

In conclusion, the PFM reform strategy is sufficiently relevant and credible, including on domestic revenue mobilisation, and the eligibility criterion is met.

2.3.4 Transparency and Oversight of the Budget

Transparency in public finance remains weak. The two main sources of information to assess budget transparency are the Open Budget Survey (OBS) and PEFA. According to the OBS 2019, Angola scored 36 out of 100 points. However, Angola made a remarkable improvement as compared to OBS 2017, notably as regards the publication of the in-year and year-end reporting.

The State Budgets for 2021 and 2022 were approved and published within the legal deadlines and both are published on the website of the Ministry of Finance. When analysing the timing of conclusion or approval of the budget documents, it is useful to distinguish among three groups of documents: i) budget proposal and approved budget; ii) in-year budget execution reports; iii) annual report (*Conta Geral do Estado*) and audit report of the Court of Accounts (*Tribunal de Contas*).

The first group of documents focuses on budget formulation, and the delivery deadlines are established by the organic budget law and the financial sustainability law. These documents are usually delivered according to legal deadlines.

The in-year reports should be submitted to the Parliament 45 days after the end of the respective quarter. The reports are made accessible to the public on the MINFIN's website but the uploading date is not known. However, the date of conclusion is stated in the report itself, so this date is taken as the main reference for the reporting dates.

The third group of documents is approved very late: i) the submission of the State accounts to the Court of Accounts by the executive is made until 30 of September of the year following the financial year. The submission of the audit report of the Court of Auditors to the National Assembly is also made too late (before the end of June of the following year), that is, one year and a half after the budget year to which it respects. Even if those dates are respected, which is not always the case, they are too late to represent an effective oversight instrument with practical consequences on the implementation of the recommendations. The new law on Sustainability of the Public Finances does not correct this situation.

In terms of content, the LSFP requires that the primary balance, oil and non-oil, are published, which is not yet the case. These balances are published but they are not compared to the GDP, as there are no in-year estimates of the GDP.

The participation of the population and civil society in the preparation of the state budget is regulated by the Presidential Decrees 234 and 235/19. In practice, people's participation has been implemented, in a pilot phase, at provincial level. For this purpose, the Municipal Forum for the Collection of Contributions for the Preparation of the Budget of Municipal Administrations was created, promoted by the Ministry of Territorial Administration (MAT), in partnership with the UNDP, with the contribution of civil society organisations.

The oversight by the National Assembly, following the approval of the Law of Financial Stability, is done on a quarterly basis, based on the delivery of the Quarter Reports elaborated by the Ministry of Finance, and annually, based on the *Conta Geral do Estado*. The scope, nature, and follow-up of external audit, and the legislative scrutiny of the annual budget law, are established both in the Budget Framework Law (Law 15/10) and in the Organic Law of the Court of Accounts (Law 13/10).

The areas that need to be improved include the follow-up of the Court of Accounts recommendations and the publication of the missing reports according to OBS's recommendations

In conclusion, the relevant budget documentation has been published and the eligibility criterion is met.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The **Overall Objective (Impact)** of this action is to reduce the informality of the Angolan economy in line with the Government's aspiration of diversifying the economy and promoting decent jobs.