CEIC/CMI Cooperation Programme 2008-2010

Project proposal

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Bergen / Luanda
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A: Programme overview

This section provides an overview of a proposed programme of cooperation between the Centro de Estudos e Investigação Científica (CEIC) in Angola and the Chr. Michelsen institute in Norway. The present programme document is structured as follows: After a brief summary we give an introduction to the programme, a statement of objectives and a review of the relation between overall objectives and projects. The cooperating institutions CEIC and CMI are presented in section 1.5 preceding a brief summary of the financing plan and an outline of important institutional and organisational issues. Section 1.8 conducts a brief analysis of the conditions under which the programme is likely to work and sets then scene for an analysis of risks under section 1.10. Finally section 1.11 outlines the planned approach to programme and project monitoring.

1.1 Summary

This document proposes a three year programme for cooperation on capacity building and research to be implemented by the Chr. Michelsen Institute (CMI) and the Centro de Estudos e Investigação Científica (CEIC) at the Universidade Católica de Angola (UCAN). The key objectives of the programme is to support policy research and build capacity that may contribute to the avoidance of the so called “resource curse” in Angola. The project is based on a number of capacity building and research projects agreed between the institutes which have worked together for more than a year. The total amount of finance sought is NOK 21,6 million of which NOK 20,6 million is sought from the Norwegian government through the Embassy in Luanda and the NOK 1,0 million from StatoilHydro. In addition there may be an additional yet unknown contribution from NOMA in connection with the project 2, on Social Science Studies.

1.2 Introduction

Angola has been called the most important country for Norway in Africa. Huge business interests around the petroleum sector combine with the traditional Nordic concern for poverty alleviation and fair distribution of national resources. Angola recently emerged from a decades long war situation and the immense tasks of re-building institutional, social and economic infrastructure will remain important for many years to come.

For the Angolan Government the re-construction task has been made easier by the accelerated exploitation of the country’s enormous natural wealth which has contributed to alleviating the financial burden. In the near and medium term natural resource exploitation will be concentrated first and foremost on the country’s oil riches. In the longer term, diamonds, hydroelectricity, as well as marine and agricultural resources are likely to be developed and keep government revenues growing. Angola’s national incomes, like Norway’s, will for a long time to come be based on the exploitation of natural resources. Avoiding the ‘resource curse’ will be a major task for the Angolan Government.

The constraints to broad based development in Angola are many: The human resource constraints are severe. There are problems of economic management, familiar to most resource rich countries, as well as serious cases of corruption. Wealth in Angola is so
far highly concentrated and this will turn into a major problem for the country economically, politically and socially if the concentration lasts or increases. The fact that national incomes largely accrue as state revenue places the burden of natural resource revenue management on Government. The establishment of sound governance which can contribute to fighting corruption and provide an enabling economic environment is thus an essential goal which can contribute to the development of a diversified and broad based private sector and avoid the ‘resource curse’.

Norway and Angola have long been involved in a considerable development cooperation programme. The present cooperation guidelines set by the Norwegian government foresee that traditional development cooperation between Norway and Angola will cease in 2010. Until then, cooperation is guided by three pillars: ‘Energy with a focus on petroleum’, ‘Good governance’ and ‘Human rights and education’. It is however likely that Norwegian - Angolan cooperation will continue much longer. The guidelines referred to above in fact indicate that some forms of cooperation will be relevant after 2010 particularly in two broad areas: (a) support to good governance and human rights through civil and society organisations and (b) ‘strategic cooperation’, first and foremost around oil exploration and production where Norway and Angola have common interests.

The fact that Angola might not officially remain a ‘cooperation country’ for Norway post 2010 might restrict the scope of cooperation but emerging trends in Norwegian international development policy indicate that the strict line between ‘cooperation countries’ and ‘other countries’ may be adjusted, opening for different categories of cooperation countries based also on Norwegian strategic interest. The idea that Norwegian cooperation would be phased out is challenged by the strength of oil sector creating bonds between the two countries and Norwegian development ‘ethics’ concerned about inequality and poverty. The question of Norwegian - Angolan cooperation it is therefore more one of how Norway will be operating in Angola, less of whether.

1.3 Overall Objective
The cooperation programme between CEIC and CMI over the years 2008 – 2010 proposed in the present document has a twin overall objective. a) to contribute to policy analysis in order to avoid a ‘resource curse’ situation in Angola and b) to strengthen the foundation of knowledge relevant to Norwegian –Angolan cooperation now and in the future.

1.4 Immediate Objectives
To make this contribution the two institutes has set two important immediate objectives: a) Improve the extent and quality of research and dissemination of policy oriented studies that can contribute to policy analysis and policy debate in Angola, particularly on ‘resource curse’ related issues, b) Administrative and research capacity building at CEIC.

**Improvement of extent and quality of research and dissemination of policy oriented studies that can contribute to policy analysis and policy debate in Angola**
About one third of the budget of the proposed programme supports policy oriented research projects. This amounts to a very substantial increase in both Norwegian research on Angola and Angolan policy research by independent institutions. In
comparison to the average annual NOK 7 million applied for under the programme, CEIC’s entire annual budget is likely to be NOK 8 million and the CMI Angola programme has never been much above the level for 2007, around NOK 1 million.

There are several ways in which the proposed programme would improve the quality of policy research and dissemination on Angola. a) For both institutions there are clear advantages in having medium term rather than annual research funding. It is believed that this will reflect positively on the quality of research and dissemination. b) CMI’s achievement and experience in policy research and CEIC’s thorough knowledge about the policy environment in Angola would be an advantageous combination and result in relevant and academically sound research. c) The combination of CEIC’s excellent standing with policy makers and the Angolan society and CMI’s good international contacts should make for a strong effort in dissemination of research and effect on policy decisions both in Norway, in Angola and internationally.

### Administrative and research capacity building at CEIC

The proposed programme has a strong emphasis on capacity building both directly and indirectly. In an **indirect** sense which is possibly the most important, the research project teams all comprise both Angolan and Norwegian researchers and it is hoped, on both sides, to involve a number of younger researchers. This should lead to a most important cross fertilization of ideas and learning with regard to methodologies, research approaches and policy relevant results. Also, the need to produce research reports in English would help CEIC’s objective of breaking the language barrier. On the administrative side it is the intention for CEIC to benefit from CMI’s experience in running major research and consultancy projects.

Four projects under the programme deal directly with Capacity Building. On the administrative side project 4 (Acquisition, Project Control and Financial management) on CEIC Administration comprises a joint review of administrative aspects and exchange of personnel in order to draw and adapt ideas from CMI’s administrative experience, whereas project 5, focusing on IT, aims at improving the stability of communication as well as giving CEIC a better web presence and improve the capacity for data storage and processing, particularly linked to the macro model work described under project 9.

### 1.5 The cooperating institutions

CEIC is the key policy research think-tank in Angola and is considered a serious and competent organisation both in Angola and internationally. CMI is Norway’s oldest and biggest institution in the area of development policy research. Both institutes, in their respective countries, work confidently with government and civil society. Their visions, missions and strategies for the period for which project support is sought are complementary. Their strategic plans for the period are presented in Annexes 1 and 2.

CMI has over a long period had links with Angolan authorities, research institutions, CSOs and NGOs. Annex 3 briefly describes key past and ongoing Angola related activities at CMI. A CEIC - CMI cooperation programme for the year 2007, funded by the Norwegian embassy and Statoil, has developed according to plan and sub projects on capacity building, poverty analysis methods, the role of the church in poverty alleviation, academic teaching of business ethics and budget processes have
been fully or partly concluded. The Norwegian Embassy in Luanda has in 2006 and 2007 supported CEIC through core financing and will continue doing so, thus complementing the present proposed programme for 2008-2010.

The CMI has an Angolan network which comprises policy makers and researchers as well as private sector development stakeholders. There are however relatively few researchers in Norway which are familiar with the language and the research environment in Angola and CMI intends to help build a more extensive human capital base for Angola studies. The cooperation with CEIC will enable CMI to maintain its insight into the country and will support the emergence of new researchers who can perform the types of research needed in both Norway and Angola.

Although the main parties to the three year programme are CEIC and CMI the programme will endeavour to bring in personnel and institutions from outside the core institutions. This is in line with the both institutes’ policies. CEIC has a policy of outreach to NGOs and CSOs and several of their staff are involved in governmen policy analysis. CEIC’s research and other activities frequently draw on UCAN and other research capacity in Angola. CMI complements its capacity through its links with academic institutions in Norway, in particular the University of Bergen. In some cases it will be opportune to strengthen research efforts through cooperation with external partners from other African countries and other countries like China.

The CEIC/CMI collaboration can draw on a special relationship with two CSOs which operate activities and a large network of staff in most provinces: the Development Workshop (DW) and ADRA (which are also currently supported by the Norwegian Embassy). Both CEIC and CMI have long standing relations on institutional and personal levels with DW and ADRA and have previously been collaborating on both research, consultancy work and dissemination of knowledge. The good collaboration with these CSOs (which also have significant ambitions in the area of social research) will enable the programme to increase quality and facilitate research through their provincial networks. CEIC’s network of individual researchers is listed in Annex 5.

Important stakeholders for the programme are the Angolan and the Norwegian governments as well as the private sectors in Angola and Norway, NGOs and CSOs. Activities and projects under the cooperation programme should be acceptable and valuable for the two research institutes as well as the stakeholders. Also, the programme should build on capacities and strengths already present at the two institutions. In a few selected areas however, the programme should focus on building and developing new areas of research and other activities.

1.6 Financing plan for the programme

Table 1 shows the cost of the programme by project. The cost of the entire programme for the years 2008-2010 will be between NOK 21 and 22 million. The main source of finance is thought to be the Norwegian government through the Norwegian Embassy in Luanda. About NOK 1,0 million is expected to come from StatoilHydro to cover project 3 on augmentation of teaching resources at UCAN, focused on public sector ethics and natural resource economics. In addition to the NOK 21-22 million a yet undecided amount is likely to come from NOMA to support
planning and part of the teaching under the project 2 Social science studies. Under that project it is proposed that the embassy finances fees for a piloting phase and for CMI contributions which can not be financed under NOMA.

Of the total cost of the programme over three years about approx 65.6 per cent will be used for research programmes and teaching programmes and 8.6 per cent for capacity building measures. The remainder is funding for programme management (13.2 per cent – including infrastructural expenditures), the annual CEIC/CMI conference (6.6 per cent) and a contingency factor calculated at 7.9 per cent.

Table 1: Budget for CEIC-CMI programme 2008-2010
Summary by project

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>Total</th>
<th>Pct of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Programme Management and Financing</td>
<td>1 134 400</td>
<td>851 915</td>
<td>869 430</td>
<td>2 855 745</td>
<td>13.2</td>
</tr>
<tr>
<td>Capacity Building for Research and Teaching</td>
<td>1 581 800</td>
<td>283 790</td>
<td>0</td>
<td>1 865 590</td>
<td>8.6</td>
</tr>
<tr>
<td>2 Social science studies</td>
<td>554 800</td>
<td>283 790</td>
<td>0</td>
<td>838 590</td>
<td></td>
</tr>
<tr>
<td>3 Augmenting teaching resources at UCAN</td>
<td>1 027 000</td>
<td>0</td>
<td>0</td>
<td>1 027 000</td>
<td></td>
</tr>
<tr>
<td>CEIC Administrative Capacity</td>
<td>542 500</td>
<td>537 970</td>
<td>378 250</td>
<td>1 458 720</td>
<td>6.7</td>
</tr>
<tr>
<td>4 Acquisition, Proj. Control and Fin. Management</td>
<td>345 000</td>
<td>188 870</td>
<td>251 100</td>
<td>784 970</td>
<td></td>
</tr>
<tr>
<td>5 ICT capacity</td>
<td>197 500</td>
<td>349 100</td>
<td>127 150</td>
<td>673 750</td>
<td></td>
</tr>
<tr>
<td>Research Programmes:</td>
<td>2 571 100</td>
<td>5 822 180</td>
<td>3 921 220</td>
<td>12 314 500</td>
<td>57.0</td>
</tr>
<tr>
<td>Peace and democratization</td>
<td>722 500</td>
<td>1 305 650</td>
<td>0</td>
<td>2 028 150</td>
<td>9.4</td>
</tr>
<tr>
<td>6 Consolidation of post-civil war peace</td>
<td>0</td>
<td>434 800</td>
<td>0</td>
<td>434 800</td>
<td></td>
</tr>
<tr>
<td>7 Effects of Angola’s 1992 Election Experience</td>
<td>86 000</td>
<td>296 800</td>
<td>0</td>
<td>382 800</td>
<td></td>
</tr>
<tr>
<td>8 Political Parties in Angola</td>
<td>636 500</td>
<td>574 050</td>
<td>0</td>
<td>1 210 550</td>
<td></td>
</tr>
<tr>
<td>Public Finance Management</td>
<td>1 213 500</td>
<td>2 031 640</td>
<td>1 965 240</td>
<td>5 210 380</td>
<td>24.1</td>
</tr>
<tr>
<td>9 Macro Modeling</td>
<td>564 200</td>
<td>581 740</td>
<td>370 720</td>
<td>1 516 660</td>
<td></td>
</tr>
<tr>
<td>10 Analysis of the Budget System and Public Exp.</td>
<td>20 000</td>
<td>441 490</td>
<td>890 160</td>
<td>1 351 650</td>
<td></td>
</tr>
<tr>
<td>11 Participation, repr. and taxation in local gov.</td>
<td>580 500</td>
<td>552 750</td>
<td>0</td>
<td>1 133 250</td>
<td></td>
</tr>
<tr>
<td>12 Health, Poverty and Public Expenditure</td>
<td>48 800</td>
<td>455 660</td>
<td>704 360</td>
<td>1 208 820</td>
<td></td>
</tr>
<tr>
<td>Investment, Pro poor growth and the Private Sector</td>
<td>635 100</td>
<td>2 484 890</td>
<td>1 955 980</td>
<td>5 075 970</td>
<td>23.5</td>
</tr>
<tr>
<td>13 Comparative Corporate Strategies</td>
<td>87 500</td>
<td>1 087 950</td>
<td>0</td>
<td>1 175 450</td>
<td></td>
</tr>
<tr>
<td>14 Angolan infrastructure in a regional perspective</td>
<td>197 600</td>
<td>495 160</td>
<td>660 720</td>
<td>1 353 480</td>
<td></td>
</tr>
<tr>
<td>15 Land and Legal Plurality in Angola</td>
<td>140 000</td>
<td>497 880</td>
<td>606 960</td>
<td>1 244 840</td>
<td></td>
</tr>
<tr>
<td>16 Micro Credit for sustainable development</td>
<td>210 000</td>
<td>403 900</td>
<td>688 300</td>
<td>1 302 200</td>
<td></td>
</tr>
<tr>
<td>17 Annual CEIC / CMI Conference</td>
<td>387 700</td>
<td>397 445</td>
<td>640 500</td>
<td>1 425 645</td>
<td>6.6</td>
</tr>
<tr>
<td>Contingency</td>
<td>500 000</td>
<td>700 000</td>
<td>500 000</td>
<td>1 700 000</td>
<td>7.9</td>
</tr>
<tr>
<td>Total</td>
<td>6 717 500</td>
<td>8 593 300</td>
<td>6 309 400</td>
<td>21 620 200</td>
<td>100.0</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
<td>20 593 200</td>
<td>95.2</td>
</tr>
<tr>
<td>Sought from Embassy</td>
<td>5 690 500</td>
<td>8 593 300</td>
<td>6 309 400</td>
<td>20 593 200</td>
<td></td>
</tr>
<tr>
<td>Sought from Statoil (1.2.2)</td>
<td>1 027 000</td>
<td>0</td>
<td>0</td>
<td>1 027 000</td>
<td>4.8</td>
</tr>
</tbody>
</table>
The time profile shows that about 1/3 or NOK 6.7 million would be spent the first year 2008. The second year 2009 will see the continuation of most programmes started the year before. At the same time a number of new programmes will start or be accelerated, driving the cost in the second and third year up to NOK 8.6 and NOK 6.3.

Detailed proposals for handling of the financial flows during implementation of the programme are given below (see Project 1). The procedures suggested have in principle been used during the implementation of the above mentioned 2007 CEIC-CMI programme and have worked well. Table 2 below shows the budget classified by cost category.

Table 2: Budget Summary in NOK by cost category

<table>
<thead>
<tr>
<th>Cost category</th>
<th>Annual Cost</th>
<th>Total Cost</th>
<th>Per cent of total or category cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>08</td>
<td>09</td>
<td>10</td>
</tr>
<tr>
<td>Fees</td>
<td>3 259 500</td>
<td>5 144 600</td>
<td>3 829 900</td>
</tr>
<tr>
<td>Research and adm staff, CEIC</td>
<td>937 000</td>
<td>1 522 050</td>
<td>1 543 850</td>
</tr>
<tr>
<td>Research and adm staff, CMI</td>
<td>2 097 500</td>
<td>3 235 050</td>
<td>1 986 050</td>
</tr>
<tr>
<td>External staff</td>
<td>225 000</td>
<td>387 500</td>
<td>300 000</td>
</tr>
<tr>
<td>Travel</td>
<td>1 017 000</td>
<td>1 188 250</td>
<td>900 500</td>
</tr>
<tr>
<td>International Travel CEIC</td>
<td>400 000</td>
<td>252 500</td>
<td>331 500</td>
</tr>
<tr>
<td>International Travel CMI</td>
<td>575 000</td>
<td>883 750</td>
<td>561 000</td>
</tr>
<tr>
<td>Other travel CEIC</td>
<td>14 000</td>
<td>7 000</td>
<td>4 000</td>
</tr>
<tr>
<td>Other Travel CMI</td>
<td>28 000</td>
<td>45 000</td>
<td>4 000</td>
</tr>
<tr>
<td>Per Diem</td>
<td>681 700</td>
<td>880 550</td>
<td>652 500</td>
</tr>
<tr>
<td>Per diem CEIC</td>
<td>236 300</td>
<td>230 480</td>
<td>217 500</td>
</tr>
<tr>
<td>Per diem CMI</td>
<td>445 400</td>
<td>650 070</td>
<td>435 000</td>
</tr>
<tr>
<td>Other</td>
<td>1 079 300</td>
<td>499 900</td>
<td>246 500</td>
</tr>
<tr>
<td>Sundry CEIC</td>
<td>630 000</td>
<td>287 900</td>
<td>126 500</td>
</tr>
<tr>
<td>Sundry CMI</td>
<td>449 300</td>
<td>212 000</td>
<td>120 000</td>
</tr>
<tr>
<td>Total of Which</td>
<td>6 037 500</td>
<td>7 713 300</td>
<td>5 629 400</td>
</tr>
<tr>
<td>CEIC</td>
<td>2 217 300</td>
<td>2 299 930</td>
<td>2 223 350</td>
</tr>
<tr>
<td>CMI</td>
<td>3 595 200</td>
<td>5 025 870</td>
<td>3 106 050</td>
</tr>
<tr>
<td>External staff</td>
<td>225 000</td>
<td>387 500</td>
<td>300 000</td>
</tr>
</tbody>
</table>

*Note: Because other rates are used in some places, the rates shown here in some cases do not give the total in the table when multiplied by Units.

Of the total cost, staff fees count for the major part, 63.1 per cent. 7.5 per cent of the fee budget cover external staff, making it possible for CMI and CEIC staff to link in with other researchers in respectively in Angola and Norway and abroad (e.g. China). International travel and per diems comprise a considerable part of the project (27.4 per cent) reflecting that a key aspect of the programme is cooperation between researchers from CEIC and CMI. The “Sundry” item contains a large number of sub items mainly related to publication, translation / interpretation, seminars and
meetings, software and hardware and some items of field research costs. The budget tables under the individual projects sections below contain details.

The fee rates, air travel and other travel costs as well as per diems are estimated for CEIC and CMI personnel at equal levels. That CMI is budgeted to use of 60.5 per cent of the total is due to several other factors. CMI is a bigger institute and thus have more researchers to do project work. Also, the research objects are situated in Angola and therefore CMI researchers will travel more often to Angola than CEIC researchers will travel to Norway, requiring a bigger share of per diem and travel costs for CMI. For sundry costs however CEIC will have a bigger share, mostly due to the character and location of sundry costs mentioned above. For more information about cost structure, see table 2 Annex 4 and the individual project budgets.

The programme will lead to a considerable increase in the activity of CEIC. It will also to some degree affect the scale of activities at CMI. There are several reasons for assuming that the boost of project activities will not be ‘a one shot affair’ but sustainable beyond 2010. Firstly, it is assumed that there will be an interest for a successor programme after 2010, since as explained above, it is likely that Angola and Norway will have common interests around the petroleum and other natural resources management as well as poverty alleviation. Secondly, the build-up of expertise caused by the implementation of the programme will in all likelihood lead to better market positions for the two institutes in key areas and therefore improve consultancy revenue. Thirdly, both institutes may expand their networks through sub-contracting new partners in Norway, Angola and internationally. This will increase competitiveness, particularly that of CEIC.

1.7 Institutional and Organisational issues
Sustainability also has institutional and organisational components. In terms of available skills, the cooperation project will benefit from the fact that all sub projects will have two or more senior staff with either doctorate background or more than 15 years experience in the academic themes at hand as well as considerable country experience (See CV’s attached). Outside research personnel skills will be brought in not only to increase capacity and complement own skills when necessary, but also to spread the planned research activities among other interested parties in the respective countries. The CEIC will use its collaborating researchers (Investigadores Colaboradores). This is an arrangement which comprises 18 of the key senior Angolan social science researchers both inside and outside UCAN (see Annex 5). CMI has a central role in research on Angola in Norway and will use its network to involve interested partners both as researchers and users of research results.

Essentially the two institutions are equal partners overall whereas the balance between CEIC and CMI staff and activities may vary from project to project. Each of the projects will be led by a responsible staff member from each institute. The cooperation approach places heavy emphasis on good contact between researchers and autonomy and flexibility in both planning and implementation within the framework set by the project proposals. The overall programme will be led by two project coordinators working in close connection with the Directors of CEIC and CMI. In terms of finance, CMI will function as a conduit while decision making power on financial affairs is shared equally between the two. All important decisions
and annual planning will conducted jointly between two institutions, normally at the annual meetings.

Both the institutes have appropriate structures and control systems in place. CEIC was created in March 2002 as an institution directly under the rectory of the Universidade Católica de Angola (UCAN) which finances its administrative fixed costs and some of its academic production. It has at present 11 permanent employees. The institute has full functional, administrative and financial autonomy in relation to the faculties and other parts of the university. CEIC has a small administrative staff and has contracted out its financial management to KPMG. CEIC has since its start worked with a number of smaller and larger donors and therefore has experience in handling donor funds and cooperative systems including foreign exchange payments. CEIC has since its start always had a “clean” audit. The organisation has grown rapidly and does feel a need for the institutional improvement which is included in the present project. A start for administrative development was made under the 2007 CEIC-CMI cooperation project through a CMI mission focusing on possible elements of a cooperative administrative development programme.

CMI is an independent foundation with a Board drawn from Norwegian public, private government and academic sectors. Besides own funds it receives core financing from the Norwegian government, project funding from the Research Council of Norway and has an active consultancy programme. CMI has worked with a variety of private, public and NGO sectors in developing countries since the early sixties and has in place an internal management and financial system based on experience in dealing with international development. CMI has over time built and streamlined a project management and a system for monitoring results which may be of interest as a "role model" for CEIC. A recent international evaluation of CMI\(^1\) points out that “Its leadership has dealt with new challenges in a constructive fashion. It has diversified and increased its sources of funding. It maintains a healthy balance between income from commissioned work and money obtained from the Government and the Research Council for other forms of research. It has strengthened its professional ranks by increasingly hiring only staff with a Ph.D. degree. Its library is a tremendous resource for the institute as well as a variety of external users. Its IT staff provides very important services to management as well as individual researchers.”

1.8 Policy and Framework conditions

A considerable part of the project activities will take place in Angola. The general situation in the country is very strongly shaped by an economic boom which has put a strong pressure on economic infrastructure and made Luanda a very expensive and difficult area to operate in.

The Government’s task of rebuilding infrastructure and social services is far from completed and it faces strong pressure and blame for not having delivered fast enough and has in turn become irritable and guarded towards possible critical voices. Although there are various policies expressed by government: the fight against hunger

\(^1\) Chr Michelsen Institute: Evaluation of its activities 1997-2006. The Research Council of Norway 2006
and poverty, consolidation of the peace and national reconciliation, building the base for a self sustaining economy, reestablishment of the state administration and development of the country’s human resources; the tools for doing so are not in place although one finds references to a bi-annual plan and a poverty eradication plan. A medium term plan is understood to be under construction. The links between these tools and the implementation of annual budgets are not clear.

While corruption has long been an acknowledged problem in Angola it appears that the problem has worsened lately in step with increasing amounts of money flowing to the tax authorities. Generally, all organisations that operate in the present Angolan environment will have to be watchful to avoid being involved in corruption.

1.9 Socio-cultural and gender issues
CMI is well gender balanced and its socio-cultural environment is unproblematic. At CEIC whereas most of the permanent researchers are male, the Director and the head of administration are female and thus would not indicate any negative attitude to employment of women. Near half of the collaborating researchers are women. Both organisations have recruitment procedures that consider gender balance important.

1.10 Risks factors
There are some external risk factors in an operational environment like Angola’s. Although the risk of a return to war by most is considered to be very small, the political situation up to the election planned in September 2008 could cause turbulence and worsen the security situation in such a way that it would make some types of research difficult. Also, if much further escalation of the present boom takes place one might “blow the roof” off the economy so that high economic turbulence, high inflation etc may make it difficult to procure goods and services such as air and land transport which will be an important component of some projects. Also it is possible that the government will become more watchful and restrictive towards foreign researchers and critical socio-economic research in general. This could make it difficult to get research permission and also close important channels for dissemination of research results. The probability for these negative external events is not considered very substantial and some of their consequences may not be too serious. They would probably be possible to handle by postponing certain projects and/or circumventing certain geographical areas where the security situation was uncertain. The link with the Norwegian government through its funding of the programme and the confidence which the Government of Angola so far has shown in CEIC will further reduce the danger of serious harm to the planned activities and research outputs.

There are also internal risks to the programme. A lower than expected level of finance would be damaging. Although some of the projects may be implemented as ‘stand alones’ it is clear that the impact on major objectives by implementing only a few of the proposed sub-projects would weaken the impact of the programme. The resource curse problem is a many-sided problem and the synergy between most of the projects will be strong.
Secondly the size of the project might be beyond the capacity of the institutions to complete over the time allocated. The probability for this to be the case is reduced by proper planning and monitoring with researcher constraints in mind (including electronic project management tools, see 1.11 below), some flexibility in implementation, and a focused capacity building effort put into the programme and, not least, the idea of involving other institutions and persons in the programme.

Finally, it could be argued that planning a policy oriented research programme for a period as long as three years would incite the risk of making parts of it irrelevant because the forms of policy problems vary quickly in the Angolan environment. This risk will be much reduced by the flexibility introduced through the planned annual reviews. The reviews will provide an opportunity to adjust, within certain limits, the plans laid down while keeping the course towards attainment of the overall objectives for the programme. Also, the human resource base that each of the partners may use is strong enough to take on other research tasks than those envisaged at the outset.

### 1.11 Programme Monitoring

Both institutions are familiar with being monitored, from a *process* point of view as well as from a *results* point of view. CEIC has been monitored by a number of clients and donors. CMI is subject to monitoring from both clients and the Norwegian Research Council.

The main monitoring procedures for the proposed programme are the annual reports prepared and discussed at annual meetings to plan further implementation. In the first Annual Meeting (planned to coincide with an initial donor meeting) a Logframe including outputs and indicators will be presented and discussed in conjunction with an electronic project management system based on ‘Microsoft Project’. This twofold system will be used for regular project management and monitoring. The indicators will first and foremost be based on the status of the proposed sub projects and spending of project funds. As sub-projects are initiated, the project management system and logframe indicators will be refined, defining clear stages and, if possible, quantitative indicators for the degree of achievement against the objectives for each of the stages. Output / impact matrices may be used for some of the projects. The annual meetings will include an evaluation /monitoring session where stakeholders will be able to express their appreciation (or not) of the project.

A mid term review will be conducted jointly between the cooperation partners, donors and stakeholders.

A brief self evaluation will be conducted at the end of 2010 and discussed at the planned annual meeting in the beginning of 2011.
B: The collaboration programme

Programme management, Coordination and Financing

1. Project Management and Financing
   The programme as whole consists of a number of projects, many of which are linked. All projects relate to the overall purpose of ‘avoiding the resource curse’. The management instruments are Annual Meetings and a joint Project Committee comprising project management and project coordination elements of both institutions. CMI will be tasked with channelling funding from the Embassy and StatoilHydro into the project, and the Project Committee will decide whether intermediate stages and completion of projects have been reached.
   *CEIC: Noelma Viegas d’Abreu
   *CMI: Steinar Hegre, Jan Isaksen, Markus Weimer

Capacity building for research and teaching

2. Social Science Studies
   The aim is to strengthen and broaden UCANs teaching capacity in social sciences, to assist CEIC in its effort to be a centre for debate, and to offer training possibilities for UCAN/CEIC academic personnel, students at UCAN and civil society representatives and other interested participants. CEIC and CMI will work for the establishment of various training courses. The courses will primarily be based on the joint research projects and topics of current interest at the two institutes.
   *CEIC: Noelma Viegas d’Abreu, teaching staff at CEIC and UCAN
   *CMI: Inge Amundsen, teaching staff at CMI and UiB/NHH

3. Augmenting teaching resources at UCAN
   CMI and UCAN/CEIC will together develop new teaching resources for courses taught at UCAN, combining the research-based competence and experience of CMI staff with the contextual knowledge of UCAN staff in Angola.
   *UCAN personnel first stage: Justino Pinto de Andrade, Vicente Pinto de Andrade, Fernandes Mateus
   *CMI personnel first stage: Ivar Kolstad, Arne Wiig

   Budget
   NOK 838 590

CEIC administrative capacity

4. Acquisition, Project Control and Financial Management
   The subproject on Acquisition, Project Control and Financial Management will focus on how to develop an administrative setup that will enable CEIC to supervise and manage its activities.
   *CEIC: Noelma Viegas d’Abreu, Margarida Teixeira.
   *CMI: Steinar Hegre, Guri Stegali

   Budget
   NOK 784 970

5. ICT Capacity
   CEIC is facing several ICT operational problems and challenges that affect the day to day running of the institution. In this context an assessment of CEIC was conducted by the head of IT-section from CMI in April 2007. This project will address the issues raised in the assessment and will thus contribute to an efficient and operational ICT environment at CEIC.
   *CEIC: Noelma Viegas d’Abreu, Joao Leao, Miguel Manuel
   *CMI: Aksel Mjeldheim, Robert Sjursen

   Budget
   NOK 673 750
Research programme: Peace and democratisation

6 **Economic and Judicial Incentives for Peace: Dissemination and New Research**
   This project will disseminate and stimulate debate on the findings from the PhD-project “Economic and Judicial Incentives for Peace Consolidation”. Angola and DRC are case studies; and prepare the ground for new research on these issues.  
   **CEIC**: Nelson Pestana, **CMI**: Ingrid Samset

Budget
- **NOK 434 800**

7 **Effects of Angola’s 1992 election experience on the 2008-9 elections**
   A study of up to 3000 potential voters to assess the effects of the memories of the 1992 elections on the forthcoming elections.  

Budget
- **NOK 382 800**

8 **Political Parties in Angola**
   The project aims to carry out a comprehensive mapping of the Angolan party “landscape”, and assess them qualitatively along variables such as: Interest and social preference representation; party and public policy formulation abilities; role in public debates, and role in leadership development and democratic culture. Barriers to party system development will be analysed.  
   **CEIC**: Nelson Pestana & others – **CMI**: Inge Amundsen, Markus Weimer

Budget
- **NOK 1 210 550**

Research programme: Public finance management

9 **Macro modelling**
   There is presently a lack of good modelling tools in Angola for macroeconomic planning. The overall objective of this project is to contribute to the use of macro modelling for policy purposes in Angola and thus contribute to sound economic development. The project will further develop the existing database and model CEIC, and train and influence staff at UCAN and at the INE.  
   **CEIC**: Alves da Rocha, Milton Reis & others – **CMI**: Jan Isaksen, Line Tøndel

Budget
- **NOK 1 516 660**

10 **Analysis of the budget system and public expenditure**
   Building on a previous CMI study on the budget system at central and local level, the aim is to produce an annual report mirroring the improvements and changes in the Angolan budget system. In particular, issues to be highlighted in such a ‘watching brief’ on the budget might be action in terms of the budget decentralization process, PETS and using the best practice experience from elsewhere in Africa.  
   **CEIC**: Alves da Rocha, Milton Reis, Miguel Manuel – **CMI**: Jan Isaksen, Inge Amundsen

Budget
- **NOK 1 351 650**

Research programme: Public expenditure and the poor

11 **Participation, representation and taxation in local governance**
   New consultative councils based on local representation are to inform the local administrations in their governance, and some municipios will have their own budgets. Yet local administrators will still be nominated from above, and little reform effort seems to have been put into developing a local tax base. This project will investigate the virtues of new representative councils in this environment, and assess their ability to effect changes on accountability and public service delivery.  

Budget
- **NOK 1 133 250**
CEIC: Nelson Pestana & others – CMI: Aslak Orre, Odd-Helge Fjeldstad

12 Health, poverty and public expenditure
This project will scrutinize the management of public expenditures on health in Angola, by applying research methods including a Public Expenditure Tracking Survey (PETS) or Service Availability Mapping (SAM). What is the scope for a more efficient and more equitable spending on health in Angola? Its ultimate aim is to strengthen the advocacy for a more efficient and equitable health system in Angola.

CEIC: Nelson Pestana & others – CMI: Ottar Mæstand, Markus Weimer

Research programme: Investment, pro-poor growth and the private sector

13 Comparative Corporate Strategies
With an emphasis on Western versus Chinese countries operating in the same market, we will analyse corporate strategies across oil service firms and oil companies in Angola: Which motivations, economic, and cultural/ethical, drive the practices in terms of CSR and other corporate activities? With regard to policy design, how can corporations be induced to contribute substantially to development in host countries like Angola?


14 Angolan infrastructure in a regional perspective
What will be the effect of the major infrastructure projects on Angola’s role in the region, its alignment with northern and southern states, and what will be the effect on the poor? The objective is to keep CEIC and other relevant Angolan institutions updated with information on the major actual and contemplated moves in the area of infrastructure and, as much as possible, foresee the regional geopolitical effects of the infrastructure.


15 Land and Legal Plurality in Angola
Based on empirical, qualitative studies, this project will illuminate various elements and facets of land rights using a ‘legal pluralism’ approach. The current expansion of foreign investment and government efforts to build new infrastructure and industry in the country, will have a major impact on land use. How does new land use legislation relate to, align or contradict with different legal orders embedded in the country’s diverse ethnic social organisation.

CEIC: Nelson Pestana – CMI: John Andrew McNeish, Elin Skaar

16 Micro Credit for Sustainable Development in Angola
The aim of our project is to shed light on the following question: Does microfinance actually assist the poor to move out of poverty and build sustainable livelihoods? The project intends to test various approaches to micro-credit and micro-finance drawing on experience with established micro-finance programmes in Angola (most likely DW and/or ADRA).
