4,000

(*) The facilities includes offices, 2 classrooms, 2 fully equipped computer classrooms, access to Auditorium, Library, and other structures
 It also include Internet permanent access, email/web server (from UCAN), Facility Management (Security, Cleaning)

Center for Enterprise Development (CED)				Year One	Year Two	Project Duration		
Item Description	Price	Unit	Units	Expense	Units	Expense	Units	Expense
Training Program Expenses				\$35,600		\$87,200		\$122,800
Business: Management (***)	\$2,000	week	4	\$8,000	8	\$16,000		\$24,000 USAID
Business: Accounting (***)	\$1,600	week	4	\$6,400	10	\$16,000		\$22,400 USAID
Business: Human resources (***)	\$1,600	week	4	\$6,400	8	\$12,800		\$19,200 USAID
ICT: Basic office automation (***)	\$1,200	week	6	\$7,200	10	\$12,000		\$19,200 USAID
ICT: System administration (***)	\$2,000	week	2	\$4,000	8	\$16,000		\$20,000 USAID
ICT: Web design (***)	\$1,800	week	2	\$3,600	8	\$14,400		\$18,000 USAID

(***) Classes can be of various length, but in this budget they are considered to be 1 week

ANNEX B – Concept Paper submitted to USAID/GDA on March 31, 2003

Mary Tyler Holmes
Global Development Alliance Secretariat
United States Agency for International Development
Rm. 6.08.026
1300 Pennsylvania Ave., NW
Washington, DC 20523

Boston, March 31, 2003

Reference:

Establishment of a Business Training Center in Luanda, Republic of Angola
Annual Program Statement, APS No. GDA-03-001 (sectors: education/sme/ict)

Contact information:

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President
Angola Educational Assistance Fund
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Boston, MA 02210
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Filomeno Vieira-Dias
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Summary:

The Angola Educational Assistance Fund (AEAF), a nonprofit organization based in Boston, has formed an alliance with the Catholic University of Luanda (UCAN), Angola, with Boston College (BC), and with the US Angola Chamber of Commerce (USACC), to establish a Business Training Center in the city of Luanda, Angola.

The essential goal of the Center is to prepare Angolans with basic and advanced business skills to drive productivity and economic growth. Over the past few years, the Catholic University of Angola has organized a number of professional training classes for private sector companies and teachers of schools in Luanda. The classes offered included Information and Communication Technology courses at various levels, and English as a Second Language programs.

The Center will provide a formalized framework to expand these activities. It will use a higher education partnership and a network of concerned private sector companies to strengthen the Catholic University's ability to link with small and medium enterprises to foster economic growth and community development.

A particular emphasis will be given to addressing the professional training requirements of women. The Center will openly encourage women's enrollment and will include specific programs for women in its curriculum.

Description:

Angola is slowly moving toward a peaceful future after years of devastating civil war. One of the biggest challenges ahead is the rebuilding of the country's post-war economy. Meeting immediate human needs is a necessary current focus, but belief in a recovered and thriving Angola requires attention to long-term needs as well, including the possibility for all to have access to professional training at various levels of competencies. In Angola – like elsewhere - economic growth demands the creation of a productive and skilled workforce.

In response to this situation, the Angola Educational Assistance Fund and the Catholic University of Angola have taken the first steps toward the creation of a Business Training Center, to be established in Luanda. The Center will serve the needs for conventional access to professional training, and - by allowing many to acquire basic and advanced job skills - it is expected to make an important contribution in building a better future for the Angolan people.

In order to ensure the success of this initiative, the Angola Educational Assistance Fund and the Catholic University of Luanda, Angola, have formed an alliance with the Business School at Boston College (BC), and with the US Angola Chamber of Commerce (USACC). Each partner will contribute to the project in a specific capacity, thus ensuring that each component of the project will be competently and effectively addressed.

Project focus:

The Business Training Center will be the first institution of its kind to be established in Luanda. The goal of the Center is to offer professional and business training at various levels to a target group that includes:

- Unskilled and unemployed people of different ages searching to better their opportunities in an expanding economy;
- People employed looking to update their expertise or acquire new skills;
- Employees of national and international companies furthering their education;
- Start-up business owners;
- Small business owners.

A particular attention will be given both to the recruitment of women attendance, and to programs specifically designed for developing women's skills. Initially, the target will be to reach 50 people with a growth rate of at least 100% each year for five years thereafter.

The list of classes that the Business Training Center plans to offer includes:

- Basic office skills;
- Basic business skills;
- Accounting, Financial Management, Human Resources;
- Information and Communication Technology at various levels (office automation network, web, multimedia, etc);
- Program/Project Management;

- English as a Second Language;
- Management.

The Center will work with companies from the private sector and other interested organizations in order to appropriately expand the offering of classes.

Strategy and Objectives:

In the course of 2003 the alliance has three major goals:

- De-facto establishment of the Center within the structure of the Catholic University in Luanda;
- Development of a comprehensive curriculum and schedule of classes;
- Delivery of the first round of classes to 50 participants.

The Catholic University will host the Center within its campus facilities in the center of the city of Luanda. Office space will be allocated for the staff and the administrative activities of the Center. Educational activities will make use of the University infrastructure, including both its conventional and computer equipped classrooms. Students of the Business Training Center will have access to the University's conference facilities, library, wireless Internet, cafeteria, etc.

Partners in the alliance:

Angola Educational Assistance Fund (AEAF)

The AEAF (<http://www.aeaf.org>) is a 501(c)(3) nonprofit organization based in Boston. It was created in 1996 by Citizens Energy (<http://www.citizensenergy.com/>), in order to promote higher standard of academic education in Angola through the establishment of a Catholic University. AEAF is expected to contribute in the following areas: program management, logistics, fundraising, and financial support.

Catholic University of Angola (UCAN)

The Catholic University (<http://www.ucan.edu/>) is the first non-governmental university in Angola. It is based in Luanda and has been operating since 1999. It currently has a Department of Law, a Department of Economics and Management, and a Department of Computer Engineering, with future plans to expand its courses to other areas. Its mission is to provide human, academic and professional education to the Angolan people. As an open university, it is ruled by principles of absolute liberty of access, regardless of race, gender, religion and social and economic conditions, with the only limits being those deriving from available space and academic selection criteria. UCAN will contribute in the following critical areas: faculty, staffing, logistics, space allocation, and financial support.¹⁶

¹⁶ Over the past few years, AEAF and UCAN have successfully collaborated on a wide variety of projects. Initially, AEAF contributed \$400,000 to the refurbishment of a building designated to host the Catholic University. Since then, the focus has been on improving technical capacity at UCAN. For example, AEAF established a state of the art computer network with over 200 personal computers, several computer classrooms,

Boston College (BC)

Founded in 1863, Boston College (<http://www.bc.edu/>) is one of the oldest Jesuit, Catholic universities in the United States. Boston College confers more than 3,800 degrees annually in more than 50 fields of study through 11 schools and colleges. Its student body represents all states and 95 countries.

The Carroll School of Management offers undergraduate and graduate management education to meet the needs of students interested in business. The Lynch School of Education endeavors to improve the human condition through education and also offers undergraduate and graduate programs. The role of BC in the alliance will be focused on the development of the Business Training Center curriculum, and on the selection of the faculty. It will also ensure the highest standard of educational programs, while providing access to international higher education and networking.

US Angola Chamber of Commerce (USACC)

Founded in 1990, the U.S. Angola Chamber of Commerce (<http://www.us-angola.org/>) is a non-profit membership organization with a mandate to broaden U.S. and Angolan business opportunities. With offices in Washington and Luanda, the chamber has 75 member organizations that are united in promoting trade and investment between the U.S. and Angola. The chamber, together with various partners, holds yearly trade missions to Angola, policy seminars, briefings and other events that bring together members and other interested individuals who work with and in Angola. The US Angola Chamber of Commerce will promote the activities of the Business Training Center among its member base of US and Angolan companies, while providing valuable feedback in terms of the educational content offering and needs.

Sustainability:

The Business Training Center will achieve sustainability by offering fee-based classes. This will be particularly attractive for private sector companies seeking to educate their workforce. Another source of funding will derive from a scholarship program based on a model successfully implemented at UCAN, allowing programs to be offered at a subsidized cost or at no cost at all, pending financial needs of students or the institution they represent.

Internet public access areas, and a wireless link to Ebonet, a local Internet Service Provider (ISP), allowing a broadband permanent Internet connection. These activities have greatly enhanced the Catholic University educational objectives as well as its various academic activities. AEAF has also conducted a review of the university accounting practices and assisted with the implementation of the ensuing recommendations.

Support from GDA/USAID:

The alliance requests the financial support of GDA/USAID in the amount of \$120,000 to establish the Business Training Center in Luanda and to carry out the initial educational activities. This phase is expected to last until the end of 2003. The requested amount is reflected in the following operational budget:

2003 REVENUES:

FINANCIAL CONTRIBUTIONS	
AEAF	\$60,000
UCAN	\$60,000
GDA/USAID	\$120,000
<u>TOTAL REVENUES</u>	<u>\$240,000</u>

2003 EXPENSES:

PROGRAM MANAGEMENT (*)	
AEAF	(\$40,000)
UCAN	(\$40,000)
CURRICULUM DEVELOPMENT (*)	
AEAF	(\$20,000)
UCAN	(\$20,000)
BOSTON COLLEGE	(\$40,000)
USACC	(\$10,000)
INFRASTRUCTURE (**)	
UCAN	(\$40,000)
TRAVEL (***)	
AEAF	(\$10,000)
UCAN	(\$10,000)
BOSTON COLLEGE	(\$10,000)
<u>TOTAL EXPENSES</u>	<u>(\$240,000)</u>

(*) Cost estimate is based on number of days per staff / consultant / faculty at an average rate of \$400/day

(**) Cost estimate for office equipment, furniture, occupancy cost, classrooms rent, etc.

(***) Cost estimate is based on the number of 2 week long travel for 1 person to/from USA/Angola at \$5000 incl. air/lodging/meals

ANNEX C – USAID/GDA Response to Concept Paper on June 17, 2003

June 17, 2003

Filippo Nardin
President
Angola Educational Assistance Fund
530 Atlantic Avenue, 5th Floor
Boston, MA 02210

Dear Mr. Nardin:

We have completed our selection phase of the Global Development Alliance's Annual Program Statement and invite you to submit a full proposal for your concept paper: "Establishment of a Business Training Center in Angola." **Be advised that this does not constitute in any way a guarantee of funding through this mechanism.** We have circulated your concept paper for comments to the country missions mentioned in your concept paper, and we are now ready to receive the more detailed proposal as described in the Annual Program Statement.

In the preparation of your more detailed proposal, please follow the specific instructions and format detailed under the Tier Two Proposal Stage section in the APS, and incorporate the responses to the more detailed issues raised below in the most pertinent section(s) of the application.

Below are some issues that the mission would like you to address in your proposal:

- Please discuss how the activity will link to local business groups and associations and financiers.
- Please discuss how the University will design training programs without having solid knowledge on the type and number of targeted businesses in Angola.
- Please elaborate on how the University will cost the training.
- Please explain how the Business Center could serve as a source of information on enabling environment for SMME businesses in other part of Angola.
- Please discuss how the activity's scholarship system can work.
- Given the lack of proven success elsewhere and the insufficient knowledge of the business climate in Angola presented here, there should be alternative consideration of a needs assessment of different entrepreneurial groups for training to determine how the center should target its services, what fees it could glean, and whether this

center could work with the many private training institutions and individual consultants providing services to small businesses in Luanda. Following this, an initial plan for one training center with careful targeting and potential “extension outreach” to both public and private training centers should be considered.

The following issues are program recommendations that the mission would like you to consider:

- USAID/Angola proposes that at some later date, the activity considers incorporating or adding to the curriculum a trainer of trainers programs to increase outreach outside of Luanda.
- The Consortium could increase local knowledge of appropriate enabling environments, and could encourage expansion of SME engagement in business associations and across various entrepreneur groups for business deals and policy advocacy. They could also help expand interest and capacity of the CCIA and Catholic University to support such activities.
- USAID/Angola proposes that the concept paper be expanded to incorporate an economic policy and capacity strengthening component. Because of an extreme scarcity of economic policy research and analysis capability, it is proposed that an independent economic policy institute be established at the Catholic University in order to build upon and expand the nascent institutional structure the IMF has established. This would also provide the analytical framework and dialogue necessary to make the proposed Business Center a component of the Economic Policy Institute.

USAID/ANGOLA’s Gail Spence (gspence@usaid.gov) and Scott Allen, RCSEA (sallen@usaid.gov) will be your technical points of contact. Please contact them upon receipt of this letter.

Again, **be advised that submission of a full proposal does not guarantee funding.** All proposals must be in English in hard copy and 3.5” disk (Microsoft Word format) forms and should be submitted directly to Dan Runde, Global Development Alliance Secretariat, Room 6.8.026, 1300 Pennsylvania Avenue, NW, Washington, DC 20523 or you may also submit your proposal electronically to drunde@usaid.gov. Please submit your proposal by July 29th, 2003.

Sincerely,

Daniel F. Runde
Outreach and Alliance Development Manager
Global Development Alliance Secretariat, USAID

***ANNEX D – Memorandum of Understanding between the
Catholic University of Angola and ChevronTexaco
Sustainable Development Company***

DRAFT

Heads of Agreement (“HOA”)

Between:

UNIVERSIDADE CATOLICA DE ANGOLA, an Angolan private academic institution hereinafter referred to as “UCAN”, on the one part;

And:

CHEVRONTEXACO SUSTAINABLE DEVELOPMENT COMPANY, a wholly owned subsidiary of ChevronTexaco Corporation, hereinafter referred to as “CTSDC”, on the second part.

Hereinafter UCAN and CTSDC shall be referred to as the “Parties”.

WHEREAS, the first contact between the Parties, made during a visit on April 16, 2003, to UCAN’s new campus facility in Palanca (Luanda), led to a follow up meeting which was held at UCAN’s main building in Kinaxixi (Luanda) on May 19 2003, where areas of mutual interests were discussed, including the establishment of a new center for professional training and vocational learning as part of CTSDC’s Angola Partnership Initiative, hereinafter referred to as “API”.

WHEREAS, the framework of the API specifies the following key areas of intervention: Education, Training, and Small Business Development in Angola.

WHEREAS, UCAN was established to provide the Angolan community with a strong and respected in-country institution of higher learning, and to contribute to Angola's social, economic and political recovery.

WHEREAS, UCAN and CTSDC wish to undertake a joint program to combine their capacities and leverage their core missions.

NOW THEREFORE, the parties agree that this HOA sets forth the understandings and intentions of the Parties with regard to their shared goals as follows:

1. The Parties will work together to create the Center for Enterprise Development (Centro de Desenvolvimento Empresarial), hereinafter referred to as “CED”, to carry out professional training and vocational learning activities in support of university graduates, small business start-ups, youth, women entrepreneurs, and other members of the Angolan community.
2. UCAN’s Center for Economic Studies and Scientific Research (Centro de Estudos e Investigação Científica), hereinafter referred to as “CESSR”, will work with CTSDC to provide the initial project analysis, design, and implementation recommendations.
3. The Angola Educational Assistance Fund, hereinafter referred to as “AEAF”, a 501(c)(3) organization based in Boston created with the sole purpose of supporting the establishment of UCAN, will assist and advise UCAN and CTSDC, and work with CESSR on the initial project recommendations. AEAF may also serve as a simple and transparent vehicle for CTSDC to direct project funds to UCAN. In addition, AEAF will also serve as a reference point for establishing partnerships with foreign universities and development organizations.
4. CTSDC will seed fund the initial phase of the project in an amount to be determined. Subsequent funding will be provided in a matching fashion by CTSDC and by other sources. CTSDC and AEAF will work on a fundraising strategy that will use the strategic value of the UCAN/CTSDC partnership to attract additional funding. The Parties specifically acknowledge that this HOA is not an obligation of funds, nor does it constitute a legally binding commitment by any Party.
5. It is recognized that this HOA is a statement of intent and is being signed to allow the participants to start working on the project recommendations for the CDE, to pursue matching funds opportunities with potential donors, and to explore possible partnership with other organizations. The parties agree to consult their respective legal departments to discuss if any additional legal documents need to be signed before the actual project can be officially started.
6. The Parties will attempt to establish a public communication program for the project. A public announcement/press release regarding the establishment of CDE will be considered as a follow up to the signature of this HOA.

IN WITNESS WHEREOF, of their agreement, each party has caused its duly authorized representative to sign this instrument on the date indicated below such representative’s signature.

ANNEX E – Profile of Partners in the Alliance

Angola Educational Assistance Fund (AEAF)

The AEAF (<http://www.aeaf.org/>) is a 501(c)(3) nonprofit organization based in Boston. It was created in 1996 by Citizens Energy (<http://www.citizensenergy.com/>), in order to promote higher standard of academic education in Angola through the establishment of a Catholic University. The AEAF is part of Citizens Energy's group of companies (<http://www.citizensenergy.com/>). In 1994, a Citizens Energy's affiliate, Citizens Corporation, was awarded a USAID grant for a project in Eastern Europe.

Since the beginning of their collaboration in 1996, AEAF and UCAN have successfully worked on a wide variety of projects. Initially, AEAF contributed \$400,000 to the refurbishment of a building designated to host the Catholic University. Since then, the focus has been both on funding and on improving technical capacity at UCAN.

In 1998 to 2000, AEAF established a state of the art computer network with over 200 personal computers, several computer classrooms, Internet public access areas, and a wireless link to Ebonet, a local Internet Service Provider (ISP), thus establishing a broadband permanent Internet connection that has been up since 1997.

In 1998, the AEAF funded a review of the university accounting practices by Ernst & Young and assisted with the implementation of the ensuing recommendations

In 1999, the AEAF organized the collection of 80,000 selected titles for UCAN's library and two container shipments to transport them to Luanda. It also provided training for UCAN's library personnel on how to catalog and manage a public library.

These activities have greatly enhanced the Catholic University educational objectives as well as its various academic activities.

AEAF is expected to contribute in the following areas: program design and management, logistics, fundraising, and financial support.

Catholic University of Angola (UCAN)

The Catholic University (<http://www.ucan.edu/>) is the first private university created in Angola. It is based in Luanda and has been operating since 1999. It currently has a Department of Law, a Department of Economics and Management, a Department of Public Administration, and a Department of Computer Engineering, , with future plans to expand its curriculum to other areas.

The University is located near the Kinaxixi Square in the center of Luanda, and is has opened in 2002 another campus in Palanca (on the road to Viana), which is being currently expanded.

Its mission is to provide human, academic and professional education to the Angolan people. It is ruled by principles of absolute liberty of access, regardless of race, gender, religion and social and economic conditions, with the only limits being those deriving from available space and academic selection criteria.

In a short time, the Catholic University has established itself as an institution of excellence. It often hosts seminars, workshops and conferences, attracting large audiences and highly regarded speakers.

In 2002, the University launched the Center for Economic Studies and Scientific Research (CESSR), designed to conduct research, provide professional services to the Angolan Government and the business community, and create an open discussion forum for socio-economic policy discussion.

UCAN will contribute in the following critical areas: faculty, staffing, logistics, space allocation, and financial support, while the CESSR will offer program design and implementation, project management, and reporting.

Boston College (BC)

Founded in 1863, Boston College (<http://www.bc.edu/>) is one of the oldest Jesuit, Catholic universities in the United States. Boston College confers more than 3,800 degrees annually in more than 50 fields of study through 11 schools and colleges. Its student body represents all states and 95 countries.

The Carroll School of Management offers undergraduate and graduate management education to meet the needs of students interested in business. The Lynch School of Education endeavors to improve the human condition through education and also offers undergraduate and graduate programs.

In 2001, Boston College has hosted a delegation from the Catholic University to discuss a comprehensive collaboration agreement. Faculty fellowships and student exchange programs were discussed, as well as joint research programs in the fields of Business, Management and Administration, International Law, Information and Communication Technology, International Higher Education.

The role of Boston College in the alliance will be advising on the development of the economic policy institute component of the Center for Economic Studies and Scientific Research, as well as on the development of a comprehensive business training curriculum for the Center for Enterprise Development.

Boston College will also ensure the highest standard of educational programs, while providing access to international higher education and networking.

US Angola Chamber of Commerce (USACC)

The U.S. Angola Chamber of Commerce (<http://www.us-angola.org/>) is a non-profit membership business association with a mandate to promote trade and investment between the US and Angola, to broaden U.S. and Angolan relations in various areas, and to provide outreach to and awareness of Angola. It was founded in 1990, at a time when diplomatic relations between the US and Angola did not yet exist.

With offices in Washington and Luanda, the chamber has 75 member organizations from the US and Angola. Among the services that the USACC provides are networking opportunities and research, briefings, policy seminars, and other events that bring together members and other interested individuals working with and in Angola. The Chamber also organizes yearly trade missions from the US to Angola and from Angola to the US.

The USACC is mandated by its charter to assist in humanitarian relief. It has assisted in building awareness and raising funds on behalf of projects providing social marketing and education programs combating the spread of HIV/AIDS in Angola.

In its 12 years of operation, the USACC has developed a firm understanding of the many social and economic issues affecting Angola and it has built a solid reputation for delivering on its mission.

The USACC will promote the activities of the Center for Enterprise Development among its membership and provide feedback in terms of the educational content and the needs of its members. It will provide support to the Center for Enterprise Development by assisting in fundraising and resource development. It will also play a role in assisting the career development of graduating students by developing internship programs with member companies, where graduates can obtain hands-on training.

The USACC will serve as a liaison between the Center, the US and the Angolan community of private sector/business advocacy membership organizations, such as the Corporate Council on Africa, the Council of Foreign Relations, the Angolan Chamber of Commerce and Industry, and the Angolan Industrial Association.